HER MAJESTY’S GOVERNMENT

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(FORMED BY THE Rt HON. DAVID CAMERON, MP, MAY 2015)

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SECRETARY OF STATE FOR CULTURE, MEDIA AND SPORT—The Rt Hon. John Whittingdale, MP
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LORD PRESIDENT OF THE COUNCIL AND LEADER OF THE HOUSE OF COMMONS—The Rt Hon. Chris Grayling, MP
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    Brandon Lewis, MP (Minister for Housing and Planning)
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    Richard Harrington (Parliamentary Under-Secretary of State for Refugees) §
    Baroness Williams of Trafford
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  Mark Lancaster, MP
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  Nick Boles, MP (Minister for Skills) §
  Nick Gibb, MP (Minister for Schools)
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PARLIAMENTARY UNDER-Secretary of State—Lord Bourne of Aberystwyth

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  The Rt Hon. James Brokenshire, MP (Minister for Immigration)
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   John Penrose, MP §
   Alun Cairns, MP §
   Charlie Elphicke, MP
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   Guy Opperman, MP
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CAPTAIN OF THE QUEEN’S BODYGUARD OF THE YEOMEN OF THE GUARD—Lord Gardiner of Kimble
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Parliamentary Commissioner for Standards—Kathryn Hudson
Registrar of Members’ Financial Interests—Heather Wood

Parliamentary Security Director

Parliamentary Security Director—Paul Martin, CBE
Deputy Parliamentary Security Director—Emily Baldock
Head of Security Operations—John Groves
SRP Programme Director—Christina O’Kelly

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Secretary to the Chairman of Ways and Means—Joanna Dodd

Governance Office

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Head of Central Communications—Vasilis Gialias
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Strategy, Planning and Performance Manager—Jane Hough

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Finance: Clerk—Helen Wood

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Personal Assistant—Charlotte Every
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Delegation Secretary—Nick Wright
Inward Visits Manager—Michelle Wenham
National Parliament Representative, Brussels—Alison Groves
Deputy National Parliament Representative, Brussels—Fraser McIntosh

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Operations Manager—Karen Saunders
Business Manager (COMG)—Richard Dawson

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Communities and Local Government: Clerks—Mark Etherton, Helen Finlayson
Culture, Media and Sport: Clerks—Elizabeth Flood, Katy Reid
Defence: Clerks—James Davies, Anna Dickson
Education: Clerks—Richard Ward, Kevin Maddison, Jack Dent
Energy and Climate Change: Clerks—Dr Farrah Bhatti, Gavin O’Leary
Environment, Food and Rural Affairs: Clerks—David Weir, Matthew Clay
Foreign Affairs: Clerk—Kenneth Fox
Health: Clerks—Huw Yardley, Sharon Maddix
Home Affairs: Clerk—Carol Oxborough
International Development: Clerks—Sarah Hartwell-Naguib, Daniel Whitford
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TRANSPORT: CLERKS—Gordon Clarke, Gail Bartlett  
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LIASON: CLERK—Andrew Kennon  
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PUBLIC ADMINISTRATION: CLERKS—Rhiannon Hollis, Rebecca Davies  
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SPEAKER’S COMMITTEE ON THE ELECTORAL COMMISSION: SECRETARIES—Lynn Gardner, Ben Williams  

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  LEARNING AND DEVELOPMENT MANAGER—Catrin Owens
  TECHNOLOGY AND INNOVATION—Jeremy Hardacre

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  HEAD—To be appointed
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TRADE UNION SIDE ADMINISTRATORS—Sandra Deakins, Denise Eltringham

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ASSISTANT CATERING MANAGER (PORTCULLIS HOUSE, 7 MILLBANK, 1 PARLIAMENT STREET, MONCRIEFF’S and Tothill Street)—Katie Elliott
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FACILITIES SERVICE DELIVERY MANAGERS—Doreen Irving, Noel Kirby, Simon Mansfield, David O’Nions, Les Stockwell
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POSTMASTER—Mark Morrish

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DEPUTY DIRECTOR—Tracey Jessup
CHIEF TECHNOLOGY OFFICER—Steve O’Connor
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DIRECTOR OF LIVE SERVICES—Rob Sanders
DIRECTOR OF RESOURCES—Matthew Taylor
HEAD OF CYBER SECURITY—Mark Harbord
HEAD OF STRATEGY—Tracy Green
MEMBERS COMPUTING OFFICER—Andrew Morrison

OTHER PRINCIPAL OFFICERS
CLERK OF THE CROWN IN CHANCERY—Richard Heaton
COMPTROLLER AND AUDITOR GENERAL—Amyas Morse
PARLIAMENTARY AND HEALTH SERVICE OMBUDSMAN—Dame Julie Mellor, DBE
House of Commons

Tuesday 5 January 2016

The House met at half-past Two o’clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Out-of-hospital Care

1. John Howell (Henley) (Con): What progress his Department has made on integrating and improving care provided outside hospitals.

The Minister for Community and Social Care (Alistair Burt): Happy new year, Mr Speaker—and happy new year to the familiar faces opposite in the shadow Cabinet.

The Government are committed to transforming out-of-hospital care for everyone, in every community, by 2020. We have seen excellent progress in areas led by the integration pioneers such as Torbay and Greenwich. The Government remain fully committed to delivering integration through programmes such as the better care fund and the vanguards.

John Howell: Seventy per cent. of people would prefer to die in their own homes, yet we still allow 60% of people to die in hospital. This has to change, as it has in the Netherlands owing to the better social care provided outside hospitals. What message would the Minister give to clinical commissioning groups, such as mine, which are trying hard to bring this about and to integrate services?

Alistair Burt: I am grateful to my hon. Friend for raising this issue. We share his view: we want to see greater choice in end-of-life care so that people are able to be cared for and die in the place they choose and which is appropriate to their needs, whether that is a hospice, a hospital or their own home. The recent Choice review set out a vision of enabling greater choice at the end of life. I am working with NHS England to see how this can be best achieved and the Government expect to comment on that soon.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Health Secretary recently received a letter from a range of social care organisations and charities panning the spending review offer, saying it “is not sufficient to resolve the care funding crisis” and warning of an “increasing number of older people” without sufficient support, “increasing pressure on the NHS.”

Will the Health Secretary finally admit that the offer in the autumn statement is just not good enough?

Alistair Burt: That social care was an important part of the Chancellor’s spending review was noted by all. Up to £2 billion will be available through the social care precept—that will be added to council tax—and there is a further £1.5 billion available by 2020, so all in all £3.5 billion will be available by 2020. We all know resources for social care are tight; that is why we need best practice everywhere to make the best use of resources, which many leading authorities are already doing.

David Tredinnick (Bosworth) (Con): As my right hon. Friend considers integrating and improving care outside hospitals, will he discuss with the Secretary of State the medical system in the People’s Republic of China, which brings together western medicine, herbal medicine and
acupuncture and which is bearing down on the demand for antibiotics? Before he responds to the Report on the Regulation of Herbal Medicines and Practitioners, will he look very carefully at dispensing arrangements for the small-scale assembly of herbal products, something the Government of the People's Republic of China are very interested in?

Alistair Burt: Herbal products are slightly beyond my normal portfolio remit, but anything that assists in social care and makes people feel better and can add to their vitality and wellbeing is to be welcomed. I am sure in many local areas they are taken extremely seriously.

Jim Shannon (Strangford) (DUP): I thank the Minister for his response. Integration and improving care outside of hospitals is just one way we can revolutionise the health service. Will he outline any links his Department is exploring between reducing pressure on A&Es and using care provision outside of hospitals to facilitate reducing that pressure?

Alistair Burt: Absolutely, and a number of the pilots and pioneer programmes are doing just that. Early results from the living well programme in Penwith in Cornwall show a 49% reduction in non-elective admissions to hospital and a 36% reduction in emergency admissions to hospital. So the hon. Gentleman is right: better social care and better integration may have, and should have, an impact on hospital admissions and make sure people are receiving the most appropriate care in the most appropriate place.

Kevin Foster (Torbay) (Con): I was pleased to hear the Minister’s reference to the integrated care organisation that is being created in my constituency. Given the increasing challenge of providing social care to those in the later stages of life, does he agree that this is a model that needs to be looked at, and will he give it as much support as he can?

Alistair Burt: Indeed; the ability to see how these pilot projects respond to the different demographics in different areas enables one area to learn from another. Torbay has come up frequently in this context, and I am pleased to be able to praise it again. While I am on my feet, I should also like to point out that many of those involved in adult social care were greatly affected by the recent flooding in the north of England and that they were looking after vulnerable people and working beyond the front line. That work was very important, and I am grateful to Ray James of the Association of Directors of Adult Social Services and to all those working in local authorities in the affected areas who contributed so well to looking after vulnerable people during that period.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): The report on the appalling failures at Southern Health NHS Foundation Trust highlighted the fact that more than 1,000 unexpected deaths of mental health and learning disability patients, many of which took place outside hospital, had not been investigated. Given that the Health Secretary did not allow the House an opportunity to scrutinise those findings before Christmas, will he or the Minister respond today to the widely held concern that the experience of that NHS trust is not an isolated one? Does the Minister agree that a national public investigation is now needed?

Alistair Burt: The hon. Lady is quite right. As my right hon. Friend the Health Secretary said in relation to that urgent question, this is a wider concern. That is why the Care Quality Commission is looking at the picture of what has happened nationally. These deaths have not been investigated appropriately in the past, and that must change. This Government are determined to change a range of things in relation to mental health and learning disabilities, and this is one area that has been forgotten for too long. It has now been brought to light, and work is being done by the Government.

GP Services

2. Scott Mann (North Cornwall) (Con): What progress his Department is making on increasing access to GP services. [902859]

The Secretary of State for Health (Mr Jeremy Hunt): Welcome back, Mr Speaker. As part of our commitment to a seven-day NHS, we want all patients to be able to make routine appointments at their GP surgeries in the evenings and at weekends, and 2,500 out of 8,000 surgeries are currently running schemes to make that possible.

Scott Mann: Many working people are asked to phone their GP surgeries very early in the morning to book appointments, but that is not always convenient when they are going about their day-to-day work. Will my right hon. Friend tell me whether priority will be given at weekends to people who are working during the week?

Mr Hunt: My hon. Friend is absolutely right. That system does not work for people who have to go to work, and we want to make it easier for people to book appointments online or using an app on their phone. We also want to make it easier for people living in rural areas such as his constituency of North Cornwall to have telehealth appointments where appropriate, so that they can see someone without actually having to go to the surgery.

Mr Ben Bradshaw (Exeter) (Lab): Given the increasing difficulty that members of the public are having in getting an appointment with their GP quickly and at a time that is convenient to them, does the Secretary of State believe that his predecessor was wrong when, as one of his first acts, he scrapped Labour’s 48-hour GP access guarantee?

Mr Hunt: No I do not, because that had perverse consequences. When that target was in place, the number of people waiting to see a GP increased rather than decreased. In the last Parliament, the number of GPs went up by around 1,600—a 5% increase in the workforce—and we have plans to increase it by 13%, which would be one of the biggest-ever increases in the GP workforce in the history of the NHS, on the back of a strong economy.

Jesse Norman (Hereford and South Herefordshire) (Con): The Secretary of State will be aware from personal experience of the excellent work being done by GPs in Herefordshire, who won one of the first seven-day-a-week
pilots. Can he assure me that this work will continue to be funded, as it is doing an extraordinarily good job in helping my constituents?

Mr Hunt: We are very pleased with the progress that is being made in Herefordshire and in many other areas, and we are looking at how to maintain funding for those areas. Already, 16 million people are benefiting from enhanced access to GPs in the evenings and at weekends, and we would not want to see the clock being turned back on that.

Fiona Mactaggart (Slough) (Lab): Today I received a letter from the chair of Slough’s clinical commissioning group, in which he bemoaned the fact that GP practices were making 95% of patient contacts yet receiving only 8% of the NHS’s resources. He also claimed that there had been a 30% reduction in GP partners’ incomes in the past five years, and said that more and more GPs in Slough were turning to private practice. I have noticed that they are also resisting the creation of new GP practices. What is the Secretary of State doing to ensure that under-doctored areas such as mine get more GPs?

Mr Hunt: First, may I ask the right hon. Lady to congratulate, on my behalf, GPs in Slough, who have benefited from the Prime Minister’s challenge fund? Alongside a number of other schemes, it has had a significant impact on reducing emergency admissions in her area. The answer to the point she makes is that we want more of that money to go into general practice, which I completely agree needs to be reversed.

Hospital Trusts: Deficits

3. Anna Turley (Redcar) (Lab/Co-op): What proportion of hospital trusts are in deficit? [902860]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): Three-quarters of trusts are reporting a deficit for the conclusion of the first half of this financial year.

Anna Turley: John Appleby, the chief economist at the independent think tank the King’s Fund, said recently that although the Government claim they will get an increase in funding in the NHS, they have “in effect, already spent the money” because of the scale of the hospital deficits. In my South Tees area, the deficit for 2014-15 is nearly £17 million. Will the Minister accept that the Government have totally lost control of NHS finances?

Ben Gummer: The first point to make is that this Government have provided the money for the NHS that it has asked for—this is money the Opposition refused to say they would pledge at the last election. The second point to make is that Jim Mackey, the new chief executive of NHS Improvement and one of the best chief executives in the NHS, has said that he will help to get hospital trusts in control next year, and that, with the transformation fund announced by my right hon. Friend the Secretary of State, we are confident we will be able to get hospital trusts into balance next year.

Andrew Stephenson (Pendle) (Con): Does the Minister agree that clamping down on expensive temporary agency staff is an important step in helping to sort out the NHS and allowing it to balance the books?

Ben Gummer: My hon. Friend is entirely right, and we are already having an impact. We had to bring in the requirement for safer staffing rotas because of the catastrophe at Mid Staffs and the need to try to staff hospitals better, and that had an immediate consequence which called for agency workers. Unfortunately, some companies have taken advantage of that situation, but we have introduced measures to stop that and are already having an impact across the service.

Paul Farrelly (Newcastle-under-Lyme) (Lab): The University Hospitals of North Midlands NHS Trust faces a deficit of £19 million for 2015-16, but until the NHS’s Staffordshire review is completed it faces uncertain prospects further out, not least as it has taken over Stafford county hospital recently. The hospital wrote to the Minister before Christmas, so will he meet hospital management and local MPs as soon as possible this new year to discuss this uncertain situation and the progress on the whole Staffordshire review?

Ben Gummer: I would be happy to meet them, I will meet them and I congratulate them on eliminating 12-hour trolley waits for the first time this year. They are doing a great job in difficult circumstances, as are many hospitals across the country. I am confident that they, too, will be able to get their deficit under control next year, with the help of the transformation fund, which is available for high-performing trusts.

Rare Diseases

4. Mr David Hanson (Delyn) (Lab): How many people have diseases classified by his Department as rare. [902861]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): A rare disease is a life-threatening or chronically debilitating disease that affects five people or fewer in 10,000. Research shows that one in 17 people are already having an impact. We had to bring in the requirement for safer staffing rotas because of the catastrophe at Mid Staffs and the need to try to staff hospitals better, and that had an immediate consequence which called for agency workers. Unfortunately, some companies have taken advantage of that situation, but we have introduced measures to stop that and are already having an impact across the service.

Ben Gummer: I would be happy to meet them, I will meet them and I congratulate them on eliminating 12-hour trolley waits for the first time this year. They are doing a great job in difficult circumstances, as are many hospitals across the country. I am confident that they, too, will be able to get their deficit under control next year, with the help of the transformation fund, which is available for high-performing trusts.

Jane Ellison: I am glad the right hon. Gentleman mentions that point; the House may not be aware that we recently added four new rare diseases to the newborn heel-prick test, which has helped to detect more than 1,400 children with a rare disease. I am disappointed to hear that he feels that some parents had issues with follow-up, and of course we will look into that, but I think he will find that the UK rare diseases strategy, which was published in 2013 and contains 51 commitments from government, covers that. The first report back on
that strategy will take place this spring and it is being done by the UK Rare Disease Forum. I am happy to speak to him afterwards about whether the excellent organisation he names is part of that.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): One such rare disease is Duchenne muscular dystrophy. I am sure the Minister is aware that we are awaiting what we hope will be a positive decision from NHS England on a drug called Translarna, which could help boys with the disease. We were due to have that announcement yesterday. Does she have any further and better particulars on that? Will she update us on when we can expect an announcement, which we hope will be a positive one?

Jane Ellison: I know that my colleague, the Under-Secretary of State for Life Sciences, is working very hard on that matter, and is hoping to make an announcement soon. I am sure that, at that point, he will be able to update my right hon. Friend.

Greg Mulholland (Leeds North West) (LD): With regard to ultra-rare diseases, I will be joining the family of seven-year-old Sam Brown on 23 January to celebrate the funding of Vimizim. I thank all those involved in that decision, including those in the Department. As well as an update on Translarna, can we also have an update on the possibility of funding another drug that we have been campaigning for, which is Everolimus for tuberous sclerosis?

Jane Ellison: I thank the hon. Gentleman for his words, as does my hon. Friend the Under-Secretary of State for Life Sciences. With regard to the matter that he just mentioned, I know that it is something that NHS England is reviewing and it will come forward with a view in due course.

Michael Fabricant (Lichfield) (Con): Will my hon. Friend join me in praising the work of the Institute of Translational Medicine at the University of Birmingham Medical School? It is doing outstanding, world-wide standard work in developing cures and treatments for such rare diseases, and indeed for more common diseases such as cancer.

Jane Ellison: I absolutely join my hon. Friend in that and agree with his very well-deserved words of congratulation. I know that the Under-Secretary of State for Life Sciences has visited the institute and is—as everyone is—hugely impressed with it. I also join my hon. Friend the Member for Lichfield (Michael Fabricant) and others in congratulating Charlie Craddock on his CBE in the new year honours list.

Andrew Gwynne (Denton and Reddish) (Lab): Patients living with rare cancers often have fewer treatments available to them. Often, the only option is to use off-label treatments. The cancer drugs fund has helped patients gain access to those treatments, but, despite a Conservative party manifesto commitment to continue investing in it, the fund is now under threat because of the previous Government, and we are very proud of it. It has made a big difference to the lives of more than 80,000 patients. More widely, the recent cancer taskforce published its report, “Achieving world-class cancer outcomes”, and it made many recommendations, which are particularly relevant to rarer cancers and blood cancers, many of which focus on improving access to diagnostic testing.

Mark Pritchard (The Wrekin) (Con): Of the 7% of the population that will suffer at some point in their life from a rare disease, 75% are children. Unfortunately, 30% of those will not reach their fifth birthday. What more can be done for Great Ormond Street hospital and for Birmingham children’s hospital, which do such excellent work?

Jane Ellison: My hon. Friend is quite right to highlight the number of people who will be affected by such diseases. There are between 6,000 and 8,000 rare diseases. Among the things that the Government are doing that will make a really big difference to some of the institutions that he mentioned and others, and particularly to sufferers, is the 100,000 genomes project, in which the Government have invested. The creation of a network of genetic medicine centres will underpin that further development of genetic testing services. As a very large proportion of rare diseases are genetically based, we want to make significant progress with that genomic work.

Social Care Budgets: A&E Attendance

5. Christian Matheson (City of Chester) (Lab): What assessment he has made of the effect of changes to social care budgets on A&E attendances. [902662]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Our health and care system is under extraordinary rising demand from an ageing society. There are a million more pensioners this year than there were at the beginning of the previous Parliament, and there will be another million by the end of this Parliament. The number of adults needing care in the next 10 years will rise from 180,000 to 264,000. That is why integration of health and care is so important, and it is why I am delighted that my right hon. Friend the Chancellor announced in the autumn statement £3.5 billion for social care by 2020 through the new adult precept and extra funding for the NHS five-year forward view.

Christian Matheson: In any given week at the Countess of Chester hospital, 70-plus elderly patients pitch up and cannot be discharged because care is not available elsewhere. We know that the Government broke their promise before the election to sort out funding for long-term care, and the King’s Fund recently said that the settlement to which the Minister refers will put “even more pressure on … the NHS to pick up the pieces when there’s a breakdown in … care”.

Will the Minister now accept that that continuing neglect and those broken promises are the key cause of the crisis in our A&E departments?
George Freeman: Well—happy new year! Only Labour could take a £3.5 billion commitment to fund social care as “more pressure”. We are leading the way in integration—not before time, after 14 years in which Labour did nothing. We are leading the way on integration and putting in the extra money. I am delighted to say that, through the £3.8 billion for this coming year and the £10 billion funding for the NHS Five Year Forward View for transformation, it is the Conservative party that is investing in a 21st-century NHS. Labour seems to want to take us back to “Call the Midwife”.

Andrew Bridgen (North West Leicestershire) (Con): Does my hon. Friend agree that it is an important step to devolve powers to local authorities, as they are best placed to commission care services for local populations?

George Freeman: My hon. Friend makes an excellent point. The key is, of course, more funding and more integration, but crucially more local leadership too, and we are actively making it easier through the devolution programme for local authorities and local health leaders to plan the integrated services that are appropriate for their area. Not all areas are the same.

17. [902874] Jenny Chapman (Darlington) (Lab): Having listened to what the Minister has to say, people in my constituency will be disbelieving. The number of days that patients are stuck in hospital, not because they are sick but because there is nowhere to move them, has doubled under his Government. He has to acknowledge that that is due to the neglect of local government and adult social care specifically.

George Freeman: It is true that in different areas there are different pressures. In my own area of Norfolk there are pressures. Let me remind the hon. Lady that A&E spending has gone up dramatically over the past decade, from £900 million in 2001 to £2.4 billion. The early evidence from the better care fund, which we launched only this year to tackle this very issue, is that that is due to the neglect of local government and adult social care specifically.

David T. C. Davies (Monmouth) (Con): Despite the pressures, is it not excellent that 95% of patients who present at A&E in England are seen within the target time, unlike in Wales, where the figure is only 81%, as a result of the fact that the NHS is run by members of the Labour party?

George Freeman: My hon. Friend makes an excellent point. We hear very little from the Labour party about England, where it is responsible. If we want to get pressure on A&E down, we need to integrate and invest as we are doing in prevention and in keeping people out of unnecessary A&E admission.

Norman Lamb (North Norfolk) (LD): The Health Foundation estimates that the gap in social care funding by 2020 will be £6 billion, not taking into account the increase in the minimum wage, so although the spending review narrows the gap, it still leaves an enormous gap which will result in further cuts in social care. How will the Government avoid the totally unacceptable situation in which those with money will still get good care and those without money will get substandard care or no care at all?

George Freeman: I pay tribute to the right hon. Gentleman. He is a Norfolk colleague and as Minister did a lot of work in this area. He raises an important point that as a society we need to think profoundly about how we integrate health and social care. As I say, the Government have made a £3.5 billion commitment from the new precept and the better care fund is a significant commitment, but he is right—we will have to go further. Through the devolution programme and the integration programme, we will have to develop more powers so that local health leaders and care council leaders can better integrate services to reduce unnecessary pressure.

Dr Philippa Whitford (Central Ayrshire) (SNP): In Scotland, A&E performance is published weekly, but since June that in England has been published only every month and now after a six-week delay. Since that time, the performance in Scotland has risen and 96% of people were seen within four hours in Christmas week, which is a huge challenge, whereas the last data published for England were for October and show a figure below 90%. Do the Minister and the Secretary of State accept that to improve performance we need to return to more timeous and frequent analysis and publication?

George Freeman: I share the hon. Lady’s interest in data and in proper information. We need to be a little careful about Scottish figures. Over winter, England publishes three times more A&E performance measures than Scotland every week. We publish quality rankings on hospitals, care homes and GP surgeries, which Scotland does not. What we do not hear about in Scotland is A&E closures, A&E diverts, emergency admissions, general and acute beds—I could go on. It is dangerous to compare data that were not prepared on the same basis, but I share the hon. Lady’s enthusiasm, as does the Secretary of State, for information.

Dr Whitford: I am aware that the renewed strike call from junior doctors has actually been called in order to meet the new rules created by the Government’s own union laws and that negotiations are ongoing. To avoid an impact on hospital waiting times, what will the Secretary of State bring to the negotiating table to try to reassure junior doctors?

George Freeman: I am delighted to be able to announce—the hon. Lady might already have heard this—that the Secretary of State has appointed Sir David Dalton from Salford Royal to lead on that. I repeat the offer that the Secretary of State made this morning: we are very close to an agreement, so the right approach is not to strike, but to come to the table and reach it.

Barbara Keeley (Worsley and Eccles South) (Lab): Three hundred thousand fewer older people have publicly funded care packages than in 2010, and nearly half the current record level of hospital delayed discharges are
due to waiting for a care package, and that will get worse as winter pressures mount. It is risky that the proposed increases in the better care fund are back-loaded; they do not reach £1.5 billion until 2019-20. The social care precept funding is uncertain because it will raise only £1.6 billion by 2020 if every single council decides to raise the maximum possible. Social care is in crisis now. Can the Minister explain why the Government are proposing risky, uncertain and late funding?

George Freeman: This is the most extraordinary welcome for one of the most important announcements in the autumn statement. Having come under pressure to raise more money for social care, the Chancellor and the Secretary of State announced £3.5 billion extra for social care, from the new adult social care precept and the better care fund. The Opposition say that it is not enough and that it will fail, but the data do not support that. If we look at the early data from the better care fund, which was introduced by this Government early last year, we see 85,000 fewer delayed transfers, 12,500 more older people at home within three months of discharge and 3,000 people supported to live independently. We are making real progress.

Hospital Trusts in Special Measures

6. John Stevenson (Carlisle) (Con): What progress his Department has made on improving the performance of hospital trusts in special measures. [902863]

The Secretary of State for Health (Mr Jeremy Hunt): Eleven of the 26 hospitals that have been put into special measures have exited that regime because of good clinical progress, the most recent being Morecambe Bay NHS Foundation Trust, which exited in December 2015.

John Stevenson: Given that North Cumbria University Hospitals NHS Trust has been in special measures for two and a half years, that there are now serious concerns about the wider health economy in north Cumbria, and that we have the success regime in place, will the Minister now give a commitment that the Government will ensure that the acquisition of the trust will happen?

Mr Hunt: First, I thank my hon. Friend for the campaigning he does for his local hospital. He knows that I very much support that merger and hope that it will go ahead. It is worth paying tribute to the staff at the trust, who have brought down mortality rates to within the NHS average. The Care Quality Commission says that plans to improve safety are working well. We should celebrate the fact that even the trusts in special measures have hired 700 more doctors and 1,800 more nurses and are making real progress in improving patient safety.

Rob Marris (Wolverhampton South West) (Lab): Private finance initiatives are costly and damaging; they always have been and always will be. Can the Secretary of State tell us what percentage of hospitals in special measures have had significant PFI funding?

Mr Hunt: I can write to the hon. Gentleman with the details, but I can tell him now that the Government inherited £70 billion of PFI debt, which has caused enormous pressure throughout the NHS.

Suella Fernandes (Fareham) (Con): Although Southern Health NHS Foundation Trust is not in special measures, its performance has been criticised in an independent report, particularly in relation to poor investigation of deaths of people with learning disabilities and mental illness. I welcome the Secretary of State’s rapid action and his announcement of a CQC inquiry. Will he update the House on the progress of the inquiry and when it is expected to report?

Mr Hunt: The inquiry has only just started, but I thank my hon. Friend for her interest in it. The important conclusion that we have drawn from what happened at Southern Health is that this issue is much broader than one trust. We are not as good as we need to be at investigating unexpected mortality in the NHS. Southern Health is perhaps an extreme example, but the problem is much more widespread. A cultural change is needed, and we are determined to do something about it.

Tim Farron (Westmorland and Lonsdale) (LD): Will the Secretary of State undertake to support Morecambe Bay, the other hospital trust in Cumbria, as it moves out of special measures, by confirming the commitment made by the coalition Government to underwrite the capital costs of a radiotherapy unit at Westmorland general hospital and to support the uplift in tariff needed to sustain that unit?

Mr Hunt: I will happily look into that. I cannot give the hon. Gentleman the answer now, but we would want to do everything we can to support that trust. It has been through a very difficult time and has made huge progress. We want to help it on its way.

Prostate Cancer: Docetaxel

8. Mr Peter Bone (Wellingborough) (Con): What his policy is on making docetaxel available as a treatment for prostate cancer. [902865]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Docetaxel is routinely available in England for the treatment of metastatic prostate cancer, where the disease has not responded to hormone treatment. It is not at the moment licensed for use alongside hormone treatment and has not been appraised by the National Institute for Health and Care Excellence for that indication. In the absence of NICE guidance, NHS commissioners are free to make funding decisions on the best available evidence.

Mr Bone: I thank the Minister for stating the current practice. A constituent of mine has prostate cancer. His doctor, consultant and oncologist all say that he would benefit from taking docetaxel, but it is not available in Northamptonshire, although it is available in parts of the rest of the country. He has been told that if he goes down the road to the private hospital, he can have it at £2,700 a cycle. Is that not unacceptable? Should he not get the treatment on the NHS and should he not get refunded the monies paid for private treatment?

George Freeman: I congratulate my hon. Friend on being a diligent advocate for his constituent Mr Vann. I am delighted to tell him that the result of the STAMPEDE clinical trial has now been published. Today NICE is
publishing an evidence review. NHS England will shortly be publishing its interim commissioning policy based on that evidence. That is very encouraging.

**Wi-fi in Hospitals**

9. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): What assessment has his Department made of the need for wi-fi infrastructure in hospitals to facilitate use of developing healthcare technologies. [902866]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Digitalisation of healthcare is absolutely essential for the 21st-century NHS—for individual care, for system performance and safety, and for research. Wi-fi is an important part of that, with benefits for doctors, nurses, hospital management and patients. That is why I am delighted that my right hon. Friend the Secretary of State secured the necessary funding in the comprehensive spending review to fund fully the NHS’s plans for digitalisation and transformation. We have announced that we are implementing Baroness Martha Lane Fox’s recommendation of free wi-fi in all NHS hospitals.

Daniel Kawczynski: I am grateful for that answer. The new chief executive of the Royal Shrewsbury hospital informed me that people can receive wi-fi in only half of the hospital area. Can the Minister give me an assurance that everything will be done to ensure that wi-fi is available throughout the Royal Shrewsbury hospital?

George Freeman: That is an important point. It is up to each hospital to implement digitalisation in its own way, but we are putting in place a series of steps to make sure that all parts of the NHS are supported and encouraged in the drive for delivery of a paperless NHS by 2020. In the new year, we are requiring the clinical commissioning group digital index, which will measure the digitalisation of all health economies, and we are launching a review of best practice. We are absolutely committed to driving digitalisation so that the 21st-century NHS is not running on paper and cardboard.

**Rural Healthcare Strategy**

10. **Anne Marie Morris** (Newton Abbot) (Con): What plans he has to publish a rural healthcare strategy. [902867]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): The “Five Year Forward View” published by NHS England sets out the healthcare strategy for the whole of England, including rural areas. Rural areas have their own health needs, which should be taken into account in planning and developing healthcare systems.

Anne Marie Morris: What specific research has the Minister undertaken in order to understand, and what steps has he taken to address, the very different needs and costs of rural communities in the south-west, which has disproportionately high numbers of over 85-year-olds and population distributions that make inflexible multi-speciality community providers and primary and acute care configurations unattainable?

Ben Gummer: The “Five Year Forward View”, written by Simon Stevens, takes particular account of rural areas, but of course not all rural areas are the same. It is down to clinical commissioning groups to judge the needs of their local areas and make sure that they are reflecting the specific circumstances in which they find themselves.

**Non-invasive Pre-natal Treatments**

11. **Tulip Siddiq** (Hampstead and Kilburn) (Lab): What progress his Department has made on expanding access to non-invasive pre-natal treatments in hospitals. [902868]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): Non-invasive pre-natal testing is not currently offered routinely for screening women in pregnancy for Down’s syndrome and other trisomy conditions within the NHS. However, it is available to detect genetic changes leading to specific skeletal abnormalities and certain forms of cystic fibrosis. The UK national screening committee has reviewed the case for implementing NIPT as part of the existing foetal anomaly screening programme and will provide its advice shortly.

NIPT is not currently offered for Down’s syndrome routinely within the NHS. Some NHS trusts have piloted the test for screening and a number of maternity units offer NIPT privately. NIPT is available through the NHS to detect genetic changes leading to specific skeletal abnormalities and also to detect certain forms of cystic fibrosis.

The UK national screening committee—UK NSC—which advises Ministers and the NHS in the UK about all aspects of screening policy, has reviewed the case for implementing NIPT as part of the existing NHS foetal anomaly screening programme and will provide its advice in the new year.

Tulip Siddiq: At my 12-week scan, I was told that I faced a risk of Down’s syndrome in my child. I was given two options. One was an invasive test available on the NHS—the amniocentesis test, which carried a risk of miscarriage. The second was a non-invasive test, which was not available on the NHS and cost £400. Does the Minister agree that the non-invasive test should be rolled out across the country so that mothers, regardless of wealth, can have equal access to screening and do not have to face the unnecessary risk of miscarriage?

Ben Gummer: I thank the hon. Lady for bringing her personal experience to the House, and I hope that all is well. She will understand that screening has to be a non-political matter. That is why we have a specific, clinically led committee to look at whether a screening programme should be implemented. It has been looking at NIPTs over the past year and will be making its decision very shortly. On the principle, though, I completely agree with her; it lies at the foundation of the NHS and we support it.

**Clinical Commissioning Group Transformation Plans**

12. **Philip Davies** (Shipley) (Con): What assessment he has made of the adequacy of clinical commissioning group transformation plans in addressing the needs of (a) all vulnerable children, (b) children in the care system, and (c) children who have been abused. [902869]
The Minister for Community and Social Care (Alistair Burt): NHS England has assured local transformation plans that cover all clinical commissioning groups, ensuring that all the plans address the full spectrum of need for all children and young people, including looked-after children and those who have been sexually abused and/or exploited. Further thematic analysis is being carried out, and the results will be made available in March.

Mr Speaker: I think it is a case of wishing the hon. Gentleman a happy birthday.

Philip Davies: Thank you very much, Mr Speaker—much appreciated.

Children who have suffered the trauma of abuse may benefit from a range of therapeutic services, but there is a lack of consistent data about the number of abused children in need of therapeutic support and the number of services available. Can the Minister assure me that as part of plans to transform children's mental health, the needs of abused children will be properly monitored and considered at every level?

Alistair Burt: I am grateful to my hon. Friend for asking this question but for previous questions in relation to this area and his obvious interest and concern about it. He is right. Nationally, the numbers of looked-after and abused children in the new prevalence survey—the first since 2004—would be relatively small. We have therefore asked the statisticians to look at different ways of assessing the data and the numbers so that we can address this issue. I hope to be able to report further on that later in the new year after I have had that meeting.

Alistair Burt: I am grateful to my hon. Friend. Friend not only for his question but for previous questions in relation to this area and his obvious interest and concern about it. He is right. Nationally, the numbers of looked-after and abused children in the new prevalence survey—the first since 2004—would be relatively small. We have therefore asked the statisticians to look at different ways of assessing the data and the numbers so that we can address this issue. I hope to be able to report further on that later in the new year after I have had that meeting.

Nurse Training

13. Maria Caulfield (Lewes) (Con): What steps he plans to take to increase the availability of nurse training in the NHS.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I thank my hon. Friend for asking this question. I can tell her that we have made significant steps. In the past two years, there has been an 11% increase in nurse training places, and I anticipate that that increase will continue this year. We are providing over 23,000 full-time-equivalent additional nurses by 2019. The increase will continue this year. We are providing over 23,000 full-time-equivalent additional nurses, bringing it into line with the rest of the student cohort. That cohort has seen a considerable expansion in the number of students coming from disadvantaged backgrounds as a result of the reforms that we undertook in 2011 and 2012.

Helen Jones (Warrington North) (Lab): Does the Minister accept that his Government's decision to cut nurse training places by 3,000 a year since 2010 has led to the huge shortage of nursing staff in the NHS and an increased reliance on nurses recruited from abroad and expensive agency staff, and that that will get worse with the abolition of bursaries? Is not this a textbook example of a false economy from the Government?

Ben Gummer: The hon. Lady should look at the facts. March 2015 saw a record number of nurses in the NHS—319,595. We are increasing the number of nurse training places. We are able to increase them by considerably more than we could have done otherwise, as a result of the reforms to student finance that bring nurses into line with teachers and other public sector professionals.

Justin Madders (Ellesmere Port and Neston) (Lab): It would be good to hear the Minister concede that it was a bad idea back in 2010 to cut the number of nurse training places. Even today we are still training fewer nurses than we were in 2009. Not only have this Government failed to recruit enough nurses, they have failed to retain them too: last year there was a 12% increase in the number of nurses leaving hospitals. With staff morale already at an all-time low, why does the Minister think it is right that nurses should be burdened with a lifetime of debt to pay for his Government’s mistakes?

Ben Gummer: The hon. Gentleman raises a reasonable point about attrition rates: they have remained too high for too long. One of the things we are undertaking at the moment is to talk intensively with universities to see how we can reduce attrition rates. We have had some success in some areas, but I want to see far more. It is important that students stay on their courses as much as possible. Of course, many go into community nursing. I would be prepared to write to the hon. Gentleman about further actions we are taking on attrition rates.

Children and Young People's Mental Health

14. Amanda Solloway (Derby North) (Con): What steps his Department is taking to involve young people in plans for improving children and young people's mental health.

The Minister for Community and Social Care (Alistair Burt): Clinical commissioning groups have produced local transformation plans to transform their local offer for children and young people's mental health. Those plans were decided at local level in collaboration with children, young people and those who care for them. I remember my visit to Derby very well, and I am pleased to say that the NHS in that area has collaborated extremely well with young people to produce those plans.

Amanda Solloway: Last year the Derby youth council ran a consultation on the provision of mental health services in Derby, which highlighted the disparity of services among different trusts. What steps is the Minister
taking to ensure that NHS trusts across the UK offer the same level of support for those suffering from mental health issues?

Alistair Burt: My hon. Friend is absolutely right. I have talked more than once at this Dispatch Box about the variation in performance on different issues around the country. Two or three things will help. On funding and resources, there is a better tracking system to make sure that money that goes into children and young persons’ mental health services will be spent appropriately. More money is going into that. Equally, a children and young persons’ mental health improvement team is working across the national health service to make sure that those variations are evened out so that good practice in the best areas becomes the practice of all.

Topical Questions

T1. [902883] John Pugh (Southport) (LD): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Jeremy Hunt): Yesterday evening the British Medical Association regrettably decided to walk away from the talks on a new junior doctors’ contract and announced plans for strike action. We had made significant progress in negotiations on 15 of the 16 areas of concern, including doctors’ hours and patient safety, and will now do everything we can to make sure that patients are safe. We promised the British people we would deliver truly seven-day services and, with study after study telling us that hospitals have higher mortality rates than should be expected at weekends, no change is not an option.

John Pugh: I thank the Secretary of State for that response. He will recall the 3 million lives telehealth programme. Since then, it has all gone rather quiet on telehealth. What is the Government’s current strategy on telehealth and what pump-priming funding is there for it?

Mr Hunt: I thank the hon. Gentleman for his consistent interest in telehealth. The technology landscape has changed significantly since the 3 million lives programme was launched in 2012. We are absolutely committed to it, but we do not want to isolate a few individuals who we think would particularly benefit from it, because we think everyone could benefit from being able to talk to their GP via video conferencing or whatever. The plans we will announce for technology in the next few months will show how we can roll it out to an even wider audience.

T4. [902886] Michael Tomlinson (Mid Dorset and North Poole) (Con): Following the assisted dying debate, will the Department set out what steps it is taking to improve end-of-life care, and will Ministers join me in praising the work of hospices. It is a unique contribution in the world of healthcare and we should be proud of their efforts. He will know that I have a commitment to end-of-life care and to improving it. I hope shortly to make announcements in response to last year’s NHS Choices review. I have been talking intensively to people from the sector about what might or might not be possible.

Heidi Alexander (Lewisham East) (Lab): It is a sad state of affairs when a new year starts with the prospect of industrial action in the NHS. Nobody wants strikes, not least the junior doctors, but they feel badly let down by a Health Secretary who seems to think that contract negotiations are a game of brinkmanship. When will he admit that changing the definition of unsocial hours and the associated rates of pay for junior doctors is a forerunner to changing a whole load of other NHS staffing contracts to save on the NHS pay bill? That is what all this is really about, isn’t it?

Mr Jeremy Hunt: No, it isn’t. May I start by wishing the hon. Lady every success in retaining her post in the shadow Cabinet? It would be a shame to lose her, having started to get to know her.

This is a difficult issue to solve, but at least the country knows what the Government are trying to do. The hon. Lady, on the other hand, has spent the last six months avoiding telling the country what she would do about these flawed contracts. Now is her chance. Would she change the junior doctors contract to improve seven-day services for patients—yes or no?

Heidi Alexander: Junior doctors do not need warm words from me, stood at the Opposition Dispatch Box; they need action from the Secretary of State to stop the strikes and give patients the care they deserve.

Not content with alienating one group of staff, the Health Secretary now has another target: student nurses. The disastrous decision in the first half of the last Parliament to cut nurse training places has driven the rise in the agency staff bill. We all know that we need more nurses to be trained, but why should a trainee nurse who spends half their degree caring for patients not receive a bursary? If they are on a ward at 3 o’clock in the morning, why should they be expected to pay for the privilege?

Mr Hunt: The hon. Lady cannot have it both ways. She cannot stand here and criticise cuts in nurse training but oppose the Government’s changes that mean we will be able to train 10,000 more nurses over the course of this Parliament. Let me tell her why there are 8,500 more nurses in our hospital wards since I became Health Secretary. It is because of the Francis inquiry into Mid Staffs. It is this Government that recognise the importance of good nursing in our wards. We did not sweep the problems under the carpet. She should give us credit where it is due.

T7. [902889] Matt Warman (Boston and Skegness) (Con): In Boston in my constituency, as many as one in four children are classified as obese. Will the Minister reassure me that in the forthcoming obesity strategy, the Government will acknowledge that they are allowing families and, indeed, children the opportunity to take the control of their own lifestyles that will fix this problem, rather than seeking to do it for them?

The Parliamentary Under-Secretary of State for Health (Jane Ellison): My hon. Friend is right that there is a really important role for families. More than anything,
the Government want to make the healthy choice the easy choice for families. However, young children are not in control of the whole of the food environment around them, as I am sure he would acknowledge. The Government's forthcoming strategy is focused on children. Obesity is a complex issue and, frankly, everyone needs to play their part—the Government, local government, health professionals, industry and families.

T2. [902884] Pat Glass (North West Durham) (Lab): The Health Secretary just tried to tell us why we have 8,500 more nurses in the NHS. Let me tell him why it is. It is because we have record recruitment from abroad. Since the Chancellor announced the scrapping of bursaries for trainee nurses and midwives, there has been a worrying reduction in the number of applications for next year's training, compared with what we would expect to see at this time of year. That can only have a negative impact on the number of trained nurses from this country and on net migration. Was there any discussion between the Department of Health, the Home Office and the Chancellor before this idiocy was introduced?

Ben Gummer: We have record levels of nurses in training and a record number of nurses in practice because of the decision by my right hon. Friend the Health Secretary to increase nurse training by 11% over the past two years. We can expand that significantly due to our reforms to the funding of nurse training. As regards nurses from abroad, part of the reason we are undertaking this change is so that every putative nurse regards nurses from abroad, part of the reason we are going to our reforms to the funding of nurse training. As regards nurses from abroad, part of the reason we are undertaking this change is so that every putative nurse in this country can have the opportunity of having a nursing position. At the moment, we have to limit those positions because of the funding regime that is in place.

T8. [902890] Jake Berry (Rossendale and Darwen) (Con): Will my right hon. Friend join me in paying tribute to the first responders in Rossendale, who support the ambulance service by attending 999 calls to very serious cases, including one involving a friend of mine over Christmas? Will he in particular pay tribute to Brian Pickup, who is stepping down as team leader of the first responders after 11 years of unpaid public service?

The Minister for Community and Social Care (Alistair Burt): I was delighted to do so. First responders have been a valued addition to the frontline of allied health professionals whom we can all support, and I am delighted to pay tribute to Brian for the work that he has done. I am sure that I speak for everyone in the House in saying a warm thank you to all those who have been part of the first responder scheme for the effort they have put in.

T3. [902885] Helen Hayes (Dulwich and West Norwood) (Lab): On too many occasions, children in my constituency who need to be admitted to a psychiatric in-patient bed have to wait for more than a day in accident and emergency before a tier 4 bed is found. Too often, available beds are outside London, and sometimes as far away as Nottingham, Glasgow or Southampton. How long does the Minister believe it is acceptable for a child to wait in A&E for a tier 4 child and adolescent mental health services in-patient bed to become available? Does he consider it acceptable for very unwell children to be sent such a long way from home for the treatment and care that they need?

Alistair Burt: In short, no. That is why there has been a drive to find more beds for children and young people who are having a serious crisis, but more support is also going into community services to prevent such crises in the first place. There will always be a need for some specialist beds to be available regionally or nationally, and not everything can be dealt with locally. Where people can be treated locally they should be, and we are working towards that.

T10. [902892] Mark Garnier (Wyre Forest) (Con): The Worcestershire Acute Hospitals NHS Trust now finds itself in special measures, and today its chairman has resigned, largely as a result of an over-extensive and highly complex review of clinical services in the county that has so far failed to reach an agreed conclusion. Given the complexity of the review process, and the apparent impossibility of it reaching an agreed conclusion, what steps can the Government take to untie the Gordian knot that created that situation and help the trust to get back on a stable footing?

Ben Gummer: My hon. Friend is right and there is a particularly complex series of circumstances in Worcestershire. I am determined to do something about that, and I want to meet him and his colleagues in the next few days to discuss possible options. I will then discuss those issues in turn with NHS England.

T5. [902887] Andy McDonald (Middlesbrough) (Lab): The management at James Cook university hospital in Middlesbrough is seeking to increase nurses' current 30-minute meal break, which they struggle to take, to a compulsory unpaid 60-minute break that will result in nurses effectively working one shift a month unpaid. In their judgment that will do nothing to address the real issues of staff shortages and patient safety, but will merely disadvantage patients and nurses alike. Will the Secretary of State investigate the matter and write to me?

Ben Gummer: I thank the hon. Gentleman for bringing that issue to the attention of the House. All contracts should be governed by the “Agenda for Change” contract, and I would be concerned if there were deviations from that. I would welcome further detail on that so that I can respond to him.

Dr Sarah Wollaston (Totnes) (Con): Nobody wants to return to the days of exhausted junior doctors being forced to work excessive hours, and the Secretary of State will know that that is why junior doctors have expressed concern about the potential impact of removing financial penalties from trusts. Will the Secretary of State set out what has happened during the negotiations to reassure the public and doctors about patient safety?

Mr Jeremy Hunt: I hope I can reassure my hon. Friend, because we have said that we will not remove financial penalties when doctors are asked to work excessive hours. To quote from the letter that I received from the chief negotiator about our offer to the British Medical Association:

“Any fines will be paid to the Guardian at each Trust, allowing them to spend the money on supporting the working conditions or education of doctors in training in the institution.”
Mr Hunt: I am happy to look on the wishes of the hon. Gentleman, without, of course, making any guarantees.

Nigel Adams (Selby and Ainsty) (Con): Nicole, the daughter of a constituent of mine, is currently suffering from mental health issues. She has been held in a transparent police cell overnight after self-harming, with drunks on either side, as there are no other facilities available near York. Clearly, police stations are not appropriate places for secure care. What is the Minister doing to ensure that adequate places are available locally, and that police, should they need to become involved, know how to provide a less traumatic experience for mental health patients?

Alistair Burt: My hon. Friend is absolutely right. There has been a 54% reduction in the use of police cells for mental health cases in the past three years. This is being improved by work of the local crisis care concordat. My right hon. Friend the Home Secretary will later this year introduce legislation to prevent children and young people from being held in police cells at all, but the use of police cells has gone down dramatically because of the use of the crisis care concordat. We will continue that process.

Mr Speaker: Project, man, project! We wish to hear the full gist of what the hon. Gentleman has to say to the House.

Mr Jeremy Hunt: None whatever.

Ben Howlett (Bath) (Con): In the previous Parliament, many people who suffer from a rare disease were pleased with the publication of the Government’s rare diseases strategy. What progress is the Minister making on publishing the ultra-rare diseases strategy?

Jane Ellison: I am happy to look into that and get back to my hon. Friend. With regard to the 51 recommendations made in the UK rare diseases strategy, he will be pleased to know that the first report on that will be in spring. I will take up the other issue with him after questions.

Danny Kinahan (South Antrim) (UUP): Health is a devolved matter, but devolved Governments may choose not to spend when it comes to expensive rare diseases and diagnoses. What more can Westminster do to help my constituents?
Jane Ellison: One example, which I am sure the hon. Gentleman will welcome, is the fact that the four UK Health Departments, along with Cancer Research UK, are jointly funding a network of 18 experimental cancer medicine centres aimed at driving the development and testing of new anti-cancer treatments to deliver benefits for patients, including those with rarer cancers. That is just one example of how we can work together.
Speaker’s Statement

3.35 pm

Mr Speaker: I am pleased to be able to announce to the House that, following fair and open competition, Her Majesty the Queen has graciously accepted my recommendation that Mr Mohammed Amal El-Hajji—usually known as Kamal El-Hajji—be appointed to the post of Serjeant at Arms with effect from 1 February. Mr El-Hajji has been Head of Front of House and VIP Relations at the Ministry of Justice since 2010 and has also held a number of administrative and security roles in the Department for Constitutional Affairs and the MOJ since 2001. In addition to being trained in the martial arts and a recipient of the British Empire Medal, Mr El-Hajji will be the first person of a black and minority ethnic background to hold the post of Serjeant at Arms.

EU Council

3.36 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I would like to make a statement on the European Council meeting that took place before Christmas. The Council focused on three issues: migration, terrorism and the UK’s renegotiation. I will take each in turn.

First, on migration, even in winter there are still many migrants coming to Europe, with over 3,000 arriving via the eastern Mediterranean route each day. Of course, Britain is not part of the Schengen open border arrangements, and we are not going to be joining; we have our own border controls, and they apply to everyone attempting to enter the UK and every day help to keep us safe. Let me repeat: these controls apply to all, including EU citizens. We have stopped nearly 95,000 people at our borders since 2010, including almost 6,000 EU nationals. These people were not allowed to come in.

What Schengen countries are now trying to put in place is a pale imitation of what we already have. What they do, of course, is a matter for them, but it is in our interests to help our European partners secure their external borders. So we have provided more technical expertise to the European Asylum Support Office than any other European country, including practical assistance to help with the registering and fingerprinting of migrants when they arrive in countries such as Greece and Italy. We have focused on the root causes—not just the consequences—of the migration crisis. That is why we continue to play a leading role in the efforts of the international Syria support group to end the conflict in Syria through a political process and why we have backed the agreement reached recently in Morocco that should pave the way for a new united, national government in Libya. We have deployed HMS Enterprise to go after the people traffickers in the Mediterranean and have provided £1.12 billion in humanitarian assistance for the Syrian conflict—by far the largest commitment of any European country and second only to America. In addition, the donor conference I am hosting next month with Germany, Kuwait, Norway and the United Nations will help further by raising significant new funding to help refugees in the region this year.

The Council focused on implementing the previously agreed measures on refugee resettlement. In Britain, we said we would resettle 20,000 Syrian refugees during this Parliament, taking them directly from the camps, and I can tell the House that, exactly as we promised, over 1,000 Syrian refugees from camps in Turkey, Jordan and Lebanon were resettled here in time for Christmas. These people are now in homes, their children are starting this new year in our schools and they can look forward to building a new life here in Britain.

Many in the House have called for us to take more refugees or to take part in the EU relocation and resettlement schemes. The reality is that we have already done significantly more than most of our EU partners in this regard. The House might be interested to hear the figures: by the time of the December Council, only 208 refugees had been relocated within the EU out of the 160,000 agreed, and in all other member states put together, according to the most recent statistics, just
483 refugees had been resettled from outside the EU under the EU’s voluntary resettlement scheme. The point is clear: we said what we would do, and we got on and did it.

Turning to terrorism, the latest appalling video from Daesh is a reminder of its brutality and barbarism. It is desperate stuff from an organisation that hates us not for what we do, but for what we are—a democratic multi-faith, multi-ethnic nation built on tolerance, democracy and respect for human rights. Britain will never be cowed by terror. We will stand up and defend our values and our way of life, and with patience and persistence, we will defeat these extremists and eradicate this evil organisation.

I am sure the whole House will want to join me in paying tribute to the British servicemen and women who have spent this Christmas and new year away from their families. In the last month, RAF aircraft have conducted 82 strikes in Iraq and Syria. In recent weeks, the priority of the international coalition has been supporting the Iraqi security forces’ successful recapture of Ramadi, to which our airstrikes made an important contribution. They have also helped Kurdish forces to repel major Daesh counter-attacks in northern Iraq. In Syria, there have been 11 RAF strike missions, 10 against Daesh-controlled oil infrastructure and one against Daesh terrorists near Raqqa. We continue to fly intelligence, surveillance and reconnaissance missions, providing vital support to our other coalition partners.

As for the discussion at the Council, we now have a clear agreement on rules to share passenger name records. This is a vital breakthrough, but we still need to go further, so the Council agreed to take forward urgent proposals on more systematic data sharing, on stepping up our co-operation on aviation security and on working together to do even more to starve Daesh of money and resources, choking off the oil and clamping down on firearms and explosives to stop them getting into the hands of terrorists. We also agreed to do more across Europe to counter the extremist propaganda and the poisonous ideology of Islamist extremism that is the root cause of the terrorism that we face. The threat from Daesh is a threat to us all, and we must stand together to defeat it.

Turning to the UK renegotiation. I have set out the four areas where Britain is seeking significant and far-reaching reforms: on sovereignty and subsidiarity, where Britain must not be part of an “ever-closer union” and where we want a greater role for national Parliaments; on competitiveness, where the EU must add to our competitiveness, rather than detract from it, by signing new trade deals, cutting regulation and completing the single market; on fairness for countries inside and outside the eurozone, where the EU must protect the integrity of the single market and ensure there is no disadvantage, discrimination or additional costs for a country like Britain, which is not in the euro and which in my view is never going to join the euro; and on migration, where we need to tackle abuses of the right to free movement, and deliver changes that ensure that our welfare system is not an artificial draw for people to come to Britain.

This is the first time a country has tried to renegotiate its membership of the EU from a standing start. Many doubted it was even possible, but at this Council we had an entire session focused on this issue, lasting several hours, and with almost every European leader contributing. I am happy to go into detail on what was an extensive discussion, but the key points were these. There was strong support for Britain to stay in the EU. European leaders began their remarks by saying not that Britain is better off in Europe, but that Europe would be better off with Britain staying in it. All wanted to reach an agreement that would address the concerns we have raised. There was extensive discussion of all four areas, and difficulties were raised with all four of them. The most difficult issues were around free movement and welfare.

There was, however, a great deal of good will. At the end of the discussion, the Council agreed—and I quote directly from the conclusions—that we would “work closely together to find mutually satisfactory solutions in all the four areas”. I think it significant that the conclusions talk about solutions, not compromises, and I made it clear that these solutions would require changes that were legally binding and irreversible. So while each of these areas will require hard work, I believe that there is now a pathway to an agreement.

Later this week, I am continuing my efforts to secure that agreement with further discussions in Germany and Hungary, and I hope we can reach a full agreement when the Council meets again next month. What matters is getting the substance right, not the speed of the deal. If we can see this through and secure these changes, we will succeed in fundamentally changing the UK’s relationship with the EU, finally addressing the concerns that the British people have over our membership. If we cannot do that, as I have said before, I rule nothing out.

My intention is that, at the conclusion of the renegotiation, the Government should reach a clear recommendation, and then the referendum will be held. It is the nature of a referendum that it is the people, not the politicians, who decide, and as I indicated before Christmas, there will be a clear Government position, but it will be open to individual Ministers to take a different personal position while remaining part of the Government. Ultimately, it will be for the British people to decide this country’s future by voting in or out of a reformed European Union in the referendum that only we promised and that only a Conservative majority Government were able to deliver. I commend this statement to the House.

3.45 pm

Jeremy Corbyn (Islington North) (Lab): I thank the Prime Minister for his statement, a copy of which I received a short time ago. I wish you, Mr Speaker, the Prime Minister and the House a very happy new year. I hope that the Prime Minister will not misinterpret that greeting in any way whatever and will take it in the spirit in which it is meant—[Interruption.] Thank you.

Last month, I travelled to Brussels to meet European leaders, including Prime Ministers, to discuss the issues our Prime Minister has raised today. I learnt a lot at that meeting. I learnt that the Prime Minister has botched his negotiations with European leaders. I also learnt that many of our European colleagues have an intuitive understanding of British politics—they know that the Prime Minister has asked for help so that he can win a referendum he never wanted to hold.
Does the Prime Minister now accept that his attempts to bludgeon leaders into accepting his flawed reforms have failed and that he has come back with very little? Can he really be surprised at his failure, when he has not worked with his negotiating partners in Europe, and failed even to turn up when asked for help on the European refugee crisis? To deliver change, you need patient, effective diplomacy and you need to make friends. [Interruption.] Indeed we all value our friends. But the Prime Minister is not interested in that; he is more interested in his own party. He is playing politics, rather than putting forward the interests of the people of this country.

Can the Prime Minister now explain whether his Government will have a view on the choice facing the people of this country in the referendum, and how will that be reached and expressed? What has he had to say to Lord Heseltine, who said Britain would become “a laughing stock across the world” if the Prime Minister made the announcement he has today? Leaders across Europe can see that the Prime Minister’s demands are a bluff, a fig leaf for Conservative party politics. Does he accept that his bluff has now been called?

The Prime Minister said that he wanted to secure more for national parliaments in the EU. It is now clear that he has achieved nothing of any substance on that point. Does he also accept, as experts have warned, that his proposals for reforming migrant benefits are not only likely to be ineffective in reducing any inward migration, but are discriminatory and unfair and likely to be legally challenged? Can he confirm that he has now abandoned those plans altogether? Can he also confirm once and for all that he has dropped his utterly disgraceful plans to weaken what is already weak workers’ protection in this country when compared with the workers’ protection offered in other European countries?

Essentially, the Prime Minister’s proposals are a distraction. The real issue is about delivering a better, more cohesive, more democratic and progressive Europe that promotes security and protection for workers, and delivers investment and a productive economy to support jobs and sustainable growth. That is why in the upcoming referendum we will fight to ensure those things are delivered in the European Union as part of a progressive reform agenda.

I would like to ask the Prime Minister something more about the refugee crisis, and what he is doing to help in this growing humanitarian crisis. First, I want to put on record my thanks to the Royal Navy and all other service personnel working in the Mediterranean trying to save lives. They have done a great job and they have saved a very large number of people who were desperate to cross the Mediterranean and find a place of safety. What funding is Britain offering to assist in the collective effort to deal with the refugee crisis across Europe? There is a very serious crisis in many countries on the borders of Europe, and we also face the present situation in Calais.

Can the Prime Minister confirm that Britain is fully part of, and signed up to, the negotiated political peace process to try to bring about a ceasefire in the Syrian civil war, and is he in a position to update us on anything to do with that?

Does the Prime Minister agree that we now need a pan-European humanitarian relief programme, co-ordinated by the United Nations, to assess the status of all refugees and provide proper refugee support? The Government are simply not going far enough to help those in need. Will the Prime Minister commit himself to accepting at least 20,000 refugees over the next two years, rather than the next five? Will he support calls for Britain to take in 3,000 vulnerable and unaccompanied children who are currently in a quite desperate situation?

Does the Prime Minister not recognise that by isolating Britain from Europe, he is making it more difficult for us to work as partners on all these issues, and that once again he is putting the politics of his own party above the national interest? Will he join me in seeking a more progressive union across Europe which will deliver welfare and security to our workers and our economy, rather than the agenda that he has put before us today?

The Prime Minister: Let me wish the right hon. Gentleman—along with you, Mr Speaker—a very happy new year. Let me also apologise for interrupting what is clearly the longest reshuffle in history. We could have watched the entire run of “Star Wars” movies, but we still do not know who has been seduced to the dark side. There is absolutely no sign of a rebel alliance emerging either: I can see that.

The right hon. Gentleman had the temerity to say that this was a referendum that I did not want. This is a referendum that I put to the British people in a manifesto. It is odd to hear such talk from the right hon. Gentleman, who has a shadow Foreign Secretary whom he does not want.

The right hon. Gentleman asked a number of questions. Let me now answer them. He asked whether the Government would make a clear recommendation. Yes, we will: I said that very clearly in my statement. He asked whether the national Parliament measures were still in place. Yes, they are, and they received a warm reception from a number of other European countries. He asked about welfare benefits. Our four-year proposal remains on the table. I have said that I am very unhappy that we have not looked at alternatives, but I will not take my proposal off the table until I see something equally effective being put forward.

I would just note that at the last election, it was Labour policy to ask people coming to this country to live and work here for several years before claiming benefits. [Interruption.] Labour Members can all call out about what a great policy it was, but it has now been abandoned by their leader. Never mind how many Eagles we end up with; I think we have all worked out that he has an albatross at the head of their party. [Laughter.]

The right hon. Gentleman asked about refugees. I think he was right to praise the Royal Navy for the work that it does. As for funding, let me make it very clear that we believe the EU can do more, but the EU has a generous budget to which we are a significant contributor. In all our conversations we asked the EU to use its existing budget, knowing that countries like Britain have made huge contributions, outside the EU budget, to the excellent United Nations programmes. If only other EU countries were as generous to those programmes as we have been, we would ease the Syrian refugee crisis by a huge amount. As I said in my statement, we have contributed £1.12 billion.
The right hon. Gentleman asked whether we were signed up to the Syrian peace process. Yes, we are. We have been one of the leading players behind that process. There was a good meeting in New York in December, but more meetings will be needed to bring about the ceasefires and the political discussions that are necessary. I will keep the House updated on that, as will the Foreign Secretary.

The right hon. Gentleman asked whether we would take more migrants. I think that the 20,000 resettlement is the right number. I stress again that we have gone ahead and delivered what we said we would, which is in stark contrast to many other promises made by other countries. He asked about the issue of the 3,000 orphans. I said in the Syria debate that we would look seriously at that issue, but there are problems. Of course we can think about helping, but we must be careful to ensure that we are not removing people from their wider families. We need to look carefully at those who have tragically lost parents.

Finally, the right hon. Gentleman claimed that somehow we were isolated in Europe, when we are leading the debate on Syria, leading the debate on Libya and leading the debate on security, and I have to say that, after his visit to Brussels, when other Prime Ministers and Presidents were not asking about terrorism or migration or indeed the British negotiation, another question on their lips was, “What on earth has happened to the British Labour party?”

Mr Kenneth Clarke (Rushcliffe) (Con): Does the Prime Minister remain confident that he will obtain a full British opt-out from the ever-closer union commitment, which until recently—in recent years—has been the principal demand of Euroscopics, who claim to see a threat to the future independence of this country if we stay in the EU? Now that some of the right hon. and hon. Friends are taking an unaccustomed interest in benefit rules, will he confirm that his proposal on the table for a four-year limitation is stimulating a discussion with other countries anxious to take away unnecessary draws to their countries of other EU nationals, to find a solution so that we have coming here only people who will work legally in a way that benefits the British economy?

The Prime Minister: My right hon. and learned Friend makes two very powerful points. First, the ever-closer union does matter, not purely as a symbolic issue, but because it does get used as an interpretation by the European Court and has been one of the things that people feel has driven something of a ratchet in terms of EU law, so it is vital that we are fully carved out of that. He is right as well about benefits. Of course this is a controversial issue in Europe, but other countries share our concerns. Indeed, some of the countries that people are leaving are also concerned about the potential hollowing out of their countries as so many young people in their 20s and 30s leave. My point is simple: Britain has benefited hugely from migration and we should continue to support migration and free movement, but the extra artificial draw that our in-work benefit systems can bring badly needs to be addressed.

Angus Robertson (Moray) (SNP): It is our first day back in Parliament so this is our first opportunity to say that our hearts go out to all around the country who are suffering from the recent and ongoing flooding. In particular we think of the families who have lost loved ones, and who have endured damage to their homes and their businesses, and we should put on record our appreciation for the response of the emergency services and of neighbours, friends and total strangers who have been making a difference.

The biggest European challenge in 2016 is not the negotiations of the Prime Minister and his position on Cabinet splits, which have been described by Swedish statesman Carl Bildt as “more than bizarre”: the biggest issue for our continent is the refugee crisis, the instability in the middle east and the threat of terrorism. Three EU member states have immigration opt-outs: the UK, the Republic of Ireland and Denmark. But both Ireland and Denmark are part of the EU refugee programme, while the UK has stood aside. Given the overwhelmingly warm welcome and positive humanitarian response in the UK to Syrians fleeing conflict, will the Prime Minister reconsider that position? At least, will he follow the advice of the Select Committee on International Development and help more refugee children, just as the UK did with Jewish children in the past through the Kindertransport?

On the instability in the middle east, how is the Prime Minister going to step up diplomatic support for the Vienna process and help secure a ceasefire in Syria? Does he understand the growing concern about the worrying confrontation involving Saudi Arabia and Iran? Is it not time, however, to do more than just condemn those who behave, crucify and shoot those they disagree with? Is it not time for concrete action by the UK Government?

On European reform, it is an open secret that three of the four demands of the Prime Minister are so limited that they are almost universally uncontroversial. On EU citizens working in the UK, why do we not hear more from the Government about their positive contribution to our communities, public services and the private sector, and the massive tax bonus the UK receives from EU taxpayers living in the UK? Will the Prime Minister confirm that this positive EU bonus massively outweighs any abuses of in-work benefits?

Will the Prime Minister finally—because he has had many opportunities to do this—give a guarantee that if Scotland votes to remain within the EU, it will stay within it? [ Interruption. ] The public at home will hear the groans from the Conservative Benches; the people of Scotland want to know if they will be taken out of the EU against their will. Will the Prime Minister give that guarantee today—he has failed to do it thus far?

The Prime Minister: On the right hon. Gentleman’s last point, Scotland had a referendum on whether to remain part of the United Kingdom, and the former Scottish First Minister, now the right hon. Member for Gordon (Alex Salmond), and I signed the Edinburgh agreement, which said that both sides had to respect the outcome of that referendum. That is the only answer that the right hon. Member for Moray (Angus Robertson) needs.

I join the right hon. Gentleman in paying tribute to the emergency services and the Army for the incredible work they have done during the recent floods. Our hearts go out to all those who have had homes, businesses and shops flooded. Let us also pay tribute to the amazing
David Cameron (Rutland and Melton) (Con): My right hon. Friend the Prime Minister has said that he ruled “nothing out”. If he loses this referendum, will he resign?

The Prime Minister: Once this negotiation is complete, people will have to ask the big question about whether Britain is better off inside or outside a reformed European Union. The question will also be about whether we will be safer and more prosperous. I believe that this renegotiation will make a difference on competitiveness, on sovereignty, on the euro and on the issue of migration. People will also be asking the bigger question about the whole of the position of Britain in Europe, and what the Government and I are doing is making sure that the choice people face is not between the status quo and leaving altogether but between an important amendment to the status quo—but in the end it will be Britain’s choice.

Dr Julian Lewis (New Forest East) (Con): Did the Council discuss how free societies with free media should react to terrorist propaganda? The latest Daesh atrocity video seems to feature a well-known British extremist and a brainwashed child. Does the Prime Minister agree that although the broadcast media seem to have handled this material with appropriate restraint, some of the press, in the pictorial coverage, has been playing into the hands of the terrorist propagandists?

The Prime Minister: First, on what my right hon. Friend says about what Britain is doing in the EU to counter terrorist propaganda, we have taken the expertise that we have built up here and are sharing that with other European countries as we set up some new organisations. It is very important to win this battle of ideas—in some ways it is a battle of ideas, as we faced in the cold war. I am not sure I go all the way with him on what he said about “either television or newspapers”. As he said, television media have been responsible. I do not think it would be right to have some sort of blanket ban on showing any parts of these videos. Indeed, showing a part of these videos and just how ghastly and brutal this organisation is, for instance in the way it is using children, reminds everybody, not least those who

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Before Christmas, I met 11 and 12-year-olds who were living in the “jungle” in Calais. They are of a similar age to my children and those of the Prime Minister, but they are alone and separated from their parents. They are vulnerable to exploitation and prostitution, as well as to the cold, to bronchitis and to scabies. The longer the Prime Minister looks at this proposal to help 3,000 children, the more of them will simply disappear. The proposal has cross-party support, and I urge him to agree today to work with Save the Children on a plan for Britain to help 3,000 unaccompanied children from across Europe. Just agree to the principle today!

The Prime Minister: We are going to consider this in a very proper way, as I said during the Syria debate, because there are different views among the non-governmental organisations about whether this is the right approach to take. I have said this at the Dispatch Box before. On the question of the people at Calais, we are clear that we will do everything we can to help the French with border security and with helping to process people who are in France, but at the end of the day, people do not have the right to try to break into Britain against our rules. Those people in Calais should be properly processed and dealt with by the French.

Sir William Cash (Stone) (Con): My right hon. Friend has just stated that his package would “require changes” that are “legally binding and irreversible”. As there is no treaty change on offer, on what grounds can he legitimately and honestly contend that an international agreement registered at the UN would be legally binding and irreversible, and that voters—this is what matters—could absolutely rely on it when they cast their votes? Will this be a cast-iron guarantee?

The Prime Minister: There have been occasions when countries have voted in referendums, or indeed when we have voted in this House on treaty proposals, before they are adopted and implemented by every other country. What I have said is that we need changes that are legally binding and irreversible, and those are the changes I seek.

Mr Dennis Skinner (Bolsover) (Lab): The Prime Minister said that he ruled “nothing out”. If he loses this referendum, will he resign?

The Prime Minister: This referendum is the Government’s policy, and the country will decide whether we stay in the European Union or leave the European Union. What I am doing is giving the country the very best choice there can be—by a vital amendment to the status quo—but in the end it will be Britain’s choice.

The Prime Minister: Once this negotiation is complete, people will have to ask the big question about whether Britain is better off inside or outside a reformed European Union. The question will also be about whether we will be safer and more prosperous. I believe that this renegotiation will make a difference on competitiveness, on sovereignty, on the euro and on the issue of migration. People will also be asking the bigger question about the whole of the position of Britain in Europe, and what the Government and I are doing is making sure that the choice people face is not between the status quo and leaving altogether but between an important amendment to the status quo and leaving altogether. It is right that we get that right.

Crispin Blunt (Reigate) (Con): Does the Prime Minister agree that the focus on the success or failure of his renegotiation risks diverting attention from issues of much greater substance, including the implication for Britain’s role in the world of the decision to stay or leave, and the costs and benefits to the UK of being part of a free EU labour market, given that the introduction of the living wage will dwarf the effect of any benefit entitlements as a draw for people to come to the United Kingdom?

The Prime Minister: Once this negotiation is complete, people will have to ask the big question about whether Britain is better off inside or outside a reformed European Union. The question will also be about whether we will be safer and more prosperous. I believe that this renegotiation will make a difference on competitiveness, on sovereignty, on the euro and on the issue of migration. People will also be asking the bigger question about the whole of the position of Britain in Europe, and what the Government and I are doing is making sure that the choice people face is not between the status quo and leaving altogether but between an important amendment to the status quo and leaving altogether. It is right that we get that right.

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might be tempted by this radical organisation, of just what a sick organisation it is. On the whole, the media have been fairly responsible about this, and I think it is much better to have that form of self-restraint than anything else.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): The Prime Minister said in his statement that in relation to euro and non-euro countries he was looking for “no disadvantage, discrimination or additional costs”. That is a pretty low bar for ambition. Should he not be looking for equality and parity between euro countries and non-euro countries?

The Prime Minister: I think if we have non-discrimination, no disadvantage and no costs, that gives us the parity that we seek. I take people who do not think this is important back to the summer, when eurozone countries looked at using a European fund, to which we were a contributor, to help bail out Greece. To people who think this stuff does not matter, I say it absolutely does matter. It is vital, in order to protect the interests of taxpayers in euro-out countries, that we were a contributor, to help bail out Greece. To people who think this stuff does not matter, I say it absolutely does matter. It is vital, in order to protect the interests of taxpayers in euro-out countries, that we have these principles clearly written down and implemented.

John Redwood (Wokingham) (Con): What treaty and other changes does the United Kingdom need so that the Prime Minister can implement his extremely popular policy of cutting migration by more than two thirds?

The Prime Minister: What we need to do is address migration from both within the European Union and from outside it; if we look at the figures, we see that at the moment about half is coming from each. I do not want us to get out of the idea of free movement—British citizens benefit from being able to go to live, work and retire in other European countries—but we should be doing something about the artificial draw that our benefits system provides. That is now widely recognised in Europe. As for migration from outside the EU, which is more under our control, we need to take further steps and the Home Secretary has set them out.

Mr Gregory Campbell (East Londonderry) (DUP): The Prime Minister has indicated that the nation must “not be part of an ‘ever-closer union’”. At some point shortly he will agree the date for the people to vote on this issue. What guarantee can he give that if they were to accept his promise that we would never, ever be part of a closer union in Europe, subsequent to that vote Europe would not undermine it and eventually agree to a closer union that he has promised we would not be part of?

The Prime Minister: That is a very good question. What I am seeking is a legally binding and irreversible change that carves Britain out of an ever-closer union. The way that I explain it to my European colleagues is that we do not all want the same destination. There are some countries in Europe that do seek an ever-closer union, but Britain is not one of them. We want to be there for trade and for co-operation. There are many areas where we do share our resources, ideas and even sometimes our sovereignty to get things done, but we do not want to be part of an ever-closer union, and that should be clearly set out, legally binding and irreversible.

Dr Liam Fox (North Somerset) (Con): I completely agree with my right hon. Friend on that point. However, the European Court has never defined “ever-closer union” but it has made reference to it 55 times in judgments since 1999. Legally, how would Britain be exempted from the concept of ever-closer union unless we were exempted from all such judgments—either those that might be made in future or those historic in nature?

The Prime Minister: Clearly, if we have a legally binding and irreversible approach that says that Britain is not part of an ever-closer union then the courts cannot use ever-closer union to provide a ratchet against Britain in future court judgments. It is an important matter. I accept that it is a symbol, but symbols matter in politics. Our politics is full of symbols. A symbol of being outside this ever-closer union speaks to the British belief that we joined a common market and not a political union, but, as I have set out, it does also have a practical application.

Mr Ben Bradshaw (Exeter) (Lab): Given that the Daesh terrorist apparently responsible for the latest disgusting video and the cold-blooded murders in Syria jumped bail in Britain, does the Prime Minister regret his decision to scrap Labour’s control orders?

The Prime Minister: The experts say that the terrorism prevention and investigation measures as amended are every bit as powerful as the control orders that they replace. We must remember that those control orders were, increasingly, knocked down in court decision after court decision. If Members listen to the experts in the security services or the police, they will hear that they are content with the approach that we have.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Given that the Prime Minister has optimistically shared with us his hope that he can reach full agreement when the Council meets at the end of the month, will he also share with us the dates he is considering for this referendum? I think that we would all like to know that.

The Prime Minister: I would love to fill in my right hon. Friend’s diary. Indeed, I would love to fill in my own diary, so that I know when all these things are happening. I cannot guarantee that we will reach agreement in February. The Council agreed that we would try to reach agreement on all four issues in February; so that is the aim. If that is possible, I am keen to get on and hold a referendum. We should not do it precipitately. I have looked at precedents. I note that when Labour held a referendum in 1975, there was only a month between the completion of the legislation and the referendum, which was not enough time. When we had the referendum on the alternative vote in the previous Government that I led, the period was less than three months, which was also not enough. We should be looking for a period longer than that, but, believe me, by the time we get to the end of the referendum campaign, everyone will have had enough of the subject.

John Cryer (Leyton and Wanstead) (Lab): The Prime Minister made only one very brief mention of the principle of free movement in his original statement. Does that mean that he has completed any negotiations on free movement, or is the subject still on the table? If it is still on the table, what changes is he looking for?
The Prime Minister: Let me be clear: I support the principle of free movement whereby people in the European Union can travel to different countries, live and work in those countries and retire in those countries if they can support themselves. We have problems with two areas. One is the abuse whereby people have used the free movement legislation to bring criminals to the United Kingdom and the other is where they take part in immigration practices that are against our rules. Those abuses need to be dealt with. As I have said, our welfare system has provided an unnatural draw to the UK and we need to further control immigration inside the EU by addressing that problem.

Sir Edward Leigh (Gainsborough) (Con): Before people cavil too much, let us pause for a moment to remember that it is only because this Prime Minister is in place, backed by all of us, that we got this referendum at all. When my right hon. Friend was having discussions with his colleagues, was there any recognition of the fact that if any of us turned up in Warsaw, we would not be entitled to benefits for years because Poland has a contributory system, and the EU is about free movement of workers, not benefit seekers? Has there been any discussion in Government of our moving to a contributory system in order to resolve this issue?

The Prime Minister: My hon. Friend makes a very good point. One of the reasons that the problem of the draw of our welfare system arises is that unlike many other European countries we have a system to which there is immediate access. People who go to live in some other European countries would have to pay in and contribute for many years before getting their benefits. I am open to all sorts of suggestions, including the one that my hon. Friend made. We need to achieve something that cuts the draw of migrants to Britain through the welfare changes that I have set out.

Jim Shannon (Strangford) (DUP): The Prime Minister referred to terrorism in his statement—terrorism in the middle east. It is all too easy to forget about the terrorist campaign in the United Kingdom of Great Britain and Northern Ireland. Today is the 40th anniversary of the Kingsmill massacre in which 10 Protestants were murdered because of their religion. The only survivor was shot 18 times and left for dead alongside his lifelong colleagues. What steps has the Prime Minister taken to ensure that people responsible cannot cross borders, as was the case 40 years ago, when those responsible fled across the border into the Republic of Ireland?

The Prime Minister: The hon. Gentleman is right to make the point that there are many victims of terrorism and families who have lost loved ones to terrorism in our own country. Even today there is still a terrorist campaign in part of our United Kingdom, and we should take a moment to pay tribute to the police and the security services who work round the clock to try to stop that happening. With reference to his question, it is important that whatever our borders are or wherever they are, we are able to police them effectively to stop criminals and terrorists crossing them.

Mr David Nuttall (Bury North) (Con): The Conservative party manifesto said:

"We will insist that EU migrants who want to claim tax credits and child benefit must live here and contribute to our country for a minimum of four years."

Although I am clear that in the referendum I will vote to leave the European Union, many of my constituents are waiting to see the outcome of the renegotiation. I would be grateful if my right hon. Friend could explain whether we are still insisting on that idea, or is it now simply a basis for negotiation?

The Prime Minister: No. I very much stand by what we put in our manifesto. The four issues that we are renegotiating were clearly set out there and we need to deliver in each of those four areas.

Kate Hoey (Vauxhall) (Lab): The Prime Minister is right to give his Ministers a free vote, as Harold Wilson did in 1975, but does he realise that underpinning everything in the referendum is trust? How will the British people trust anything that he brings back, dealing with a European Union that they do not trust and with institutions that they do not trust, if we do not have a proper and fully worked out treaty change?

The Prime Minister: I think people can see that this is a process in which they can trust. We promised a referendum; we have legislated for a referendum. We promised a renegotiation; that renegotiation is well on course. This is all from a Government who said they would cut the EU budget—nobody believed us, but we did; who said we would veto a treaty if necessary—nobody believed us, but we did; and who said we would bring back the largest number of powers since Britain joined the EU which, with the Justice and Home Affairs opt-out, we did. This is a Government who have a track record, but in the end it will be for the British people to make their decision about where our future is most secure.

Damian Green (Ashford) (Con): The Prime Minister laid great stress on the fight against terrorism and it is, sadly, clear that forces that hate our democracy are establishing themselves in a larger number of countries. Does my right hon. Friend agree that the ability of democratic countries to use the European Union to take measures that allow them to co-operate on a daily basis in the fight against terrorism is a key contribution to keeping British citizens and Britain’s streets as safe as they could be?

The Prime Minister: My right hon. Friend is right. In many of the debates about Europe that we have had in the past 10 or even 20 years, much of the focus has been on economic questions. When this debate comes, a lot of it will rightly focus on security questions. Although there are still many imperfections in the way border controls and the exchange of information work, there is no doubt that we will benefit hugely from the passenger name record legislation that is coming through: it does not just tell us which passengers are coming to our country but where they bought their ticket, which credit card they used and where they are from. This is vital information which, combined with the Schengen Information System information, will help us to stop terrorists getting into our country. Of course, arguments can be made on both sides, but I think the security argument will be crucial in determining what is the right future for Britain.

Mr Chuka Umunna (Streatham) (Lab): Many of those who argue for us to leave the European Union suggest that we could continue to be part of the single market
without having to abide by any of the obligations that go with it. Does the Prime Minister know of any non-EU states that enjoy free trade with the single market but are not part of the free movement that goes with it?

**The Prime Minister**: The hon. Gentleman makes an important point. Look, my argument will in no way be that Britain could not succeed outside the European Union, because of course we could; we are a great country, the world’s fifth largest economy and a great trading power. The argument will be about whether we would be more prosperous and more secure inside or outside a reformed EU. To answer his question directly—I answered this when I went to Iceland—countries such as Iceland and Norway have to obey all the rules of the single market, including on the free movement of people, but without having any say on what those rules are. In Norway it has been described as democracy by fax, because the instructions come through from Brussels, and they pay more per head to the EU than we do. It will be for the campaign responsible to make the arguments about what life would be like outside the EU, and this is a crucial question that it will have to answer.

**Mr Peter Bone** (Wellingborough) (Con): Grassroots Out, or GO, was launched yesterday. Politicians from different political parties are working together at grassroots level to campaign on coming out of the European Union. Given the Prime Minister’s announcement that Ministers will be free to campaign to leave, I assume that they are now free to join GO; and given that he is still saying that there are significant difficulties and that he might eventually decide to recommend not staying in the EU, will he consider joining GO at some time in the future?

**The Prime Minister**: I will look carefully at what happens when you “pass go!” I believe that we are getting closer to an agreement on Britain’s renegotiation, and at that point—not before—although the Government will have a clear recommendation, Ministers will be able to campaign in a personal capacity on a different side, as I have said. But that needs to happen after the negotiation has taken place. I think that Members on both sides of the House, and indeed members of the public and businesses and others, want to know what the renegotiation amounts to. We need to have a proper debate about what we bring back, and then people will be able to make up their minds. In the end, it will not be any of us who decides the outcome; it will be the people who put us here.

**Mark Durkan** (Foyle) (SDLP): It is not only Save the Children but UNICEF and others, including the International Development Committee, that are urging the Prime Minister to give a positive and decisive response on the issue of unaccompanied children. Does he recognise that the over 26,000 unaccompanied children who came to Europe last year came not just from Syria but from other places of conflict, and some of them already have relatives in the UK? Does he not think that he would be in a stronger position at the donor conference he is co-hosting next month if he had already made a clear decision?

**The Prime Minister**: I think that we will be in a strong position at the donor conference because we have done more than any other country, save the United States, in terms of the funding we have given to the refugee crisis, and because, having made the 20,000 pledge, we are in the process of implementing it in very good order. I said that I would look closely at the issue of orphans. The point I have made many times is that there are different views among some NGOs about how best to handle the issue. I want to ensure that what we do is genuinely helpful for the people we are trying to assist. We know—because we can vet them and look at them—that the families we are taking out of the refugee camps are better off here, and they are the sorts of people who are most vulnerable and whom we can help the most.

**Neil Carmichael** (Stroud) (Con): Of course the referendum will revolve around the political advantages and economic strengths that continued membership of the European Union will bring, but, in terms of his renegotiation, does the Prime Minister agree with me that the second basket, competitiveness, will actually depend on our membership of the single market and on the European Union’s ability to create free trade opportunities across the globe?

**The Prime Minister**: My hon. Friend is making an important point. If we were not in the single market, we would not be able to argue for the trade deals that the single market signs or the completion of the single market in services, energy, digital and elsewhere. The calculation that people will have to make is whether we are better off in the single market, making a financial contribution towards it but having a say over its rules and its future, or whether we are better off outside, without that say but with some sort of negotiation about access. That goes to the heart of the economic pros and cons of in or out, and that is the argument that needs to take place.

**Emma Reynolds** (Wolverhampton North East) (Lab): The Prime Minister clearly believes that he can negotiate a good deal with our European partners and it is pretty clear that he does not want to be the British Prime Minister who takes us out of the EU. Why, therefore, has he suspended collective responsibility? Why is it not possible for him to persuade his own Ministers of his position on an issue that is so vital to our national interest?

**The Prime Minister**: The entire Government are signed up to having a successful renegotiation and holding a referendum. Everybody backs that plan, and the plan is being put into place, but clearly there are people who have long-standing views about the European issue. As I signalled very clearly before Christmas, it has never been my intention to strong-arm people into voting for a position they do not agree with, so I think this is the right approach. As I said, it does not effectively come into practice until a deal is done because we do not yet know what the Government’s recommendation will be or when the deal will be done. I hope it will be February, but it could take considerably longer. When you are negotiating with 27 other countries, all sorts of things can happen, but on this day of all days, to have talk from the Labour party about party unity is a bit on the rich side.
Philip Davies (Shipley) (Con): The Prime Minister has for many years rightly berated the Labour party for giving up our rebate and getting nothing in return. If his negotiations are so meaningful, why did he not ask for our rebate to be reinstated or for a cut in our contribution to the EU budget? Is it because he does not think that we should have our rebate back any more, or because he just asked for what he knew would be agreed to so that he could claim some bogus negotiating triumph at the end of it?

The Prime Minister: I hope my hon. Friend had an enjoyable Christmas and new year; he seems to have started in a slightly churlish manner.

I would make the point that we negotiated a cut in the EU budget, not just for one year but across the seven years of what is known as the EU financial perspective—in plain language, the EU budget year on year on year. We also protected what remains of our rebate, which is still immensely powerful and saves British taxpayers a huge amount of money.

If anybody thinks that what I am asking for is somehow easy or simple, they can come and sit around that table with 27 other leaders and see that actually that is not the case. I am not claiming elder statesmanship—I think I have now been to 42 European Councils because we have had so many of these things—but I would say that what I am arguing for is at the outside edge of what we can achieve.

Mr Ivan Lewis (Bury South) (Lab): Prime Minister, on the question of European funding, hundreds of my constituents in Radcliffe have had a terrible Christmas due to the flooding that has devastated so many people’s homes and businesses in Greater Manchester and across the north of England. Bury and other councils have to pick up the infrastructure costs. The European solidarity fund exists to help in such circumstances. It would be unforgivable to put Tory party management and posturing on Europe ahead of the national interest. When are the Government going to apply for the European solidarity fund money?

The Prime Minister: First of all, I send the hon. Gentleman’s constituents my sympathy for the flooding that they suffered. Let me say that we will do everything we can, including through the Bellwin scheme, to make sure that his council is fully reimbursed for all the emergency measures that it had to take. We will also make sure that we put in place the flood prevention measures and investment that are coming down the track.

I have looked very carefully at the question of EU funding; we looked at it previously in 2013. It takes a very long time to get hold of any money and it is very uncertain whether you get it. Indeed, you end up paying for it in many ways as well. I think it is quicker and better to give people the help they need from our own resources.

Sir Edward Garnier (Harborough) (Con): Beyond the talks that my right hon. Friend is co-hosting next month, what other discussions are his Government and the other European Union Governments having with functioning Governments around the Mediterranean to inhibit terrorists who disguise themselves as refugees from Asia, the middle east and Africa?

The Prime Minister: My right hon. and learned Friend is absolutely right to raise this issue. It is why a defence co-operation operation is being undertaken in the Mediterranean, in which Britain is playing a very leading part with HMS Enterprise, which is exactly to go after the people smugglers. In time, when there is a proper Government in Libya, we need an agreement with that country that we can stop boats, and indeed turn back boats, when we think that these people should be properly dealt with in Libya—as I say, we need to break the link between their getting in a boat and settlement in Europe. We are working with all the Governments available, but crucially we need a Government in Libya with which we can deal.

Stephen Gethins (North East Fife) (SNP): May I commend the Prime Minister for, on this day of all days, demonstrating to the Leader of the Opposition that he is not the only one leading a hopelessly divided Cabinet? Does he think that a majority of his Cabinet colleagues will be joining him in the “remain in Europe” campaign?

The Prime Minister: The entire Government are behind the strategy of holding a renegotiation and having a referendum, and we have discussed repeatedly what the issues are that need to be renegotiated. What I think is so interesting across the Opposition side of the House of Commons is that there is not one single thing they want to renegotiate. They are not asking for any welfare changes, they are not asking for ever closer union changes, they are not asking for competitiveness changes—all they want to do is come here and carp and cavil at someone who is getting the job done.

Andrew Rosindell (Romford) (Con): I welcome the Prime Minister’s commitment to end the imposition of ever closer union, if that can be achieved in a binding way for the long-term future, but my constituents want to know what is being reversed. What is happening to the ever closer union that we have been subjected to for the past 40 years, and what powers are coming back to this Parliament?

The Prime Minister: We have just achieved the biggest return of powers since Britain joined the European Union, which is the opt-out from Justice and Home Affairs, where 100 measures came back to Britain. We have seen exactly the same, and we will see more, with regard to the eurozone, where we want to make absolutely sure that we suffer no disadvantage, we cannot be involved in bail-out schemes, and the British position is protected. That is a return of power. Look at what we are trying to achieve on deregulation, where we are saying that we need deregulation targets and cuts in regulation—that is about powers coming back to Britain. If you look at what we are saying about a subsidiarity test where every year the European Council should be asking, “Are these powers and these areas of powers still necessary, and can they be returned?”, “you see that the whole aim of this renegotiation is to say, “Yes, we are part of a European Union that is reformed and that can achieve greater prosperity and greater security for Britain, but we are doing it as a proud nation state with institutions that serve the people who put us here.”

Kelvin Hopkins (Luton North) (Lab): The recent elections in Portugal and Spain have seen a surge in support for left-wing Euro sceptic parties and have seen
[Kelvin Hopkins]

right-wing EU-supportive parties losing their grip on power. Has the Prime Minister detected levels of concern among his fellow EU leaders about these developments?

The Prime Minister: We are all democracies, so we accept the results in each other’s elections. I am happy to say that here, a Government who took difficult decisions over the economy and the deficit actually achieved a higher share of the vote at the election than they did at the previous one; there are benefits from spelling these things out. I am committed to working with the new Portuguese Prime Minister. We will see what emerges in Spain. I work very closely with Prime Minister Rajoy, who did a very good job for his country in difficult circumstances. These election results show how we need reform in Europe. We need the competitiveness, we need the jobs, and we need the ability to compete against the rest of the world so that we can create jobs and wealth as we are doing here in Britain.

Lucy Frazer (South East Cambridgeshire) (Con): Does the Prime Minister agree that it is neither unfair nor inappropriately discriminatory to place restrictions on those who come here from other member states? This is evidenced by the fact that the original EEC treaty granted a right to residence but only to those who came to pursue an economic activity.

The Prime Minister: My hon. and learned Friend is absolutely right. One of the problems that has emerged is that the legal changes that have been made have defined free movement in a more and more generous way. It used to be the case that it was free movement to go and take a job for which you had applied, whereas today, I think I am right in saying, 60% of those who come to Britain are job applicants—they do not have a job when they come. This is another reason we need to address the welfare issue, because those people will be particularly affected by changes to in-work welfare, and we will not have that unnatural pull to Britain. Many people who come to Britain work hard and contribute and all the rest of it, but we need to make sure that our arrangements reduce the unnatural pull of migration to Britain, as my hon. and learned Friend set out.

Barry Gardiner (Brent North) (Lab): The Prime Minister has said that the EU referendum will reflect the choice of the British people, but if the choice of the British people does not reflect the choice of the Prime Minister, will he resign?

The Prime Minister: This is the choice of the British people. Our aim is to set forward a choice for the British people that they want. They can choose either to stay in a reformed European Union or to leave the European Union. Come what may, I will continue to lead the Government in the way I have.

Sir Gerald Howarth (Aldershot) (Con): May I salute my right hon. Friend’s decision to allow Ministers to exercise their freedom of choice on this very important matter? Does he accept that that is a sign not of his personal weakness, but of his personal strength, because he believes that we in this party can have a sensible debate about a fundamental issue of serious importance to the British people? He has just said that the negotiations may come to fruition next month. If they do, when would he envisage the referendum taking place?

The Prime Minister: I make it a policy not to answer questions beginning with “If”, even if they are put as charmingly as they are by my hon. Friend. If we can achieve a result in February, I do not think we should delay the referendum. I think we should get on and hold the referendum. As I have said, it should not be done in any unnatural haste. It needs to have a proper number of months for people to consider all the arguments, and that is exactly what will happen.

Graham Stringer (Blackley and Broughton) (Lab): The common agricultural policy puts up the price of food for people in this country and is an unnecessary burden on taxpayers. Why did the Prime Minister not try to renegotiate the CAP?

The Prime Minister: If we look at the facts of the CAP, we will see that the days of the great wine lakes and butter mountains have by and large gone, and I do not think it is possible to argue in the same way as it was in the past that it adds hugely to families’ bills. That is not what is happening. There has been quite significant reform. There has also been some fairly significant reform to the common fisheries policy. Of course, our deregulation targets and subsidiarity tests apply in all those areas.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I invite my right hon. Friend to make a list of the European laws and European Court rulings he believes depend primarily on the “ever closer union” phrase in the treaties?

The Prime Minister: I am very happy to come back to my hon. Friend. I do not have the list on me, as it were—I do not carry it around to remind me. My right hon. Friend the Member for North Somerset (Dr Fox) said that the phrase had been cited in 55 different actions. My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) is one of the people who in the past said how important it was to get out of ever closer union. I say to colleagues who are considering the issue that it has been raised time and again by people like me, who are concerned about the ratchet of the European Union and who want to get this renegotiation right. If we can deliver it, let us all link arms and celebrate it.

Tom Brake (Carshalton and Wallington) (LD): The Prime Minister has heard a call from first the Labour party, then the Scottish National party, then the Social Democratic and Labour party and now the Liberal Democrats for the Government to act on the question of the 3,000 unaccompanied and vulnerable children. [Interruption.] I hope that the Prime Minister’s colleagues will listen rather than laugh. The Prime Minister has said that he is considering the matter. Would he like to tell the House at what point he is going to finish that consideration, because those children are vulnerable now?

The Prime Minister: I absolutely understand the weight of argument behind the proposal. We are looking at it. I cannot give the right hon. Gentleman an exact timeframe,
but it is not going to take ages to consider the issue. I repeat again that, while there are, of course, very important issues in favour of taking the action he puts forward, we need to consider all of the issues, including those people who, yes, are tragically orphaned, but who have broader and wider family around them where they are currently.

Victoria Atkins (Louth and Horncastle) (Con): As the RAF seeks to destroy Daesh in Syria and Iraq, does the Prime Minister agree that our commitment to the 2% NATO target for the defence budget improves our ability to strike those who threaten Britain?

The Prime Minister: My hon. Friend is absolutely right; it not only provides the resources that the RAF, our Navy and our Army need, but sends a massive signal about Britain’s place in the world and Britain’s intention to play a full role in safeguarding our world. I think that it has been recognised by our allies and, indeed, our enemies as such.

Mr Mark Hendrick (Preston) (Lab/Co-op): However the Prime Minister wishes to characterise ever closer union, is it not the case that most people accept that the European Union is moving in the direction of a union of European states, rather than a united states of Europe?

The Prime Minister: The hon. Gentleman makes an important argument, but I think there are forces going in both directions. On the good side, the widening of the European Union to include the Baltic states, the Nordic countries and the Balkan states has been a great advance for the British agenda, and the fact that we are focusing Europe on doing trade deals with the fastest growing parts of the world, rather than looking inwards, is a great advance in the agenda.

However, there are still proposals for more federalistic approaches and Britain has successively carved itself out of those things. If Europe wants a border force to help police its external borders, that is a matter for them and is not something we will take part in. If the eurozone wants to pass a series of laws to have a fiscal union or mutual debt obligations, that is a matter for it. It is fine, as long as it is not involved. What I aim to get through the renegotiation is the best of both worlds for Britain—in Europe where it is to our benefit, but not involved in those things that involve the wrong passage of sovereignty from this place to others.

Mr Jacob Rees-Mogg (North East Somerset) (Con): As the Prime Minister tells us that other EU Heads of Government say that the EU needs Great Britain and Northern Ireland. Does that not show the strength of our negotiating position? They need our money and our economic strength. Therefore, has not the time come for him to screw his courage to the sticking point and say to Chancellor Merkel—that great beadle of Berlin—when he next sees her, “Please, we want some more”?

The Prime Minister: I will bear that in mind when I see Chancellor Merkel in the snows of Bavaria on Wednesday evening. Of course we have negotiating problems on that front.

Mr David Anderson (Blaydon) (Lab): At the recent meeting of the British-Irish Parliamentary Assembly, huge concern was expressed by parliamentary colleagues from right across the British Isles about this country’s possible exit from the European Union. What, if any, work is being done to look at the specific impacts on Northern Ireland and on the Republic—our closest and oldest neighbour—if the referendum is lost?

The Prime Minister: The hon. Gentleman makes a very important point. One of the strongest voices of support for the British renegotiation was the Irish Taoiseach, Enda Kenny, who made a brilliant speech at the European Council, for which I will forever be very grateful. The Republic of Ireland wants Britain to stay in the European Union, because all sorts of difficult issues would arise in respect of the border and other things if we were outside it. Of course, the Republic of Ireland sees Britain as a strong voice in Europe for many of the things it believes in. Look, we have to get this deal right, and then we need to bring all the arguments to bear on both sides of the case. I think that what is said by those in the Republic and in Northern Ireland will make a big difference.

Mark Pritchard (The Wrekin) (Con): On security, one thing that safeguards the United Kingdom against terrorism, although it is not fool proof, is the lack of access to small arms and light weapons, in particular semi-automatic rifles. I therefore commend the Prime Minister in his efforts at the Council meeting to ensure that more work is done across Europe, including with the western Balkan countries, to stop the smuggling of illegal weapons from the Balkans into Europe.

The Prime Minister: My hon. Friend is absolutely right about this issue. I raised it personally at the Paris COP 21 conference. Mr President of the European Council, for which I will forever be very grateful. The Prime Minister tells us that other EU Heads of Government when they pass legislation to meet stronger climate obligations, that is a matter for them. The Prime Minister in his efforts at the Council meeting to ensure that more work is done across Europe, including with the western Balkan countries, to stop the smuggling of illegal weapons from the Balkans into Europe.

Geraint Davies (Swansea West) (Lab/Co-op): Happy new year, Mr Speaker. [Interruption.] And to you all.

Britain is taking great leadership in environmental policy in Europe and beyond. Will the Prime Minister use the Paris COP 21 conference to press the EU to ensure that imperatives on climate change from that conference are fully integrated into the US-EU free trade agreement, so that companies do not fine Governments when they pass legislation to meet stronger emissions targets?

The Prime Minister: The hon. Gentleman raises an important point, and I will ensure that it is properly dealt with. The main thing we must do now is implement those things that were agreed at the COP and that need action in either the UK or the EU, but I do not see the Transatlantic Trade and Investment Partnership providing any particular problems on that front.

Suella Fernandes (Fareham) (Con): EU migrants can claim up to £700 a month in tax credits, which is almost double the amount to which they are entitled in Germany.
Following a recent court ruling, Germany has decided to change its laws so that EU migrants will not be able to claim such welfare before they contribute. Does my right hon. Friend agree that that news suggests that similar reform is highly possible in this country, and will he say what impact it will deliver?

The Prime Minister: My hon. Friend is absolutely right to raise that issue. Britain’s requirement on these welfare changes has stimulated something of a debate in Europe. I do not want to speak for the German Chancellor, but Germany is trying to deal with this issue at the same time as us. It has a more contributory system, but none the less it has some of the same issues. I am convinced that we can come to a good answer, and countries across the north of Europe understand how much that needs to be done.

Patrick Grady (Glasgow North) (SNP): Given that the ballot paper in the European referendum makes no mention of the Prime Minister’s renegotiations, will he answer the simple question that voters will have to answer: should the United Kingdom, in principle, remain in the European Union or leave the European Union?

The Prime Minister: The right thing to do is to wait for the renegotiation and see whether we want to remain in the EU as amended, or leave the EU. The whole point is to give people a better choice. Many people said to me before the last election, “I don’t want the false choice of staying in an organisation that needs reform or leaving it altogether. Give me a better choice.” That was the most popular policy not just in England, but in Wales, Northern Ireland and Scotland, and that is why we are putting it in place.

James Cartlidge (South Suffolk) (Con): Given the critical economic impact on this country of whether we leave or remain in the EU, will my right hon. Friend assure me that he will do all he can to push for a fair settlement regarding discrimination and access to the single market for those countries that choose to have the best of both worlds by remaining in the EU, but outside the straitjacket of the European single currency?

The Prime Minister: That is absolutely key to our negotiating aims, and a country that is a member of the single market but not of the single currency should not suffer disadvantage. As I said, a number of occasions—whether calls to bail-out eurozone countries, or the location policy that euro-clearing houses can be put only in eurozone countries—have shown just how important this issue is, and that is why it is so vital to the renegotiation.

Wayne David (Caerphilly) (Lab): Being part of the single European market is obviously vital to the British economy. Will the Prime Minister therefore prepare and publish a report before the referendum to show the impact on the British economy if we were to withdraw from the European Union?

The Prime Minister: I certainly believe that documents need to be published, and I think that the other place insisted in some amendments on what sorts of document need to be published. Within those documents they will set out what the renegotiation has accomplished and what are the benefits and disbenefits. I will be careful what I say to the hon. Gentleman because this is what was decided in the other place and I think accepted by us, so perhaps I can drop him a line about it.

Sir Simon Burns (Chelmsford) (Con): My right hon. Friend rightly told the House about the discussions on aviation security and passenger data sharing, which are important. Were there also discussions on the equally important issue of people who work at airports, not simply background checks but day-to-day checks when they turn up for work?

The Prime Minister: We did not go into that level of detail, but clearly the aim now is to have far greater collaboration and co-operation on airport security. One of the things that the Sharm el-Sheikh airline attack demonstrated is that, while we all believe we have made big advances in airport security, we cannot rest on our laurels. We have to keep asking: how could a terrorist get within the confines of an airport and do harm? The work is being carried out on that basis.

Steve McCabe (Birmingham, Selly Oak) (Lab): The Polish Foreign Minister is reported as saying that Poland will support the Prime Minister on in-work welfare benefits if he will back its demands for a NATO base. Has the Prime Minister or any of his officials had discussions on this with their Polish counterparts?

The Prime Minister: I do not think a NATO base has been discussed. Certainly, we support the idea that more NATO forces should be properly deployed in eastern European and Baltic countries in order to demonstrate that NATO absolutely stands by its obligations. As President Obama put it, when the Russians look over various borders or into other European countries, he wants them to see not just Latvian, Lithuanian or Polish soldiers but French, British and German soldiers as well.

Richard Graham (Gloucester) (Con): After the latest European Council meeting, German Chancellor Angela Merkel said: “It is important for British citizens that we find a solution, and the more satisfying the solution the more who will be convinced that Europe can put forward solutions.” The tone is encouraging, but does my right hon. Friend agree the crux now is converting mood music into substance?

The Prime Minister: My hon. Friend is absolutely right. I think there is good will towards Britain. As I said, many of the contributions to this debate were not just about Britain benefiting from being in Europe but about Europe benefiting from having Britain in it. People do not want us to leave, but we have to turn the good will into action. That is what the February or any subsequent Councils will be all about.

Toby Perkins (Chesterfield) (Lab): I wish the Prime Minister well in his renegotiations. I shall be campaigning for Britain to stay in the EU whether he is successful or not. He should not oversell the difference it will make to Britain whether he is successful or not. It means a lot to those of us who will be campaigning to stay in the EU that we will be able to do so on the basis of an honest
and transparent case. It is therefore difficult for him to say that the changes he is campaigning for are irreversible. He knows as well as anyone that a future Prime Minister, Government or Parliament can change the terms in which we are in. Will he withdraw the allegation that the things he is campaigning for now are irreversible?

**The Prime Minister:** What I am looking for are changes that are legally binding and irreversible. Should a future British Prime Minister and the 27 other Prime Ministers and Presidents around the table decide to take Europe in a totally different direction, then that would be very concerning. But, and it is a big but, we should remember that we passed through this House the referendum lock. If any future Labour Prime Minister—or any other Prime Minister—tried to give away powers that we either have or get back there would be another referendum, so I do not think we have to worry about that.

**Jason McCartney** (Colne Valley) (Con): In the shadow Foreign Secretary’s well-received speech in the Syria debate, he quoted Karwan Tahir, from the Kurdistan Regional Government, on the strategic importance of UK forces joining air strikes against Daesh inside Syria. Will the Prime Minister confirm that RAF airstrikes now taking place inside Syria are helping to repel counter-attacks against Kurdish peshmerga forces in northern Iraq?

**The Prime Minister:** I can confirm that. As was set out in that debate, if we believe in shrinking and eventually eradicating Daesh, that has to be done on both sides of the Syria-Iraq border. In the period since the vote, most of the action has been concentrated in Iraq because of the retaking of Ramadi, but the fact that we can pursue people across that border and the fact that we have been able to take action specifically against the oil wealth Daesh has built up, is beginning to make a difference.

**Paul Farrelly** (Newcastle-under-Lyme) (Lab): In the Prime Minister’s remarks, he described one of his four pillars, that regarding in-work benefits, as his four-year proposal. He has heard one of his colleagues on the Back Benches cite the Conservative manifesto. As far as his negotiations are concerned, will he explain to the House what has been the difference between a four-year proposal and a four-year demand?

**The Prime Minister:** The UK has put its proposals on the table in each of the four areas, and of course, in the area of migration, the four-year proposal is not our only proposal: we have talked about child benefit, benefit abuse, criminality and our migration rules. I have said that my four-year proposal remains on the table unless or until something equally good is put in its place. I am happy to listen to other suggestions, but people need to know that this is crucial to getting the right deal.

**Mr Jonathan Djanogly** (Huntingdon) (Con): If, as seems increasingly likely, Switzerland successfully negotiates restrictions on the freedom of movement, will my right hon. Friend’s position change as a result? Is what is good for Switzerland good for Britain?

**The Prime Minister:** As my hon. Friend might imagine, I am watching closely the Swiss attempts to renegotiate its position since the referendum. The difficulty of its position is that the EU is saying to Switzerland, “Yes, we’re happy to talk to you about free movement of people, but everything else is up for grabs”—there is no guarantee of Swiss access to any part of the single market without agreement in this area. That is worth thinking about carefully in terms of the relationship between a country—particularly a small country outside the EU—and the rest of the EU.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): Given the lack of progress and detail in the Prime Minister’s renegotiation wish list and considering he has asked for other ideas today, will he support my party’s call for greater influence for the devolved Governments within the EU’s decision-making structures as a way of increasing democracy and accountability?

**The Prime Minister:** We have made a lot of advances in recent years in making sure that devolved views are clearly taken into account before Council meetings, and we continue to do that.

**Alberto Costa** (South Leicestershire) (Con): As well as our armed forces, will the Prime Minister also pay tribute to British police officers, such as the chief constable of Leicestershire police, Simon Cole, who, as he knows, is the lead on the National Police Chiefs Council’s Prevent strategy to counter radicalisation and who works hard, along with other police officers, to protect us all from terrorists?

**The Prime Minister:** As my hon. Friend says, this is a good moment to pay tribute to the police. They worked incredibly hard over the Christmas period, not just with the flooding but on counter-terrorism, working with our security services. Given the heightened concern following the Paris attacks, now is a good moment to pay tribute to what they do.

**Clive Efford** (Eltham) (Lab): May I take the Prime Minister back to the question from my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper)? I cannot believe he thinks that the 3,000 children wanting to come to this country are trying to break in—

**The Prime Minister** indicated dissent.

**Clive Efford:** That is what the Prime Minister said. I will give him the chance to put the record straight, but it is not acceptable to say that the disagreement among non-governmental organisations about how to help these children is an argument for doing nothing. We are asking for an in-principle commitment to help 3,000 children. Will he give that?

**The Prime Minister:** Let me be clear—I hope I did not mislead the House in any way—the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) said she had been to Calais and seen the state of the “jungle” camp, and I was just making the point that we will do everything we can to help the French deal with the people there, but that, in the end, the people in the Calais camp do not have a right to come to the UK and, under international rules, should be claiming asylum in the first safe country they reach.
[The Prime Minister]

Of course, we will carefully consider the issue of unaccompanied children. We are taking people from the Syrian camps—that is the 20,000—including many very vulnerable people and families, and we are looking at the 3,000 in good faith, but as I have said many times, there are issues to be worked through. I am glad, however, to have had the opportunity to separate those two issues.

Henry Smith (Crawley) (Con): I commend the Prime Minister for his statement. Will he confirm that UK personnel will not take part in any external border Schengen area patrols? Would that not go against the principle of moving away from ever closer union?

The Prime Minister: We are not a Schengen country, so there is no prospect of us being part of a European external border force. Our external border is well delineated and well protected, but we should obviously look at what more we can do. Should we, however, stop other European countries if they want to get together and do more at their external border? No, I do not think we should. Frankly, we want to see a better-protected European border. Whether or not we would co-operate, work with or help some future force, I do not know, but it could be properly looked at. At the moment, even though we are not in Schengen, we have more people working on the European Asylum Support Office than any other European country. In the end, we recognise that protecting Europe's external border is in our interest. Again, I think we can have the best of both worlds: we can keep our border controls and keep out of Schengen, while encouraging other European countries to do more on their external border and providing help where appropriate and necessary, but make sure that we maintain our own sovereignty in this vital regard.

Peter Grant (Glenrothes) (SNP): In his earlier replies to my right hon. Friend the Member for Moray (Angus Robertson), the Prime Minister made it clear to the people of Scotland, and presumably to the people of Wales and Northern Ireland too, that a consequence of being part of the United Kingdom is that we have to put up with the possibility of our people voting to stay in the European Union yet being dragged out of it if a majority of people in England vote to leave. This is how the Prime Minister has started 2016, but for most of 2014 the Prime Minister was telling us that being part of the United Kingdom was the only way to guarantee our membership of the EU. Will he tell us how it is possible to reconcile those two directly contradictory views?

The Prime Minister: Very easily. If Scotland had voted to leave the United Kingdom, which the people of Scotland wisely rejected, they would have been in a very long queue to get back into the EU. Having met the Spanish Prime Minister several times, I am not sure that there are many circumstances in which the Spanish would ever let an independent Scotland back into the European Union. That is the answer to the hon. Gentleman's first question. The answer to the second is that we had a referendum on whether Scotland should remain part of the United Kingdom. Scotland voted to stay in the United Kingdom and the hon. Gentleman's party vowed to abide by the decision taken—for one United Kingdom.

Tom Pursglove (Corby) (Con): Does it not remain the case that by focusing our efforts in the region and by helping in those areas, we can help 20 people for every one person we bring to Britain? Is that not the most effective way for the British people to help those who find themselves in such difficult situations?

The Prime Minister: My hon. Friend is absolutely right. The figures speak for themselves. We said we would take 20,000 people from the camps, do 1,000 by Christmas and get on with it. Thanks to the excellent work of the Under-Secretary of State for Refugees, we have fulfilled our pledge. If we look at the resettlement and relocation schemes that the EU spent a lot of time discussing, so far they have not amounted to as many as the 1,000 people that we have helped. I am sure that they will over time, but my point is that Britain is a country that prides itself on signing agreements, implementing them and doing the things that are set out in those agreements. That is exactly what we have done with Syrian refugees.

Andrew Gwynne (Denton and Reddish) (Lab): Has the Prime Minister discussed his renegotiation efforts with the Chief Minister of Gibraltar, and does he recognise the growing anxiety of Gibraltarians at the prospect of British exit from the European Union—not least the prospect that a currently impartial Commission and other member states might take sides in future deliberations between Britain and Spain?

The Prime Minister: I have not discussed the issue recently with the Chief Minister of Gibraltar, with whom I am on very good terms. But of course people in Gibraltar will have a vote.

Steve Brine (Winchester) (Con): Returning to the subject of Syrian refugees, I was fortunate to meet in the week before Christmas a Syrian family that had resettled in my constituency. It was obvious from talking to the parents how grateful they were. Watching the tears well up in the eyes of their little girl, who was the same age as my own daughter, was a reminder of what a harrowing experience they had been through. One thousand by Christmas was a big ask, but we did it. The fact that the British Red Cross, a caseworker and interpreter were with these people provided an example and a reminder for me that bringing them here properly and under the right terms, so that they have the services they need, means that we have done this the right way round.

The Prime Minister: I am grateful to my hon. Friend for his comments. That is the right way of doing it. We have to keep on now and ensure that we deliver the 20,000 that we promised. I pay tribute to the local authorities that have offered housing and support. The model we have is the right one.

Diana Johnson (Kingston upon Hull North) (Lab): This afternoon the Prime Minister has talked about the national security angle being a compelling reason to stay in the EU. Can he therefore explain how it will work if the Home Secretary decides to campaign to leave the EU?

The Prime Minister: I have set out the position, which is that we will make a recommendation following the conclusion of the renegotiation. The Government will have a position. I have set out what I want that position
that the commitment is
charities have written to the Prime Minister and said
washed up this weekend on Greek shores. Refugee
never again would refugees be left out in the cold. The
after the second world war, when we promised that
am sure it wants to go on co-operating and working
available through institutions such as Europol, which I
everyone can be creative and helpful in trying to ensure
that the people in Denmark have decided, I hope that
that referendum. That is a matter for Denmark. Now
has to address individual concerns of individual countries.
Due largely to concerns about migration. Will my right
hon. Friend confirm that that result was discussed at the
Council? Does he agree that that result underlines
the importance of the EU responding positively to his
reform agenda and ensuring that it has better controls
over its own borders?

The Prime Minister: My hon. Friend is right. Europe
has to address individual concerns of individual countries.
That is exactly what it is doing with respect to Britain.
The Danish Government took the approach of holding
that referendum. That is a matter for Denmark. Now
that the people in Denmark have decided, I hope that
everyone can be creative and helpful in trying to ensure
that Denmark can benefit from the security that is
available through institutions such as Europol, which I
am sure it wants to go on co-operating and working
with. We will have to find a way of making that happen.

Debbie Abrahams (Oldham East and Saddleworth)
(Lab): The UK helped to draft the UN refugee conventions
after the second world war, when we promised that
never again would refugees be left out in the cold. The
first body of a child to be washed up in 2016 was
washed up this weekend on Greek shores. Refugee
charities have written to the Prime Minister and said
that the commitment is
“too slow, too low and too narrow.”
Will he show leadership and promise to extend support
to refugees, including working with EU partners to
establish safe and legal ways to reach the EU and travel
across it?

The Prime Minister: I have just replied to that powerful
letter and made a number of the points we have discussed
today, including that we made our promise of 20,000
and are delivering on that, which stands in contrast
with the schemes that are not yet up and running in the
way ours is. One of the key points about the UN rules is
that people should claim asylum and refugee status in
the first safe country that they reach. It is important
that we try to reinforce that in the work we do.

Andrew Stephenson (Pendle) (Con): I welcome what
the Prime Minister has said about the Commission’s
proposals on firearms. Some of the measures are to be
welcomed, but some are causing great concern among
re-enactment and living history groups across the UK.
Can he assure me that he will look carefully at the
details of those proposals to ensure that there are no
unintended consequences?

Danny Kinahan (South Antrim) (UUP): Just before
Christmas, there were reports in the media that some
tens of thousands of blank EU passports had been
stolen. If that is true, it has great consequences for our
security, immigration and everything else. Is it true? If it
is, what are we doing about it?

The Prime Minister: I am not aware of that report. I
will look into the matter and perhaps write to the hon.
Gentleman.

Andrew Bridgen (North West Leicestershire) (Con):
Does my right hon. Friend agree that the controversial
decision to grant asylum to Abdul Rahman Haroun,
the man who infamously broke into and ran through the
channel tunnel, sends completely the wrong signal,
and risks seriously undermining public confidence in
the EU and our own border controls?

The Prime Minister: Such decisions are made
independently, according to the asylum rules. However,
let us be absolutely clear about the fact that we should
do everything we can to secure the tunnel and make
sure that it is not possible for people to access our
country by breaking into it.

Daniel Kawczynski (Shrewsbury and Atcham) (Con):
NATO strategy and priorities must not be conflated
with the EU renegotiation. Will the Prime Minister give
us a categorical assurance that none of the discussions
with the Polish Government will include giving them a
permanent NATO base in Poland as part of securing
their support for this agreement?

The Prime Minister: No one has talked about a base
of the kind that my hon. Friend describes. However, I
strongly believe that, as part of the NATO strategy that
has already been agreed, we should be contributing to
the high-readiness forces. I strongly support that. I
believe that we should be taking part in the Baltic air
policing mission, for example, and that we should be
ensuring that British soldiers exercise on Polish soil, as
they do. If there are proposals to do more of those
things, I for one will welcome them.

Nigel Huddleston (Mid Worcestershire) (Con): Does
the Prime Minister agree that there is nothing progressive
or noble about handing over more and more powers to
unelected, unaccountable overseas bodies? Does he agree
with my constituents that the principle of ever closer
union is important because it sets out a clear direction
of intent?

The Prime Minister: My hon. Friend is right. That is
why, as I have said, Britain’s engagement on Europe is
not half-hearted. When it comes to the single market,
we are its greatest champions. When it comes to sanctions
against Putin’s Russia because of what has happened in
Ukraine, we are the ones in the vanguard. When it comes to wanting to sign deals with the fastest-growing parts of the world, we are the ones making the argument. However, we have never believed in ever closer union or in a political superstate. That is not what we want.

I want to give the British people a very clear choice. We can be in Europe for the trade and the co-operation and the security that we require, but we do not want to be part of some federalising project. I think that while we are out of the euro and out of Schengen, and not having to be part of those supranational things, we will get a good deal.

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I will make a statement about our work to counter the threat that we face from terrorism, in the light of the latest propaganda video from Daesh.

This weekend, Daesh released a video depicting the sickening murder of five men whom they had accused of spying for Britain. The video also featured a young boy. Let me echo the Prime Minister’s words: this is a barbaric and appalling video. Daesh seek to intimidate and spread hateful propaganda, but in doing so they only expose their own depravity, and the emptiness of their proposition.

The House will understand that this is an ongoing police investigation, and that I cannot comment further while that investigation continues. To do so could prejudice the outcome of any future judicial process. For the same reason, I cannot comment on the alleged identity of the man or the child in the video.

Since the start of the conflict in Syria, more than 800 people from the UK who are of national security concern are thought to have travelled to the region, and we believe that about half of them have returned. Those who have travelled include young women and families. We have seen deadly Daesh-inspired terrorist attacks in Europe and other countries, including the attacks last year in Paris, Lebanon, Turkey, Kuwait and Tunisia, where 30 British nationals, along with others, were murdered at a tourist resort.

It is imperative that the police and security services have the resources and the powers that they need to keep us safe. Since 2010, we have protected the counter-terrorism policing budget, and, as we announced in November, through the strategic defence and security review, we have made new funding available to the security and intelligence agencies. That will provide for an additional 1,900 officers, an increase of 15%, at MI5, MI6 and GCHQ, and will enable us to respond better to the threat that we face from international terrorism, cyber-attacks and other global risks. We have also strengthened the powers available to the police and security and intelligence agencies.

In 2013, I updated the criteria governing the use of the royal prerogative, which allows the Government to cancel the passports of those planning to travel to engage in terrorist-related activity overseas, and in 2014 I removed 24 passports from people intending to travel for terrorism-related activity. Last year, the Counter-Terrorism and Security Act provided new powers to deal specifically with the problem of foreign fighters and to prevent radicalisation. This included a new power to temporarily seize the passports of those suspected of intending to leave the UK in connection with terrorism-related activity. These powers have been used on more than 20 occasions and in some cases have led to longer-term disruptive action such as use of the royal prerogative to permanently cancel a British passport. In November, we published the draft Investigatory Powers Bill, which is currently undergoing pre-legislative scrutiny.

Since April last year, exit checks have been in place on all international commercial scheduled air, sea and rail services using the UK. The information this provides is
already supporting our intelligence work, enabling us to make appropriate interventions. In addition, the UK has joined the European watch list system—so-called SIS II—meaning we are now alerted when any individual is stopped at a border checkpoint or by police anywhere in Europe and is checked against the system. Through our Prevent and Channel programmes we are working to protect people from being drawn into terrorism. In partnership with industry, we are working to secure the removal of extremist videos through the police counter-terrorism internet referral unit. They are currently securing the removal of around 1,000 pieces of unlawful terrorist-related content every week.

It is clear that Daesh will continue to try and poison minds, and to hurt people in Europe and other parts of the world. We must not let that happen and we stand with all those who want to stop it. Time and again we have seen people of all faiths and backgrounds join together and demonstrate their opposition to terror, and their stand for democracy and freedom. Britain will not be intimidated by Daesh, and together we will defeat it.

5.16 pm

Andy Burnham (Leigh) (Lab): As the Home Secretary has just said, people will have been sickened to see images from the latest Daesh video on their television screens last night. What makes it even more disturbing are the British voices in the video and reports that one of them is a UK national who absconded to Syria while on police bail for terrorism-related offences. Clearly, something has gone seriously wrong. People will rightly want to know how on earth this could possibly have happened and will want reassurance that steps are in hand to prevent a repeat.

The Home Secretary has not provided that today. I do appreciate that there is a limit to what she can say, but she is only saying anything at all because we applied for an urgent question that was upgraded by the Government into this statement. I believe the public are owed more than that so I want to set out the questions that she will need to answer, if not today, then over the coming days and weeks, both on the specifics and the wider implications of this case.

I will deal first with the case itself and the reports concerning Mr Siddhartha Dhar. Whether or not he is the person in the video does not matter; the system has failed because it allowed him to abscond to Syria, and it is the system’s failings I want to focus on, rather than the identities of people in the video. He was well known to the authorities having been arrested six times on terror-related offences before being placed on police bail in 2014 and asked to surrender his passport. It was when he failed to comply with those bail conditions that it emerged he had absconded. This brings me to my first question: can the Home Secretary tell the House when she was first made aware that this individual had absconded? Did she order an inquiry at that time, and if she did, can she tell us what it revealed and what immediate action she took to tighten up procedures? If she did not order a review, can she say why she did not do so? Was he placed on a watch list and, if so, when? If not, why not?

At the heart of this case is the system of police bail for people arrested for terrorism-related activity and whether it offers the potential for loopholes. Can the Home Secretary tell the House whether the authorities followed the correct procedures between arrest and the bail hearing?

— Even if the correct procedures were followed, I have evidence that they were far too weak. I have here the letter sent to Dhar setting out his bail conditions after he was bailed on 26 September 2014. It reminds him that he was due to surrender his travel documents by 3 October 2014, but this letter was sent over a month later, on 7 November. Let me quote from the letter. It states: “It has come to our notice that condition number 3 has not been complied with, or so our records suggest. Are there any changes to your circumstances that the police need to be aware of? Could you please contact the police on the telephone number listed above as a matter of urgency?” Does that in any way sound like an adequate response to the seriousness of the charges? It is clear that Mr Dhar had left this country long before that letter was sent. As I have said, regardless of which individuals might be in the video, this particular individual has absconded and the Home Secretary needs to provide answers.

I turn now to the wider implications of this episode. Will the Home Secretary tell the House how many other individuals are currently on bail for terror-related offences? Is she satisfied that their bail conditions and the monitoring of those individuals are adequate? Is this the only example of an individual absconding while on police bail, or are there others? On the question of the passport, can she say whether, in cases of this type, the authorities should seize a passport immediately rather than waiting for it to be surrendered voluntarily?

Will the Home Secretary also tell us whether individuals in terrorism-related cases should immediately be placed on the watch-list for all airports and seaports at the point of arrest? There are also wider implications about border checks, and anecdotal reports suggest that people continue to be waved through at seaports. The Government committed to check all passports on exit from the UK by the end of the last Parliament. Has that been implemented? If every passport is not currently checked, when will the figure reach 100%? Even if Mr Dhar’s passport was not checked here, it should have been checked on arrival in the Schengen area. However, at the time he went through the border, the UK was not party to the Schengen Information System, which allows the sharing of our watch-lists across Europe, because the Home Secretary had delayed our participation in it. In retrospect, does she now accept that that delay was a mistake and that it weakened our security arrangements? Can she confirm that we are now playing our full part?

We know that the Border Force has undergone a huge upheaval since 2010, involving losing staff, and that it is today facing further cuts. Does the Home Secretary believe that the numbers of border staff are adequate to the meet the threat level and that further cuts will not leave us exposed?

In conclusion, we appreciate that this is an ongoing police investigation, but the fact that this individual could abscond while facing major charges raises serious questions about counter-terrorism policy. We need a commitment from the Home Secretary today that there will be an inquiry into this episode and that its findings will be made available to the House. There has clearly been a major lapse in security, and the onus now is very
firmly on the Home Secretary to demonstrate that she is taking all the necessary action to strengthen our systems of monitoring people who pose a risk to our country.

Mrs May: The shadow Home Secretary has asked a number of questions. He is right to say that I will not comment on individual reports in the papers relating to the Daesh video. That is an ongoing investigation. An initial assessment has been made, and work on it is continuing. He asked further general questions about the conditions for police bail and on checks at the border. I assume that, as shadow Home Secretary, he knows that the decision whether to place someone on police bail, and the conditions relating to that bail, are operational matters. Those decisions are taken by the police. I seem to recall that when counter-terrorism legislation has gone through the House in the past, the official Opposition supported proposals from organisations outside the House that more use should be made of police bail for terrorist offenders.

The right hon. Gentleman asked about border checks and about whether the procedures had been tightened up. As I indicated in my statement, we have introduced exit checks. They are now taking place at the various ports of exit and in a variety of ways, according to how the information about someone's exit is being held. We have introduced the checks and they are now providing support for our intelligence operations. He also talked about the border system that I referred to—the Schengen Information System II—suggesting that somehow this Government had delayed joining it. I seem to recall that SIS II was first proposed when the Labour party was in government, and that it was this Government—the coalition Government followed by this Government—who actually ensured that the UK went into SIS II and is now able to make use of it. We are looking across Europe to see how—I talk with my European counterparts to see how—I talk with my European counterparts about this—we can continue to enhance the use that can be made of SIS II. It is an important tool and we think there are ways in which we can make better use of it. We are discussing those and will be bringing them into place. We continually look to ensure that we can make any necessary moves to enhance our ability to deal with these issues, and we have done so—people can see the counter-terrorism legislation we have introduced in the past five years. We are continuing to do that, because we recognise our role and responsibility as a Government to keep people safe.

Mr Dominic Grieve (Beaconsfield) (Con): It seems to me that the one key issue that arises from this story is whether the Home Secretary is satisfied that there is an adequately rapid notification procedure following somebody being granted police bail and where the withdrawal of their passport is included, and in the event of a request that somebody surrender their passport if they appear in court. As long as those two things are now happening expeditiously, I venture the suggestion that the problem being talked about today is unlikely to recur through a mechanism of failure of notification. Having listened to the exaggerated froth that has come from Opposition Members this afternoon, I simply add that the single biggest change is the exit checks that my right hon. Friend is responsible for introducing.

Mrs May: The right hon. and learned Friend is right about the importance of the exit checks that have been introduced. He asks about notification in relation to when the surrender of a passport is requested. Passports will be surrendered under different powers and in different circumstances so the whole process will be carried out on a case-by-case basis. For example, when a royal prerogative is being exercised a different process will potentially be used from when a police bail decision has been undertaken. In the latter case, it is up to the police to determine the speed with which it is necessary to remove the passport.

Angela Crawley (Lanark and Hamilton East) (SNP): The contents of this video are utterly abhorrent, and we hope that appropriate measures are taken to clarify the identity of this individual as swiftly and accurately as possible. A reasoned and proportionate response to this threat is essential. The Scottish National party is committed to supporting all efforts to counter terrorism and to working to safeguard the lives of citizens of this country. If someone has a passport removed as a condition of their bail, are additional options open to a judge to prevent that person from fleeing the country? What more could have been done or can be done in similar circumstances?

Mrs May: I thank the hon. Lady for her comments about the video, echoing the remarks that both I and the shadow Home Secretary made about the appalling and barbaric nature of not only the video, but the organisation of Daesh. She referred to bail that has been ordered by a judge, but of course bail will often be ordered by the police. If someone has not been charged with an offence, the police will determine their bail to return on a particular date and the conditions applied to that bail. As I have indicated, there are a number of processes whereby other measures can be taken. For example, if the police determine at the port, under the new powers that we have introduced, that somebody’s passport should be temporarily removed for further investigation, that can lead to its permanent removal through a royal prerogative being exercised or to other action being taken. The exercise of a terrorism prevention and investigation measure—a TPIM—can also contain measures aimed at preventing an individual from travelling. All of these decisions as to which powers should be exercised are taken on a case-by-case basis.

Dr Julian Lewis (New Forest East) (Con): I have formed an impression from media coverage, which may not be accurate, that a disproportionate number of violent Islamist extremists are converts to the Muslim faith. Is there any basis for that impression and, if there is, has any analysis been done about the way in which these people were converted in the first place?

Mrs May: I am not aware of any figures that show overall what proportion of jihadists have previously been allied to another faith and have converted to Islam. It is certainly the case that there have been reports in the press, obviously recently but also previously, of individuals who have converted to Islam. A lot of work has been done and continues to be done on this whole question of how people are triggered into radicalisation and terrorist activity. In most cases, a number of factors come together that lead to an individual
becoming radicalised, potentially to the point of undertaking violence. What we do with our counter-radicalisation programmes, particularly with Prevent and Channel, is aim to interrupt that process and stop people who have started down that route to radicalisation.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I am asking not about the vile video that the Home Secretary has rightly condemned, but about Siddhartha Dhar and the factual questions that have been raised. Will she tell the House when she was told that he had absconded, whether she asked for an inquiry and also whether the Home Office holds figures on the number of people who abscond while on police bail for terrorist offences?

Mrs May: I said that I would not speak about the individual who has been named in the press. I apologise to the shadow Home Secretary, because he did ask me about the number of people who have absconded while on police bail for terrorist offences. Those figures are not collected. Figures are collected for the number of people who are convicted of failing to surrender to bail, but those are not separated into those who have undertaken terrorist offences.

Mr Keith Simpson (Broadland) (Con): My right hon. Friend has been working closely with her opposite numbers in the EU—Ministers of the Interior and so on. Will she update the House on what further co-operation is now taking place given the fact that, over the past six months, there have been a number of incidents in which intelligence exchange has obviously failed?

Mrs May: My right hon. Friend has raised an important issue. There has been considerable progress recently in looking at the exchange of information between intelligence services around the European Union. I am talking about the exchange of information on criminal records, including terrorism offence records, further to place between intelligence services, but the role of Europol. I have been talking with my opposite numbers specifically about a better exchange of information on criminal records, including terrorism offence records, further to enhance our ability to identify people who may pose a threat and to take the appropriate action. As I said earlier in response to the shadow Home Secretary, we are also looking at how the SIS II system can be improved to ensure that maximum information is available and dealt with properly.

Mr George Howarth (Knowsley) (Lab): The Home Secretary is aware of the fact that Daesh is probably the most media-savvy terrorist group that ever existed. It is very welcome that, through a combination of the police and their partners in the industry, 1,000 pieces of content are taken down every week, but for that to happen those pieces of content must have been put up in the first place. Will she undertake to ask the internet providers to monitor more closely content going up so that it does not get on there in the first place?

Mrs May: The right hon. Gentleman raises a very important point. A number of initiatives are already taking place. In the UK, we hold a regular dialogue with the internet service providers. In December, the European Commission brought together EU Interior Ministers with representatives from some of the major internet service providers to discuss precisely those issues about how we can better prevent material from getting on to the internet in the first place and ensure that that material can be taken down. Here in the UK, we have had a long-standing view—across both the previous Labour Government and this Government—that we should work with the internet service providers to encourage them to use their terms and conditions as far as possible to remove material so that it is not available to promote that sort of propaganda.

Richard Fuller (Bedford) (Con): A key part of our counter-terrorism narrative is that in the United Kingdom we respect religious freedom, which makes even more disturbing the increasing reports of verbal and physical assaults on ladies who wear a veil or hijab while out shopping or taking their children to school, so can my right hon. Friend assure me that she will carefully monitor the number of such incidents and the effectiveness of the police’s response?

Mrs May: My hon. Friend too, raises an important point and I can assure him that through the reports to Tell MAMA we look at the instances of Islamophobia that take place, as well as looking at the instances of anti-Semitic incidents that take place. We are committed to ensuring that police will now record hate crime which has an Islamophobic element to it so that we can get a better understanding of exactly what is taking place.

Fiona Mactaggart (Slough) (Lab): The Home Secretary is aware that the threat terror was already “severe”, which means that a terrorist attack is highly likely. In view of the content of this vile video and the imminence of the first anniversary of the Charlie Hebdo attacks, has she put in place better protection for UK media institutions and citizens against an attack within the UK?

Mrs May: We constantly look at the measures that we need to take here in the United Kingdom to protect against an attack. Following the Charlie Hebdo attack, discussions were held by the police with various media outlets to discuss with them their security. Of course, following the terrible attacks that took place in Paris on 13 November last year, we have looked further at the whole question of protective security. The right hon. Lady is right—the current national terrorist threat level is at “severe”—a terrorist attack is highly likely. The decision as to what that threat level should be is a matter for the independent joint terrorism analysis centre.

Henry Smith (Crawley) (Con): In 2014 I was very grateful to my right hon. Friend the Home Secretary for increasing Prevent funding to Crawley constituency. Can she give assurances to the House that she will continue those efforts to ensure that young British Muslims are not tempted by the vile and sick propaganda of Daesh that she has rightly condemned?

Mrs May: I can absolutely give my hon. Friend that assurance. We have taken a number of steps in relation to an uplift in Prevent funding that is taking place. Also, an important step that we took was putting the Prevent duty on a statutory basis. From everything I have heard, I think that is already having an impact out there and ensuring increasingly that those in the public sector who come into contact with young people and others, but particularly young people, are looking to spot the signs that somebody may be being taken down the route of radicalisation, and to take appropriate action.
Mr Alistair Carmichael (Orkney and Shetland) (LD): The House will understand and accept the Home Secretary’s concerns about interfering in a live police investigation, but she must surely accept that the information that is already in the public domain risks undermining public confidence in the police bail system. She or somebody in the police service today or some other time will have to give the information to the public to assure that there is no risk as a result of the operation of that system. The videos that we are concerned with today are—it is almost trite to say it—abhorrent and horrific, but they are merely the symptom of the wider disease of radicalisation. It is believed by many people that the radicalisation process is funded from sources in Saudi Arabia. Will the Home Secretary undertake today to investigate whether that is the case and, if it is, will she undertake to do what is necessary to shut off that source of funding?

Mrs May: The right hon. Gentleman raises an important point about looking at the source of funding for extremism and terrorism here in the United Kingdom. There is a specific piece of work that we will be undertaking, which the Prime Minister referred to when he gave his statement to the House in November in relation to Syria. That will be done through the extremism analysis unit that has been set up in the Home Office, looking specifically at the funding of the extremism here in the United Kingdom.

John Stevenson (Carlisle) (Con): I appreciate the work of the security services and the police in dealing with counter-terrorism. Clearly a great deal of their work is focused on overseas issues and security within the capital. Can the Home Secretary assure me that she is confident that enough counter-terrorism work is being done to ensure the safety and security of the British people in other cities and towns up and down the country?

Mrs May: I hope that I can reassure my hon. Friend by saying that counter-terrorism units exist not just in London, but elsewhere in the United Kingdom. Following the Paris attacks last November, a piece of work has been started—we are now finessing it—in relation to armed police response, looking across the United Kingdom to ensure that we have the appropriate numbers of trained armed officers in the right places.

Mr David Hanson (Delyn) (Lab): Of course, the Home Secretary has form when it comes to absconding. Can she update the House on the whereabouts of Ibrahim Magog, who absconded in a black cab in January 2013? Can she update the House on the whereabouts of Mohamed Ahmed Mohamed, who absconded wearing a burqa in November 2013? Both were on terrorism prevention orders at the time, under the instruction of the Home Secretary.

Mrs May: It is interesting that the right hon. Gentleman chooses to speak about previous absconds, because I seem to recall that seven people absconded under the Labour Government’s control orders, only one of whom was ever found.

Jason McCartney (Colne Valley) (Con): The Home Secretary quite rightly said that there has been enhanced funding for the security and intelligence services, but may I ask—this adds to the point my hon. Friend the Member for Carlisle (John Stevenson) made—that those extra resources and armed response units also go to our regional towns and cities, not just the capital?

Mrs May: As I indicated in response to our hon. Friend the Member for Carlisle (John Stevenson), the work that we are undertaking looks across the country at what is appropriate for armed response availability and response times. There will be an uplift in the number of armed officers within the police. As I have said, the exercise is looking precisely at how that should be done and where those officers should be, and it is not only looking at London.

Gavin Robinson (Belfast East) (DUP): I thank the Home Secretary for yet again putting clear blue water between our fellow Muslim countrymen and those who are extremists and involved in terrorism within this country. To reinforce that point, does she accept that it would be better to pursue counter-extremism and counter-terrorism right across the country, irrespective of geographic location, race or creed? With that in mind, are there any aspects of the counter-extremism strategy that could be operated in Northern Ireland?

Mrs May: I thank the hon. Gentleman for the confidence he has shown in the counter-extremism strategy and in the work that we have developed and are developing on counter-extremism. As he knows, we have had discussions with the devolved Administrations on how the strategy should apply in those parts of the United Kingdom, particularly Northern Ireland and Scotland. Of course, work is already undertaken in Northern Ireland, in a separate strand of action, and that has been shown to be very valuable. Obviously, as he will be aware, at the moment the counter-extremism strategy that we are developing does not apply to Northern Ireland.

Alex Chalk (Cheltenham) (Con): Internet-based propaganda does a huge amount to radicalise and brainwash people living in the UK into planning atrocities or travelling abroad to fight. Does my right hon. Friend agree that the additional resources invested in our security services, including GCHQ, which is based in my constituency, significantly enhance our ability to hunt that material down and remove it?

Mrs May: My hon. Friend is absolutely right. Importantly, we have enhanced the resources going into our security and intelligence agencies. He of course has a particular interest in GCHQ, given his constituency. The work being done there is very important, not just because of the information and intelligence that might be helpful in counter-terrorism, but because of what is done there to counter the cyber-security threat we face.

Stella Creasy (Walthamstow) (Lab/Co-op): Many people in Waltham Forest are extremely shocked at the possibility that someone who lived in our community could be involved in atrocities. They would want me to make it clear that we do not consider that he represents either our community or Islam, and we condemn utterly his ideals and actions. However, the Home Secretary will also be aware that there are growing concerns that innocent individuals and families may be unfairly caught up in the activities necessary to keep our country safe. Will she meet me and other MPs representing those UK citizens who have been denied the right to travel to
They ought to get their story straight. Mrs May: First of all, I thank the hon. Lady for the remarks she made about Waltham Forest in her constituency and her constituents’ condemnation of the barbaric activities of Daesh and anybody involved in them.

The hon. Lady asks me about the whole question of those who have been denied the opportunity to travel through the exercise of the royal prerogative. If she wishes to bring up particular cases, I am sure that the Minister for Security will be happy to meet her. But I have to say to her that on the one hand her party’s Front Benchers are encouraging us to exercise greater powers and make greater use of the power to prevent people from travelling while she is indicating concern about it. They ought to get their story straight.

Mark Pritchard (The Wrekin) (Con): One of the chilling aspects of the latest Daesh video is the exploitation of a very young child. On the issue of the radicalisation of children, what progress is being made by the Home Secretary and the Secretary of State for Education on ensuring that all madrassahs are registered and that all of them, even those that are unregistered, are monitored in order to safeguard our national security and our national way of life?

Mrs May: We have been working with the Department for Education. My right hon. Friend the Secretary of State has been developing proposals for the registration of madrassahs, starting with those providing a certain length of time of more formalised teaching. Action is under way in relation to that particular issue.

My hon. Friend raises a matter that concerns many people about children involved in Daesh in Iraq and Syria—children who may be taken away by their families and taken abroad to that environment. In the last year, in a significant number of instances, court powers have been used to prevent families from going abroad. This is quite simply a safeguarding issue and local authorities are increasingly looking at the issue and taking action.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): When was the Home Secretary told that Siddhartha Dhar had breached his police bail conditions? What actions did she take as a consequence of that information?

Mrs May: I have been asked this question before and have said that I am not giving indications in the Chamber today about any particular individual. Decisions about whether somebody should be on police bail are taken by the police. They decide the conditions of police bail, and that is as it has always been.

Philip Davies (Shipley) (Con): Many of my constituents tell me that they are not particularly perturbed at radicalised extremists who are leaving the country, but they are very perturbed about them coming into the country. What could the Home Secretary tell us about what she is doing to make sure that these people are not allowed back into the country, whether they are British citizens or not?

Mrs May: We have taken a number of increased powers in relation to people who may be coming into the country to do us harm. First of all, we put our no-fly scheme on a statutory basis in legislation that we passed early last year. We also introduced in that same legislation the new temporary exclusion orders, which enable us to manage the return of individuals of concern when they are British citizens and cannot be rendered stateless. Decisions on that are taken on a case-by-case basis.

We also enhanced the ability of the Government to remove British citizenship from those who might be in the position of having alternative citizenship. We have increased our ability to take citizenship away from those individuals when there is a concern about the threat they might pose to the United Kingdom.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): Further to the question by my right hon. Friend the shadow Home Secretary, will the Home Secretary confirm what increase she has made in the number of Border Force staff to enable her to carry out full exit controls? When does she plan to have full controls for the people who are returning, and what implications will that have? How will she deal with the issue of biometric passports when people are returning on that basis?

Mrs May: For the benefit of the House, let me say that I think there are some inaccurate assumptions about the way in which exit checks are undertaken. It is not the case that every single exit check will be undertaken by a member of Border Force staff checking somebody’s passport as they go through a point of exit. A lot of this information comprises data that are being gathered electronically, and it is therefore not necessary for Border Force staff to be available to undertake that task.

Matt Warman (Boston and Skegness) (Con): As well as propaganda online, much planning for modern terrorism takes place on the internet. The Home Secretary mentioned the draft Investigatory Powers Bill. Will she reassure the House that she is determined to come to a workable arrangement with the major internet companies to make sure that there is no safe space online to plot terror?

Mrs May: Absolutely. We continue our discussions with the internet companies on a variety of aspects, not least the operation of the forthcoming Investigatory Powers Bill and elements within it. It is important that we work with the internet service providers, which have a very key role to play in this area in relation to propaganda that can appear on their systems and the response that they give to warrant requests from the authorities.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Home Secretary will be aware of concerns I have had for a number of years about exit checks, following the worrying situation in which an individual known to the security services was able to travel with a passport from my constituency to Syria. Will she be absolutely clear on the point about exit checks? Are all individuals leaving the UK through a port of exit by commercial means being checked electronically at the point of exit on their passport, yes or no, and if not, why is that not being considered?
Mrs May: As I have indicated, the way in which the information is being taken varies from port of exit to port of exit. Some of the information in relation to flights, for example, is the advance passenger information that is available to the authorities and has been for some time. At other ports a specific swipe of a passport will be taken. All this information is being held electronically.

James Berry (Kingston and Surbiton) (Con): Does my right hon. Friend agree that it was quite right to conduct a review of the operation of the Prüm convention before deciding to opt into that convention before Christmas? Does she agree that cases like the one that the House is discussing today show why that was exactly the right decision?

Mrs May: My hon. Friend is right to point out that it was a sensible approach to look at a proper business case for going into Prüm so that we were not just making a decision based on no evidence. It was clear from the evidence available to us that there were advantages to Prüm, and I am glad to say that an overwhelming majority of Members of this House supported it. It is indeed absolutely right and it will be a very valuable tool for us.

Diana Johnson (Kingston upon Hull North) (Lab): I am not asking about the correctness of the decision to bail Dhar, but what I would like to know is this: did the Home Secretary learn from Home Office officials, from the police or from the media that he had absconded?

Mrs May: I think there is somehow, somewhere, a view on the Opposition Benches that Home Secretaries spend all their time scouring the media, or indeed anything else, looking at individual cases. As I said earlier, decisions as to whether somebody should be put on police bail are operational matters for the police. I receive regular security briefings from the police and from the security and intelligence agencies on individuals of concern and on high-priority cases.

Andrew Stephenson (Pendle) (Con): I welcome what the Home Secretary has said about the Government's work to stop Daesh poisoning young people's minds with its perverted ideology. Will she join me in praising community groups across the UK, including Building Bridges Pendle in my constituency, for their great work on community and inter-faith cohesion?

Mrs May: It is absolutely right that across the United Kingdom many groups are working very carefully and very hard within communities to build bridges within their various faith communities. I commend Building Bridges Pendle, the organisation in my hon. Friend's constituency. One of the elements of the counter-extremism strategy that we are developing is precisely to try to find ways in which we can help those community groups to further enhance the work that they are doing to increase their voice so it is the mainstream voice that is heard.

Steve McCabe (Birmingham, Selly Oak) (Lab): I think the House, and maybe even the public, might be interested to know what interest the Home Secretary thinks she is protecting by refusing to tell us when she was advised that Siddhartha Dhar had absconded and whether she did anything about it.

Mrs May: I am not protecting any interests.

Suella Fernandes (Fareham) (Con): Daesh represents such a serious threat largely because of its widespread use of technology and social media to radicalise people in their bedrooms, on their smartphones, covertly but sadly compellingly. Does my right hon. Friend agree that our security services and police need special powers to collect internet connection records and bulk communication data to protect the nation's security and stay ahead of the terrorists in this complex environment?

Mrs May: My hon. Friend puts her point extremely well and she is absolutely right. It is important that we are able to access these internet connection records and to have the powers that we are hoping to introduce in the Investigatory Powers Bill. It is entirely right that the Government should continually look to see what further measures we need to take to enhance the powers of the police and security and intelligence agencies to keep us safe, and that is exactly what we are doing.

Ruth Smeeth (Stoke-on-Trent North) (Lab): Given recent events, will the Home Secretary let us know when we will finally have the counter-extremism strategy?

Mrs May: I am not able to give an absolute date for the hon. Lady, but I hope to be in a position to be able to—[Interruption.] In fact, the counter-extremism strategy has been published, and we are now looking at the question of the legislation that we would undertake through it. The specific piece of work by Louise Casey on the cohesion of communities will not be available for some weeks, or potentially months, because it is ongoing. I would hope to be able to update the House soon on any legislative proposals.
Flooding

5.57 pm

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): With permission, Mr Speaker, I would like to make a statement about the impact of Storm Eva, which brought flooding to the north of England between Christmas and the new year. I want to express my deepest sympathy for all those who have been affected across the UK. The Prime Minister, Ministers and I have visited the affected towns and communities and seen for ourselves the terrible impact that this flooding has had on homes and businesses in Lancashire and Yorkshire. I pay tribute to the tireless work of the emergency services, the military, the Environment Agency, council workers and other responders and volunteers. Many people have not had time with their families over Christmas, and they came from as far afield as Norfolk and Somerset.

The Met Office confirmed today that we have had the wettest December in a century. In fact, the north-west faced the wettest December on record. Later in the month, rain fell on saturated ground, meaning that all the rivers in Lancashire were at record levels, and Yorkshire rivers such as the Aire and the Wharfe were up to 1 metre higher than they have ever been. This resulted in the flooding of about 9,000 properties, which, together with the earlier flooding in Cumbria, brings the total to about 16,000 flooded properties in England. While of little consolation to those who have been flooded, it is important to note that flood defences have protected over 20,000 properties from being flooded during December.

In order to deal with the forecast rainfall, I convened Cobra meetings on 23 December and on Christmas day. The Environment Agency, emergency services and the Army worked through the night deploying temporary defences, rescue boats and pumps, and warning and informing residents.

On Boxing day, I chaired a further Cobra meeting to assess the impacts and ensure that local responders were receiving all the support required to deal with a situation of that scale and gravity. That day, I travelled to Yorkshire and Lancashire with the chief executive of the Environment Agency, Sir James Bevan, to ensure that all that could be done was being done.

The Prime Minister chaired a Cobra meeting on 27 December and visited Yorkshire. About 600 military personnel were deployed in support of the operations, with a further 1,000 on standby. The RAF played a vital role in delivering power generators to the Foss barrier in York and repairing defences in Croston in Lancashire, using a Chinook helicopter.

Since Storm Eva passed, our focus has been on doing everything we can to help Yorkshire and Lancashire get back up and running, The Prime Minister announced that £40 million would be spent on repairing defences, including £10 million on upgrading the Foss barrier with new pumps to ensure that it can cope with higher volumes of water. We are providing £60 million of help for local residents, businesses and farmers. That help has been provided in record time. Storm Eva took place on 26 December and we made the first payments to local authorities on 29 December so that they can help businesses and residents straight away.

The speedy repair of the Tadcaster bridge is a national priority. Once we have identified a solution, the funding needed will be provided promptly. The flood recovery envoy for Yorkshire—the Under-Secretary of State for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill)—will convene a meeting in the coming days with local authorities, wider local representatives and Highways England experts, with the aim of finalising a plan early next week that can be put immediately into action. That will complement the work of the floods Minister and floods envoy to Cumbria and Lancashire, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart).

Work is already under way on our six-year programme to upgrade flood defences. This investment of £2.3 billion is a real-terms increase on what was spent in the last Parliament, which itself was a real-terms increase on what was spent between 2005 and 2010. It includes £280 million in Yorkshire and £120 million in Lancashire. In January 2015, work commenced on a new £33 million scheme to protect the centre of Leeds, and projects for the Humber, Rossall and Calderdale are in the pipeline.

In the light of recent events, we have commenced a national flood resilience review to ensure that the country can deal with increasingly extreme weather events. The review will look at forecasting and modelling, resilience of key infrastructure and the way we make decisions about flood expenditure. In particular, we will ensure that the Leeds scheme would cope with the new levels of rainfall we are now seeing. The work of the Natural Capital Committee, to which I have reappointed Dieter Helm as chair, will complement that. It will further develop the catchment-based approach we are now using for our environment planning, including slowing the flow upstream.

I am sure the whole House will join me in expressing our sincere sympathy to those who have been affected by these extreme weather conditions and subsequent flooding. The Government will continue to do what it takes to get those areas up and running and prepare for future events. I commend this statement to the House.

6.3 pm

Kerry McCarthy (Bristol East) (Lab): I thank the Secretary of State for her statement and for advance sight of it. I join her in paying tribute to the emergency services and armed forces, to the efforts of the many Environment Agency and local authority staff who came back from their leave over the festive period, and to the many volunteers who helped.

Last week, I visited the constituencies of my hon. Friends the Members for York Central (Rachael Maskell) and for Halifax (Holly Lynch) and the neighbouring Calder Valley constituency. It is difficult to convey the devastation in those communities, but our sympathy is not enough. The urgent priority, of course, is to ensure that people have a roof over their heads and can return to their own homes as soon as possible; that businesses, schools, and other local services can reopen as soon as possible; and that the infrastructure is repaired and restored.

Each time this happens, we are assured that the Government will learn the lessons, so I have a few questions for the Secretary of State. Why did the
Government choose to ignore warnings from the Committee on Climate Change that they needed a strategy for the increasing number of homes at flood risk, and the warning from the Association of Drainage Authorities that the cuts had put homes and businesses at risk? What action did the Secretary of State take in October after Professor Colin Mellors warned that the authorities in Yorkshire would have to look at where to discontinue maintenance because of cuts? Flood-hit communities will also want to know why the national flood resilience review was not instigated earlier.

How is the public to have confidence in another Cabinet Committee chaired by the Chancellor of the Duchy of Lancaster, the right hon. Member for West Dorset (Mr Letwin)? What happened to his last one, which was set up after the Somerset floods and then disappeared? Does the Secretary of State agree that it needs to be an independent review in order to have any credibility?

If flood protections are a priority, why did the coalition Government set out to cut flood spending by 10%, and why are this Government spending less this year than was spent in 2010, when, as Pitt warned, year-on-year real-terms increases are needed to keep up with the growing risk?

The Secretary of State has told us repeatedly about the £2.3 billion capital budget over six years. Is she satisfied that it takes into account the impact of previous capital cuts and cancelled schemes and that it is enough, given that the Government have underestimated the climate change risk? Will she finally address the revenue budget? We still have no firm commitment on maintenance spending beyond protecting an inadequate budget.

The Secretary of State is hoping to step over a £2.5 billion hole in the maintenance budget. Are the Government going to commit to investing the £800 million a year in the maintenance and strengthening of flood defences that the Environment Agency has said is required to protect our communities? Every £1 spent on flood prevention saves £8. The Secretary of State needs to remind the Chancellor of that.

I note that the Secretary of State did not mention the EU solidarity fund. I would be grateful if she could clarify why the Government have so far not applied to it.

I welcome the Secretary of State’s mention of the natural environment, which must be central to any efforts to reduce flooding, but I have yet to be convinced that the Government are undertaking the “complete rethink” that the Environment Agency has said we need. I would be grateful if she could tell us more about how she will work with landowners and managers on those upstream measures that are so badly needed.

Rather than a sticking plaster response every time the floods hit, with vague promises and random numbers that are forgotten by spring, we need a long-term, co-ordinated approach. Our priority must be making sure that communities in flood-risk areas across the whole country do not endure another Christmas like this one, and that needs leadership from the Secretary of State now.

Elizabeth Truss: First, we have learned lessons from previous flooding incidents. That is why we were holding Cobra meetings throughout Christmas and deployed the Army immediately to support people on the ground, and made sure that people’s homes and lives were protected and that 85% of all of the temporary flood assets were deployed in Yorkshire and Lancashire in the immediate rescue effort. That was extremely important.

We have also learned the lessons in terms of supporting communities and those people who have been out of their houses. I saw for myself the devastation. I saw the Christmas presents by the side of the street and the very difficult circumstances that people are in. That is why, within three days, we had money in the local authorities’ bank accounts so that they could help those communities get back on their feet.

The hon. Lady talks about the long term. The fact is that under the Labour Government there was an annual budget process for flood defence spending. They spent £1.5 billion when they were in government between 2005 and 2010; we are spending £2 billion over the course of this Parliament. For the first time ever, we have set out a long-term programme of six years so that those communities can have the security they need. That is why we are already building new flood defences in Leeds and planting trees right across the country to help slow the flow. Those things require long-term decision making and adequate funding. The fact that this Government have a long-term economic plan means that we have been able to invest in our flood defences and that we are able to lay out the long-term programme.

The hon. Lady asked about maintenance spending. We are increasing it in real terms. The Chancellor announced that in the autumn statement. It is £171 million and it will go up in real terms.

We are also empowering local communities. We have set up the Somerset Rivers Authority, to which the Secretary of State for Communities and Local Government has given shadow precepting powers. We are also working on a Cumbrian floods partnership, to make sure that the local community is involved. We are taking a long-term approach to dealing with these problems, rather than engaging in short-term point scoring.

We have responded to the emergency very rapidly and learned the lessons of the past. People are able to get the funds to repair their homes and get back into them. That is what is important.

Nigel Adams (Selby and Ainsty) (Con): I am very grateful to the Secretary of State, the floods Minister, the Secretary of State for Communities and Local Government and the Prime Minister for visiting the Selby district following the dreadful floods and for offering help and support.

The Secretary of State saw for herself last week the aftermath of the partial collapse of Tadcaster bridge. I am delighted that she has reiterated that its replacement will be given priority, and I am very grateful to the Secretary of State for Communities and Local Government and the Prime Minister for visiting the Selby district following the dreadful floods and for offering help and support.

The Secretary of State for Communities and Local Government for visiting the Selby district following the dreadful floods and for offering help and support.
to start the repair of the collapsed bridge, which apparently may take up to a year, without delay, so that the residents of east and west Tadcaster are reunited.

Elizabeth Truss: I pay tribute to my hon. Friend for all the work he has done to support his local community in Tadcaster. I visited local businesses with him. We saw the Army, which was there to help out, and a massive group of volunteers helping out. I know that people are desperate to put the town together again so that people can cross over to the other part. That is an absolute priority for the Government. The floods envoy, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), who is sitting on the Front Bench, is charged with coming up with a plan early next week to ensure that we get the bridge in place as soon as possible.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): I, too, pay tribute to the emergency services, volunteers, local authorities and others who worked tirelessly over the holiday period to protect homes and help families left devastated by the floods. Scotland was hit extremely hard, but my SNP colleagues and I fully appreciate that devastation was caused right across the UK. Our sympathies are with everyone who has been affected.

The Scottish Government take flood prevention very seriously. However, as we have seen, exceptional rainfall still presents huge challenges. The reduced financial award made to Scotland by the Government has forced Ministers in Edinburgh to make difficult decisions. As a result of the cutbacks, the grant in aid provided to the Scottish Environment Protection Agency has been reduced by 6%. However, Scottish Ministers have ensured that the flood forecasting service, which is undertaken by SEPA, has had its funding protected in its entirety. It is important to make it crystal clear that flood prevention is not a SEPA responsibility. North of the border, local authorities are responsible for it as part of their capital settlement. Councils have historically received strong support from the Scottish Government.

The Flood Risk Management (Scotland) Act was passed by the Scottish Parliament in 2009 and a further 42 protection schemes are proposed between now and 2021. On top of that, an extra £4 million has been directed to support flood-hit householders, businesses and councils, including in my borders constituency. Of course, the Bellwin scheme has also been activated. All in all, that is a comprehensive response.

There certainly seems to be—[ Interruption. ] As the third party, we are entitled to make a statement. So far, we have heard no mention of Scotland. There certainly seems to be less scepticism about the actions of the public agencies in Scotland than in England. At the weekend, I received an email from my cousin Kirsty, who lives in Sheffield. She told me that her community felt angry and powerless at what it saw as a completely ineffective response. Her message said:

“The Tory government have completely failed us. And I believe they will continue to fail us. If it's not in London or the Home Counties, they don't care.”

That is not the response felt in Scotland—[ Interruption. ]

Mr Speaker: Order. Let me try to help the hon. Gentleman by making two points. I am being very fair-minded about this. First, as he is representing the third party, he certainly does have—and rightly has—longer than Back Benchers. That has always been the case and will always be the case. I will protect his rights and those of his colleagues.

Secondly, although the hon. Gentleman probably used it as a figure of speech, he certainly does not have a right to make a statement. What he has a right to do, at slightly greater length than other colleagues, is to make some opening remarks by way of response to the Secretary of State, but those need to be followed speedily by a series of questions. All that needs to take no more than two minutes—[ Interruption. ] Order. He has taken considerably longer than that.

These are very sensitive matters and I have no desire to spoil the hon. Gentleman's opportunity today, but he does need to get to his questions and briefly to get through them.

Calum Kerr: Thank you, Mr Speaker, for that guidance. It is appreciated.

The scepticism that I have outlined is in sharp contrast to the response we have experienced in Scotland. Friends of the Earth Scotland is one organisation that agrees that flooding is a higher political priority north of the border.

Given the Scottish Government's response, I ask the Secretary of State to reflect on Scotland's experience and on our comprehensive approach to flood prevention to see whether there are lessons for her. Finally, will she assure my cousin Kirsty and communities like hers that the Government really do care?

Elizabeth Truss: As the House is aware, this is a devolved matter. We have worked closely with the Scottish authorities to share information and expertise while the floods are happening.

We are doing all we can to help the people of Yorkshire get back on their feet as soon as possible. That is why the financial support was made available within three days of the flooding taking place. I wonder what the record is in Scotland.

Julian Sturdy (York Outer) (Con): I pay tribute to the emergency services, the Army, the Environment Agency, York City Council and the huge number of volunteers for the speed with which they acted and worked together across York at a very difficult time for our city. However, other utilities were slightly slower to act. Telecommunications were down in York, which hindered communications right across the city. What will the Secretary of State do to ensure that all utilities act speedily and with urgency?

Elizabeth Truss: I pay tribute to my hon. Friend for all the work that he has done to raise the concerns of local residents. It was good to meet him at the Environment Agency's headquarters in York to talk about the situation. Telecommunications are critical. One issue has been that bridges, such as Tadcaster bridge and Elland bridge, carry critical communications infrastructure. The Department for Culture, Media and Sport is part of the Cobra meetings and we have expedited getting those services back up and running.

Holly Lynch (Halifax) (Lab): My constituency of Halifax and the neighbouring constituency of Calder Valley were devastated by the floods on Boxing day.
Will the Secretary of State join me in thanking the army of volunteers that came to Calderdale and played an instrumental role in the clean-up? Will she meet me and representatives of Calderdale Council to discuss the bridges and infrastructure projects that have just been mentioned, which will be essential in getting Calderdale back up and running?

Elizabeth Truss: The hon. Lady is absolutely right. Calder Valley was very badly affected. We have schemes in the pipeline for Mytholmroyd and Hebden Bridge. I will ensure that those are sufficient as part of the review we are conducting. The Secretary of State for Transport is conducting a review of all the affected infrastructure to make sure we get back on track. The hon. Lady can rest assured that Elland is definitely on our list.

Craig Whittaker (Calder Valley) (Con): Todmorden, Hebden Bridge, Mytholmroyd, Elland and Brighouse are five of the six Calder Valley communities that were not just hit by floods but, in some cases, decimated by them—and this just three and a half years after the last floods. More than 2,000 homes have been hit. Despite the pain and misery, will the Secretary of State join me and my hon. Friend the Member for Halifax (Holly Lynch) in paying a huge tribute not just to dozens of volunteers, but to the hundreds and hundreds of volunteers who came from all over the UK? May I, in the light of the current undertones of Islamophobia in our country, pay an incredibly special tribute to the small armies of young Asian men and women—Muslim, Sikh and Hindu—who came with mops, buckets, food, vans, lifting materials and all sorts, and played a huge part in the recovery?

Elizabeth Truss: I thank my hon. Friend for his question—we talked on Boxing day because the Calder valley was such a hard-hit area, and ensuring that the right support was in place for those communities was vital. He is right to highlight the community spirit that we saw across Yorkshire and the Calder valley; and people came out around the country. That was tremendous, and I praise them for all their work.

Rachael Maskell (York Central) (Lab/Co-op): I thank public sector workers and the incredible volunteers for the outstanding support that they gave residents and businesses in York over Christmas. Successive reports over many years by the Environment Agency and the city council have highlighted the risk that the Foss barrier in York would not be able to manage the capacity of water in the River Foss at times such as this. Given that barrier to ensure that it has sufficient pumping capacity to deal with the additional volumes. In all rivers across Yorkshire and Lancashire we are facing higher river flows than we have ever seen before, and we must consider our defences in light of that. We have made an initial commitment to upgrade the pumps at the Foss barrier, and we will certainly look more widely to ensure that we are sufficiently resilient to deal with these new weather challenges.

Richard Benyon (Newbury) (Con): I refer hon. Members to my entry in the Register of Members’ Financial Interests. May I ask my right hon. Friend in the review that she is carrying out to ignore one piece of work and to read two other pieces? In the previous Parliament, the Public Accounts Committee published a report that more or less trashed the Pitt review, which is a really good piece of work. May I first suggest that she builds into her review, “Droughts and Floods: Towards a More Holistic Approach” by the UK Water Partnership? Secondly, Dieter Helm, whom she just referred to, has produced a paper that arrived in my inbox today called, “Flood defence: time for a radical rethink”. His words about natural capital and the need to consider whole catchments is fundamental to understanding the weather patterns that we now have to cope with.

Elizabeth Truss: I pay tribute to my hon. Friend for his work as floods Minister. He is right, and the same paper from Dieter Helm arrived in my inbox today—I have read it and I think it makes some excellent suggestions. We have appointed Dieter as chair of the Natural Capital Committee for another term so that he can look at catchment-specific solutions. That is a very important part of how we become more resilient as a country.

Mary Creagh (Wakefield) (Lab): In 2011, the £180 million flood defence scheme that was planned for Leeds which would have protected businesses in Kirkstall was cut by the Secretary of State’s predecessor. The new scheme planned for Leeds, which will be completed by 2017, will protect only the city from a once-in-75-years event, and will do nothing for businesses on the Kirkstall Road. Will she look again at catchment-specific solutions? Will she ensure that the £60 million scheme for the Kirkstall Road is included?

Elizabeth Truss: I thank the hon. Lady for her question, but I point out that the Labour party’s proposal going into the 2010 election was to halve the amount that it would spend on capital spending. We increased spending on flood defence from £1.5 billion to £1.7 billion in that period. I have already said that I will look at the Leeds scheme to ensure that it is sufficiently resilient for the new conditions that we are facing, and I am happy to meet the hon. Lady and her colleagues to discuss that further.

Andrew Percy (Brigg and Goole) (Con): I declare an interest, because I live 15 feet from the River Aire, and I spent Boxing day onwards sandbagged in my house, as did many of my neighbours. I thank the Secretary of State for her telephone call and her concern for my constituency. As the most flood-prone area of Britain, we have been hit repeatedly, although this time we were a little better off. Will my right hon. Friend give me two assurances? First, will she assure me that in any review, the flood defence funding that has been announced for the Humber estuary and tidal tributaries will remain in place and not be affected? Secondly, can we consider the whole policy of the EA, which seems to be about moving water as quickly as possible from the upper
catchment down to people in the lower catchment in my area? We are already below sea level—water has to be pumped daily, and we need to be defended by banks that are 10 feet or higher.

Elizabeth Truss: I was happy to speak to my hon. Friend and ensure that he had sufficient sandbags in his area. I agree that we need to consider catchment management, and that is what the Natural Capital Committee will be doing. We have already seen successful pilots such as the Slowly Flow project in Pickering in Yorkshire, which was effective. We must ensure that we are putting such measures in the right places, which requires whole catchment management and analysis. That takes time, but I agree that it is an important piece of work that we must get on with.

Mr Speaker: It is a pleasure to welcome back the hon. Member for Leeds West (Rachel Reeves).

Rachel Reeves (Leeds West) (Lab): Thank you for that welcome, Mr Speaker.

The flood envoy for Yorkshire suggested in the Yorkshire Evening Post today that the scheme that would have protected Kirkstall will be reinstated, but that is not my understanding. Will the Secretary of State indicate whether that scheme will be resurrected? If it had been in place, businesses on the Kirkstall Road would not have been devastated by the floods on Boxing day. We can never allow that tragedy to happen again—what will the Minister do?

Elizabeth Truss: As I mentioned in my statement, levels of water on the River Aire were a metre higher than they have ever been—we have seen simply unprecedented river levels. In light of that, the Government will be reviewing the Leeds scheme to ensure that it is sufficient to protect businesses and communities in Leeds.

Seema Kennedy (South Ribble) (Con): On Boxing day my constituency suffered widespread flooding, with the village of Croston the worst affected. I pay tribute to all the emergency services, the Environment Agency and the Lower Yarrow Flood Action Group which pulled together an amazing effort to protect Croston. Will my right hon. Friend confirm that there will be a review of river and watercourse maintenance across Lancashire, including in the constituency of my neighbour and hon. Friend the Member for Ribble Valley (Mr Evans), and that dredging of rivers—where appropriate—will be part of that review?

Elizabeth Truss: I pay tribute to my hon. Friend’s work in ensuring that we had all the right information on the ground in Croston, and we had support from the RAF and the Environment Agency to keep the village protected. We are looking at the issue that she raises specifically in Cumbria, and I am sure that the floods Minister would be happy to meet her to talk about how we could extend those efforts to Lancashire.

Barry Gardiner (Brent North) (Lab): The Environment Secretary is aware that, of the 1,086 projects in the environment development programme, almost 519 are waiting for approval subject to securing other funding contributions. At the moment, the funding contributions that are lacking amount to £350 million, yet the projects are supposed to start in two months’ time. How will the Government ensure that those works go ahead?

Elizabeth Truss: One of the successes of our flood defence programme is that we have been able to secure additional money through partnership funding. From 2005 to 2010, we saw £30 million of funding under the Labour Government, whereas under the previous Conservative Government there was £134 million of funding, and this Government have already secured £250 million. We have plans in place to secure additional funding.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Will my right hon. Friend ask the national flood resilience review to look at where we build houses? Increasingly, we are building them on floodplains and in areas local people know will flood. We are building up a bigger and bigger problem for the future. Will she ask the review to co-ordinate with the Department for Communities and Local Government on where to build houses in the future?

Elizabeth Truss: The Communities Secretary is here and I am sure he will take those points on board. The national planning policy framework makes it very clear that inappropriate development on floodplains should be avoided, but ultimately this is a decision for local people to make, as is the case throughout the planning system.

Tim Farron (Westmorland and Lonsdale) (LD): I thank the Secretary of State for an advance copy of her statement, and for her activities and efforts, and those of her Ministers, over the Christmas period. They have not gone unnoticed. In paying tribute to the emergency services and voluntary outfits across the country, in particular mountain rescue services, we in Cumbria stand in solidarity and sympathy with all those in Yorkshire, Scotland and Lancashire who have suffered the brunt of this flooding.

It is a month today since Storm Desmond hit Cumbria, and there are many unresolved issues on which I wish to press the Secretary of State. The A591 north of Grasmere to Keswick remains closed, destroyed and impassable. Will she make this a national strategic priority and ensure that it is reopened as quickly as is humanly possible? The cost to Cumbria of infrastructure loss will be £500 million. Will the Government commit to fund every penny of that to make sure we get back on our feet? Will she commit to whole-system flood prevention measures, including the restoration of the River Kent flood defence scheme, which is currently shelved?

Elizabeth Truss: The A591 is a national priority. Highways England is working on that to restore it as soon as possible. That is extremely important. The Transport Secretary is here today, so I am sure he has taken that on board. Similarly, we will be looking at the funding of other infrastructure. The wider solutions are a priority for the Government, and the Natural Capital Committee is looking specifically at that. We are now developing our plans for the environment on a river basin and catchment basis. That is the way we look at
the environment. We are not looking at it in silos of flooding, biodiversity or farming; we are looking at it altogether, as a single plan.

Martin Vickers (Cleethorpes) (Con): Fortunately, my constituency was not affected on this occasion, but my right hon. Friend will recall the tidal surge that caused major problems to residents and businesses, particularly in the strategically important port of Immingham. She mentioned allocations for the Humber. Will she give an absolute assurance that that will not slip? When does she think she will be in a position to give more detail on it?

Elizabeth Truss: In response to my hon. Friend's question, and that of my hon. Friend. Friend the Member for Brigg and Goole (Andrew Percy), that scheme is very much on track and we are absolutely committed to it.

Huw Irranca-Davies (Ogmore) (Lab): The focus, understandably, has to be on how to make good the damage to lives and livelihoods. However, the Secretary of State mentioned Dieter Helm and his work. He said today:

“The most important single step to be taken now is an explicit recognition that the status quo is not only unsustainable, but is never likely to be sustainable. The worst reaction”—

to the current floods crisis—

“would be more of the same.”

Will she take on board the lessons that Dieter is suggesting, including the need to look at rivers as national infrastructure and to have genuine water catchment management, including land use modifications where appropriate? How deep will she go in her thinking about a radical review of the approach to flooding?

Elizabeth Truss: Dieter’s appointment was made mid-December, so we are currently working on the committee’s terms of reference for the next five years. Combining this with our 25-year plan for the environment, and making sure we are looking at things on the basis of river basins and water catchment, is a great priority. We need to spend Government money more effectively. We need to understand better the interactions between our environmental measures, flood risk and flood management.

That is very important. This is not something that can be achieved overnight. It takes thinking over a number of years. Planting trees and putting in upstream measures takes time. Building up flood defences takes time. That is why it is also important that we have a very strong emergency response effort. We are thinking about those things for the long term, which is why we set out, for the first time ever, a six-year plan for flood defences. It is why we are working on a 25-year environment plan, so that that is in place for the future.

Stuart Andrew (Pudsey) (Con): I, too, pay tribute to all those who worked so hard to help the victims, particularly in reopening the roads and rail routes to Leeds which many of my constituents use. I am sure all Leeds colleagues would like to take the Secretary of State up on her offer to meet to discuss the Leeds scheme. In the meantime, the council has said that it could do with using the emergency funds to revise phases 2 and 3 of the Leeds scheme. Can she confirm whether that would be possible?

Elizabeth Truss: I would need to look into that, but I am extremely happy to include my hon. Friend in a meeting of Leeds MPs.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I am very grateful to the emergency services, the Army and Wakefield Council for turning out at all hours in Castleford, Ferrybridge and Kirkthorpe when floodwaters threatened. Will the Secretary of State confirm that her review will cover the entire Aire valley, including Leeds and Castleford? Does she now accept that her Government were wrong to cancel parts of the Leeds floods defence scheme? We would not tolerate, rightly, inadequate defences in our capital city. We should not tolerate inadequate defences in our northern cities and towns as well.

Elizabeth Truss: I completely agree with the right hon. Lady. Protecting cities such as Leeds is absolutely vital, which is why I have committed to looking at the current scheme and making sure it is adequate given the new levels of rainfall and rivers. It is important to note that in Yorkshire and the north and east region we will be investing £54 a head over the next six years, compared with £42 a head in the south-east region. We are investing more in the north and east of England. In fact, many schemes are happening in Yorkshire: the Humber has been mentioned, but there is also the scheme in Leeds.

Mr Nigel Evans (Ribble Valley) (Con): I, too, would like to pay tribute to the countless number of people who gave up their Christmases, in an amazing display of selfless humanity, to help during the floods and with the mop-up that is still, of course, continuing. When the Secretary of State came to the Ribble valley with the chief executive of the Environment Agency, she not only saw the devastation but many people who do not have the luxury of choice between paying eye-watering levels for insurance premiums with massive excesses or going on holiday. The fact is that if they are on low incomes they either spend the money on living or on premiums for flood insurance if they can get it. I ask her to look at this again. We know that the new insurance scheme is coming in April, but that does not help the people who are hurting now. Can she give an assurance that she will look at the levels for people who were not insured during these floods and that extra financial support will be given to them where necessary?

Elizabeth Truss: I was struck by what my hon. Friend showed me in the village and how people had been affected. The river had diverted and was a torrent going down the street. We saw people’s homes and possessions decimated. It is truly shocking and we will do all we can to help those people get back on their feet and into their homes. We have provided funding to the local authority and they can apply for it. We have pre-funded it, so it is now a much simpler scheme. Rather than people having to get receipts, they can apply directly to the council for the funding.

Caroline Lucas (Brighton, Pavilion) (Green): I am glad to hear the Secretary of State’s support for catchment-wide approaches and more natural flood management schemes based on the restoration of landscape and so on. She mentioned the Pickering scheme, but I would also highlight the Sussex flow initiative. Those schemes...
work but often struggle to get funding, so will she tell us how much money she will commit to natural flood management schemes over the lifetime of this Parliament, and will it be in addition to the £2.3 billion already committed?

Elizabeth Truss: DEFRA spends money on a variety of objectives, including on improving the environment, countryside stewardship by farmers and flood defences. My view is that we can get better value for money by improving the environment and our resilience to flooding. For me, this is about spending our money better and planning for the future better.

Alec Shelbrooke (Elmet and Rothwell) (Con): I thank the Secretary of State for coming to the Yorkshire area—she did not come to my constituency but she was next door. In Collingham, the Avenue was flooded when water came over the flood defences—I thank Leeds City Council for its work in trying to sort out those flood defences. In the south of my constituency, in Methley and Mickleton, the EA’s plan to hold water in the farmers’ fields worked, but the water was lapping at the doorsteps of many houses in Mickleton. May I urge her to be careful about schemes in Leeds that are designed to go only as far as Woodlesford, further upstream? That extra water would have taken out dozens of homes in my constituency that, as it was, survived the flooding. Will the Under-Secretary of State for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), visit my constituency as soon as possible to see the devastating effect that schemes further upriver in Leeds could have in Mickleton and Methley?

Elizabeth Truss: My hon. Friend highlights the need for proper catchment-wide management. As well as meeting my hon. Friend the flooding envoy, I suggest that a meeting with the EA would also be helpful.

Robert Flello (Stoke-on-Trent South) (Lab): I draw the House’s attention to my entry in the Register of Members’ Financial Interests.

I pay tribute to all those who gave up their time, put their lives at risk and worked hard to save people, but I was frustrated at the sight of people being hauled into small inflatable dinghies simply because the professionals we rely on did not have the necessary kit. There are vehicles that can drive down flooded streets rescuing people not one or two at a time but 15 or 20 at a time. Will the Secretary of State agree to meet me and representatives of the professional heavy vehicle recovery industry, which has and can deploy that kit, to make it available?

Elizabeth Truss: It is important that we deploy the best kit, and a big effort was made on Christmas day to deploy that kit in Lancashire and Yorkshire to protect people. We rely on those in charge of operations, the local gold command, to decide how to deploy kit, but the floods Minister will be happy to meet the hon. Gentleman to discuss how we might do things better in the future.

Philip Davies (Shipley) (Con): I thank the Secretary of State, the floods Minister and the Under-Secretary of State for Communities and Local Government, my hon. Friend the hon. Member for Stockton South (James Wharton), for their magnificent support during the floods that decimated my constituency and their rapid response to requests for assistance, including for getting the Army in to help. What additional support can be given to the many businesses and homes trying to get back on their feet after the floods, particularly, as my hon. Friend the Member for Ribble Valley (Mr Evans) said, those struggling with insurance claims, and how much will be provided for Shipley to help build the flood defences back up? Also, will she join me in paying tribute to the magnificent army of volunteers, particularly the Bingley support flood group and the Shipley Baildon support group, based in the scout hut and the Salvation Army premises respectively, who gave up much of their Christmas to help other people, and also their employers who allowed them time off work to help in those communities?

Elizabeth Truss: I thank my hon. Friend. Friend for his work in making sure that his local community had all the support it needed, and the fantastic volunteers who worked tirelessly throughout the Christmas period—a difficult time of year—and who gave up their time and their homes, and provided food and lodging for other people. I am happy to have further discussions with him about what needs to be done to make sure that the defences in his area are adequate.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): Many families, businesses and communities on Deeside in my constituency have been severely affected by flooding caused by Storm Frank. Homes have been evacuated and roads washed away. What discussions has the Secretary of State had with the Scottish Government and local authorities in Scotland about an application to the EU solidarity fund to make more money available to assist flood victims in Scotland and the rest of the UK?

Elizabeth Truss: We have been working closely with Scottish authorities during this incident, and we will certainly look at the solidarity fund, as the hon. Gentleman suggests, but we must bear it in mind that it would take seven months to receive any funding. We have put in place funding direct to the local authorities that residents and businesses can now claim—up to £5,000 to get a home or business back on its feet. I care about getting that support to those homes and businesses as soon as possible. That is the Government’s priority.

Rebecca Pow (Taunton Deane) (Con): I would like to provide a bit of optimism for our poor flood victims up north. From my own checks over the recess and a report fed in by my mole—perhaps I should say “water vole”—on the Somerset levels today, I can report that the Government’s protection and prevention programme put in place following the devastating floods in Somerset in 2013-14 is working. The dredging is proving effective—we have had masses of rain yet the river levels fell by 2 feet last night—as is the pumping being done by the Environment Agency. May I have an assurance that the Government will continue to support this protection and prevention work, including the important catchment-wide environmental work, so that we do not regress again?

Elizabeth Truss: The Somerset Rivers Authority is now established and my right hon. Friend the Secretary of State for Communities and Local Government has
agreed a shadow precept. It is now for local people to decide where and when to dredge and how to maintain their watercourses. I want to see more of that across the country. We are developing the Cumbrian floods partnership so that local people can make decisions about what is best for their area.

John Woodcock (Barrow and Furness) (Lab/Co-op): The A590 in Lindal in Furness came close to flooding again during the Christmas storms. Will the Secretary of State beseech the Transport Secretary, who is sat just to her left, urgently to improve the anti-flooding measures on that stretch of this crucial trunk road, which connects my constituency with the M6? If, as we understand it, a particular landowner is holding out, as a result of which a compulsory purchase might be necessary, will she beseech the Transport Secretary to step in and sort it out as soon as possible?

Elizabeth Truss: My right hon. Friend the Transport Secretary is very happy to look at the matter.

Jason McCartney (Colne Valley) (Con): Planning plays a crucial role in flood prevention. Will the Secretary of State join me in pleading with Kirklees Council, which is currently consulting on its local plan, to think seriously about the implications for flood prevention further down the valleys in the Holme Valley and the Colne Valley, before it rubberstamps allocating greenfield sites such as Scholes, Cinderhills, Netherton and Slaithwaite for housebuilding?

Elizabeth Truss: The Environment Agency is a statutory consultee, and, as I mentioned earlier, the NPPF makes it clear that inappropriate development on flood plains should be avoided, but ultimately it is a matter for the local authority.

Diana Johnson (Kingston upon Hull North) (Lab): In October 2015, the Secretary of State turned down the £1.2 billion Humber tidal defence scheme. In the light of what has happened and the torrential rain, will she review that decision? Members from all areas of the Humber recognised that the area needed that scheme.

Elizabeth Truss: We are investing £80 million in defences for the Humber. I know there are further ongoing discussions with local MPs. We have to ensure that through our £2.3 billion budget we are fair to people across the country. There is a formula for making determinations, and one thing we shall look at in the national resilience review is how that formula works and how funding is allocated. Until then, we have to make sure that we are fair using the existing formula.

John Stevenson (Carlisle) (Con): I express my thanks to the Government and Ministers for their collective response to the floods. It was prompt, and I firmly believe it has been constructive and helpful to the people of Carlisle and Cumbria. However, will the Secretary of State give my constituents an assurance that not next week, not next month, but in six or 12 months’ time, she will ensure that the Government are still offering support and help that flooded communities and businesses might still need?

Elizabeth Truss: Of course it is vital that we help not just the present recovery efforts to get people back into their homes and provide support, but we must also restore the infrastructure and great places such as the Lake District national park while providing the economic support required for the future.

Pete Wishart (Perth and North Perthshire) (SNP): The largest river system in the UK is in my constituency, and the biggest flow of water experienced by any community goes through the heart of the city of Perth. Today, large swathes of my constituency are under water, and there was a real fear last night that the flood defences in Perth might fail, which would have been utterly disastrous for my constituents, given the flow of water that comes down the Tay. Even if we had the most robust flood defences in the world it would do nothing if we do not tackle climate change. I know that flood defences are a devolved matter, but the Secretary of State could do something for us today if she stopped the disastrous decision to withdraw subsidy and support for onshore wind. That would enable us to invest in the technologies of the future, which might protect us in the future.

Elizabeth Truss: The hon. Gentleman will be well aware that my right hon. Friend the Secretary for Energy and Climate Change helped to secure an historic deal in Paris in December precisely to address that issue.

Sir Nicholas Soames (Mid Sussex) (Con): Has my right hon. Friend considered asking the Army, and particularly the Royal Engineers, to intervene, given that their skills—the sappers’ skills—with bridging rivers is legendary, and they could easily and quickly replace the lost bridges?

Elizabeth Truss: The Royal Engineers are involved, and they have been involved in both Cumbria and Yorkshire, looking at finding possible solutions for those bridges.

Angela Smith (Penistone and Stocksbridge) (Lab): In her statement, the Secretary of State referred to the national flood resilience review that she has commissioned to ensure that the country can deal with increasingly extreme weather events. However, she did not respond to a request from the shadow Secretary of State to ensure that such a review should be independent. I ask her to respond to that request now because we need to underpin the integrity of this very important review by making sure that it is indeed independent and robust in its recommendations.

Elizabeth Truss: What we are doing through this review is involving key bodies such as the Adaptation Sub-Committee and the Natural Capital Committee and ensuring that all the findings are open and transparent. One of the key aspects of the review is looking at how Government systems work effectively, and we need to share such information more widely with the public. That does not require an independent review; it requires openness and transparency, to which I am committed.

Chris Davies (Brecon and Radnorshire) (Con): My constituency contains the wonderful and lovely River Wye and River Teme. They flow from the uplands of
my Brecon and Radnorshire constituency across Offa’s dyke into Shropshire and Herefordshire, from which they usually flood. Thank goodness, they did not do so on this occasion. What discussions is my right hon. Friend having with the devolved Administrations about upland management and capture management?

Elizabeth Truss: The Welsh authorities have been very much involved in our flood response, as Wales has been affected. I will of course seek to engage my hon. Friend in that wider issue.

Sue Hayman (Workington) (Lab): The Government are providing funding for businesses that have suffered from the recent flooding. While I welcome that, local traders in Cockermouth have told me that it cannot be used toward resilience measures, which can come only out of capital expenditure. What businesses need now is help with those resilience measures to make sure that the next flood—there will be one—will be survivable. Many insurance companies will not fund the extra costs of resilience measures. At a time when affected small businesses in my constituency are haemorrhaging cash, what support can the Secretary of State offer in this respect? Following her earlier offer to Lancashire MPs, will she meet cross-party Cumbrian MPs to discuss these matters as well?

Elizabeth Truss: The Minister for Small Business, Industry and Enterprise, my right hon. Friend the Member for Broxtowe (Anna Soubry), visited Cockermouth. My understanding is that businesses can apply through the local enterprise partnership to get investment in those resilience measures, and I am sure that my right hon. Friend will be happy to take that forward.

Heather Wheeler (South Derbyshire) (Con): About 20% of South Derbyshire is in flood plains, so my constituents are aware and well attuned to when a crisis might hit us. Will my right hon. Friend conduct a review of how the Environment Agency has put out information and how it has been updated because some of my constituents do not feel that it has been timely enough?

Elizabeth Truss: I shall take up that point with the Environment Agency, whose website has had a lot of hits. Up-to-date information has been out there on river levels, but we are always looking at ways to improve that. The Environment Agency has a new chief executive, Sir James Bevan, who is keen to hear from MPs with suggestions for improvement. I will certainly feed through to him my point.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I want to take the opportunity to pay tribute to volunteers and all those people in the emergency services who helped out not just in northern England, but in Scotland and Wales as well. I also want to draw attention to the A55, a dual carriageway in north Wales, which is of great UK and European importance because it links the economies of Ireland and Wales to the UK and wider European markets. Will the Secretary of State confirm that she will put pressure on the Labour First Minister in Wales to guarantee sufficient funding and a starting date for essential works to ensure that the A55 route is kept flood free at Talyllyn from now on?

Elizabeth Truss: I think that that is a matter for the Welsh Government.

Victoria Atkins (Louth and Horncastle) (Con): My constituents in Louth and Horncastle know only too well the devastation caused by flooding and will want me to express our sympathy for all those affected by flooding over Christmas. The beach replenishment scheme culled Linchmere helps to protect the Lincolnshire coastline from the threat of tidal surges from the North sea, as my hon. Friend the Member for Cleethorpes (Martin Vickers) mentioned. Since 2010, the Government have invested millions in flood defences across my constituency, but these must, of course, be maintained. Will the Secretary of State meet me, other Lincolnshire colleagues, including my hon. Friend the Member for Boston and Skegness (Matt Warman), and council leaders as a matter of urgency to discuss the Linchmere scheme so that we can continue to protect Lincolnshire residents in the years ahead?

Elizabeth Truss: We have protected flood maintenance spending in real terms from the current level of £171 million. I am a great supporter of internal drainage boards and making sure that they are sufficiently empowered to do work. I am sure that the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart), who has responsibility for floods, will be happy to meet my hon. Friend to discuss this issue further.

Mr Jamie Reed (Copeland) (Lab): Following on from the question asked by the leader of the Liberal Democrats, will the Secretary of State commit to ensuring that the Government make the reopening before Easter of the A591 a national priority? On the £500 million or £600 million that the county of Cumbria needs to repair the damage caused by flooding, will the right hon. Lady ensure that it is linked to the outstanding devolution settlement of Cumbrian local government?

Elizabeth Truss: I thank the hon. Gentleman for his question. As I have said, the A591 is a national priority. For the first time ever we have Highways England working on it to ensure that that happens as soon as possible.

Mr Laurence Robertson (Tewkesbury) (Con): Although I am absolutely certain that most members of the Environment Agency did work very hard over the Christmas period, does the Secretary of State agree that institutionally the agency is often found lacking when it comes to flood prevention? It seems to lack dynamism, a cohesive approach and the determination to follow through with schemes, which the agency itself often identifies and which local people identify. In Tewkesbury we are well aware of the problems associated with flooding. I have to say that in my area there is a frustration about the operation of the Environment Agency.

Elizabeth Truss: I thank my hon. Friend for his question. As I said, I was in Yorkshire on Boxing day. What I saw on the ground was some fantastic staff from the Environment Agency working around the clock to protect lives and save people. That is vital. Of course, any organisation needs to learn and get better at doing things. We have a new chief executive, Sir James Bevan, who was with me in Yorkshire on Boxing day. He is clear that he wants to put people in homes and that that is the agency’s No.1 priority. He is going to ensure that any issues raised by MPs are taken seriously and addressed.
Graham Jones (Hyndburn) (Lab): The River Calder runs through the very north of my constituency. I went into the Ribble valley to see the devastation caused in Whalley. It truly was a tragedy. In the south of my constituency, the River Irwell burst its banks dramatically, having burst its banks in 2012, and nothing has been done about it. I went to Irwell village on the periphery of my constituency, where nearly all 100 houses have been flooded under five or six feet of water. In there, as the hon. Member for Ribble Valley (Mr Evans) has said, are people who cannot get insurance—it is £3,000 to £6,000 for insurance, and the excess on the insurance is £20,000 to £30,000. What will the Government do to ensure that those people can access help? What are they going to do about Irwell village, which has been so devastated by this? It has now been devastated twice. What will the Secretary of State do about it?

Elizabeth Truss: First, we are making funds available to the local council so that residents can apply for up to £5,000 to put their house back in order. We are also working with the insurance industry to ensure that it is treating these cases sympathetically.

Matt Warman (Boston and Skegness) (Con): It is of course right that we protect homes above farmland, but can I ask the Secretary of State that we consider that the value of that farmland is often what powers local economies and that we try to get that balance as adequate as possible to ensure we protect both the economy and houses?

Elizabeth Truss: I thank my hon. Friend for his question. Under our six-year plan, we will be protecting more farmland. In fact, between 2010 and 2021, we will be protecting an additional million acres of farmland.

Cat Smith (Lancaster and Fleetwood) (Lab): Between 2011 and 2015, Lancashire fire and rescue service saw a reduction of 241 firefighters. Will the Secretary of State commit to creating a statutory duty, and with it the relevant investment, to enable our firefighters to tackle flooding in future?

Elizabeth Truss: I pay tribute to the fantastic work of the fire service and all the emergency services, the Environment Agency and the Army for what they did on the ground. We deployed those personnel as early as possible. We deployed the assets and I think they did a fantastic job in responding to the flooding.

Andrew Bridgen (North West Leicestershire) (Con): In the last 12 months, the UK has paid £35.6 million into the EU solidarity fund, the second biggest contribution. We have only ever made one claim on the fund, in 2007, following flooding, and we were paid out £130 million. May I urge the Secretary of State to push an application for funding from the fund? If we are not going to do that, can she explain why we pay into the fund?

Elizabeth Truss: I thank my hon. Friend for his question. Our priority has been getting money to the affected communities as soon as possible. That was paid into the bank accounts of local councils within three days. I have said that we will look at the EU solidarity fund, but the reality is that it would take seven months for that money to come through and our priority has been responding to the immediate situation we face and ensuring that people get the support they need.

Mr David Anderson (Blaydon) (Lab): Following the floods in 2007, the Government commissioned the “Land Use Futures” report, which laid out exactly what has happened this week. The people who produced that report said at the weekend that the Government ignored the report. They should go back, read the report and listen to the evidence. Will the Secretary of State do that and respond properly to the request made earlier by a colleague to look at the Pitt review, which said that the fire and rescue service should have a statutory duty to be the first response? Will she please answer those questions properly?

Elizabeth Truss: We did respond to all the recommendations of the Pitt review, apart from those relating to bodies that no longer existed. The reality is that we saw a fantastic response on the ground from the fire service. The issue is: how do we protect our communities, given that we are seeing more extreme weather? That is the issue we are dealing with here.

Mr David Nuttall (Bury North) (Con): Residents and businesses in Ramsbottom, Summerseat and Redvales in my constituency were all hit by last week’s floods. On their behalf, may I thank all those—the emergency services, staff from Bury Council and Six Town Housing and particularly the small army of volunteers from the local community—who have helped, and indeed continue to help, with the clean-up operation. Understandably, my constituents are worried that they could be hit by flooding again, so can my right hon. Friend reassure them that, when the review of flooding risk is completed, whatever is necessary to protect them in future is actually done?

Elizabeth Truss: I thank my hon. Friend for his question. The resilience review will look at a number of issues: first, the flood defence formula and how the allocation is made; and, secondly, how we respond and predict these extreme weather events. The reality is that we will do all we can to minimise flood risk but we cannot eliminate it altogether and that is why we need to build resilience, too.

Graham Stringer (Blackley and Broughton) (Lab): Manchester City Council and Salford City Council responded to the flooding of the Rivers Irwell and Irk and the businesses affected by that. Those businesses need not only finance but business support and information. Salford City Council, with the councils for Broughton, and charities such as Helping Hands, responded to the River Irwell overflowing in Broughton, causing damage to up to 800 properties. Can the Secretary of State assure those councils and the House that the funding that is being made available will go beyond the Bellwin formula and allow money to be given to the charities that have spent their money and the local authorities that are already financially hard-pressed?

Elizabeth Truss: I thank the hon. Gentleman for his question. The Minister responsible in the Department for Communities and Local Government will look at that specific issue.

Mr Robin Walker (Worcester) (Con): As the Secretary of State knows, Worcester is familiar with flooding: she has visited our flood defences. I welcome the additional investment that she has supported in our area. I particularly...
welcome the national flood resilience review and the inclusion of transport resilience within it. In Worcester we are seeing the raising of new defences to try to improve the resilience of the city this year. Can she ensure that the Department for Transport is linked in with that review so that it can take into account the value of capital bids such as the case for dualling the Carrington bridge in Worcester for improving flood resilience?

Elizabeth Truss: I thank my hon. Friend for his question. The Transport Secretary is very much linked in to that review. There are all kinds of critical infrastructure that we need to ensure are covered. One of the issues that has been raised today is telecommunications infrastructure. That is also vital and will be covered by the review.

Gavin Robinson (Belfast East) (DUP): My constituency over the last 10 years has suffered three one-in-100-year floods, but the story has got much better with the progress of the community-inspired initiative called the Connswater Community Greenway. I encourage the Secretary of State to look at that not just because it has increased protection but because it has galvanised communities. The community recognises that Government neither control the rain nor can do everything. More importantly, they have levered significant resource from outside Government to provide the level of protection from flooding that we need. I encourage her to visit and other Members to learn those lessons, too.

Elizabeth Truss: The hon. Gentleman is right about the importance of involving local communities, and I should be very interested in looking at that scheme myself. Similar schemes are being delivered in areas such as Pickering, and by the Cumbrian Floods Partnership and the Somerset Rivers Authority. I think that we should give local communities more power over decisions and involve them more in building up resilience, as well as paying attention to our national risk.

Andrew Stephenson (Pendle) (Con): Throughout Pendle, most rivers rose to record levels. The town of Ireby, on the Lancashire-Yorkshire border, was worst hit. A number of homes and businesses were flooded, and I shall be holding a special advice surgery with councils this weekend to meet affected residents and business owners. Although a number of parts of Pendle have benefited from flood defences in the recent past, Ireby suffered once again. Will the Secretary of State meet me to discuss what more can be done to help the town?

Elizabeth Truss: Either the Floods Minister or I should be happy to meet my hon. Friend.

Mr Ivan Lewis (Bury South) (Lab): I want to record my thanks to the magnificent team of community volunteers led by Steve Houghton-Burnett, to Bury council, to local Labour councillors and to the emergency services, all of whom provided tremendous support for flood victims in Radcliffe, in my constituency.

Can the Secretary of State explain how a Government who talk about a northern powerhouse can allow disproportionate cuts in flood defence budgets, and shocking complacency, to threaten the security of thousands of residents and business people across the north of England? When will they release the outstanding £40 million that was promised to councils?

As for what the Secretary of State has said about the European solidarity fund, I fear that Ministers are putting Tory party internal EU debates ahead of the national interest. Will she answer the question that has been asked about that?

Elizabeth Truss: The hon. Gentleman is simply not right about the spending division between north and south. Let me give the House the figures again. In our six-year programme, we are spending £54 per head on the north and east region, which covers areas such as Lancashire, Yorkshire and Cumbria, and £42 per head in the southern region, which covers areas such as London and the home counties. The hon. Gentleman is simply wrong.

Greg Mulholland (Leeds North West) (LD): It was heartbreaking to see homes, businesses and farms along the Aire and Wharfe valley flooded, especially at Christmas time. I praise the responses from the emergency services and council workers, but, in particular, the magnificent response from the local volunteers who came out to help, and who have raised money as well. I hope that the Government will match all those funds. However, may I ask the Secretary of State to admit that it was a false economy to cancel the £250 million Leeds flood defence scheme? Will she now consider allowing the full amount to be spent, and will she also discuss with me the possibility of flood defences for Otley and Lower Wharfedale?

Elizabeth Truss: I agree that we should pay tribute to the fantastic work done by volunteers throughout Yorkshire and Lancashire at a very difficult time. Many of them had given up their Christmas.

As I have said, we will of course look at the Leeds scheme. We need to do so, given that water levels in the Aire have been a metre higher than they have ever been before. I should be happy to meet the hon. Gentleman and other colleagues in Leeds to discuss the issue.

Dr Roberta Blackman-Woods (City of Durham) (Lab): As the Secretary of State probably knows, my constituency is being flooded as we speak, the River Wear having burst its banks earlier today. Durham faces real challenges, because the huge cuts imposed on the local authority make it difficult to respond to flooding and the problems that emerge from it, such as a lack of appropriate dredging of the river and building on the flood plain. How will the Secretary of State tackle those issues?

Elizabeth Truss: An official Cobra call is taking place at the moment to ensure that the people of Durham have every resource that can be provided for them.

Tom Elliott (Fermanagh and South Tyrone) (UUP): I am sure that the Secretary of State will join me in sending condolences to the family of the late Ivan Vaughan, who was swept away by the floods in my constituency and killed as a result.

The £5,000 that has been paid to homes and businesses in England seems great when compared with the £1,000 in Northern Ireland. Will Northern Ireland benefit from the significant amounts that have been paid by the Government as a result of Barnett consequentials?
Elizabeth Truss: That is a devolved matter on which local government must decide.

Liz McInnes (Heywood and Middleton) (Lab): During the floods I have visited Heywood fire station, which is one of only two stations in Greater Manchester with water rescue units, and which has done sterling work in rescuing people from the floods. However, not only does it face significant further cuts, but, as was pointed out earlier by my hon. Friend the Member for Lancaster and Fleetwood (Cat Smith), it does not even have a statutory duty to attend incidents of this type. Does the Secretary of State agree that we now need a serious debate about future co-ordination of flood responses, and about long-term funding for our fire and rescue services?

Elizabeth Truss: We saw a very effective emergency response from the fire service and other emergency services, the Environment Agency and the Army, all working together. That lesson has been learnt from previous flooding incidents, as we have brought in all those services as soon as possible to ensure that we protect lives and property.

Albert Owen (Ynys Môn) (Lab): My constituency was badly affected by the floods over Christmas and new year, as indeed was the whole of north Wales. There was an impact on roads, rail and homes. The Welsh Government have given extra resources, which is very welcome, but I want to press the Secretary of State on the issue of the European solidarity fund. If she is not willing to apply for it, devolved Administrations are willing to do so, and to use that money. Three years ago, the Prime Minister said that it took a long time to make an application. If he had applied then, the money could have been put to better use in the United Kingdom.

Elizabeth Truss: As I have said to other Members, we will consider applying for the fund, but it does take a long time to come through. My priority is ensuring that businesses and residents have the support that they need now.

Jim Shannon (Strangford) (DUP): Northern Ireland did not experience as much flooding as Cumbria, Yorkshire, Lancashire and parts of Scotland, but if such high water levels had been experienced throughout Northern Ireland, we would have been in deep trouble. What plans have been made, and what discussions have taken place, about assisting the Northern Ireland Assembly and its Minister in times of extreme emergency when the available resources are not enough to cope with flooding levels?

Elizabeth Truss: The floods Minister will be happy to discuss that further.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): A number of homes and businesses in my constituency were affected by floods over the Christmas period. Will the Secretary of State tell us how much of the £600 million of emergency flood money that the Government have announced and which is from sources outside Government is still outstanding? Will she also tell us whether the £5,000 that is available to people who have been affected by floods will apply to those without insurance, and what will happen when their losses are more than £5,000?

Elizabeth Truss: Yes, the £5,000 does apply to people who do not have insurance. The money is being given directly to local authorities to administer, so affected residents should get in touch with their local councils.

Andrew Gwynne (Denton and Reddish) (Lab): The River Tame in the Dukinfield part of my constituency breached the retaining wall, flooding a small part of the town where it is channelled through that part of Tameside. The flooding would have been much worse had it not been for the extensive flood plains around Denton and Reddish Vale in the lower Tame valley, which took the excess water. My concern, and the concern of my constituents, is that the Greater Manchester green belt is up for review next year, and developers are already seeking to have plots of land on those very same flood plains removed from the green belt for development. The Secretary of State has told the House what is in the national planning policy framework. Will she now tell us clearly that she does not expect those flood plains to be taken out of the green belt?

Elizabeth Truss: I thank the hon. Gentleman for his question. It really is a question for the Communities Secretary and the local authority in question.
Saudi Arabia

7.20 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): With permission, Mr Speaker, I would like to make a statement on the relationship between the UK and Saudi Arabian Governments.

The Gulf, including Saudi Arabia, has mattered to the UK for generations. Our relationships there are among our most enduring in the world. The Gulf is critical to our foreign policy objectives of security, prosperity and support for UK nationals overseas.

Turning to Saudi Arabia specifically, the United Kingdom and the Kingdom of Saudi Arabia enjoy a deep, long-standing history of friendship and co-operation. December marked 100 years since the signing of the Darin treaty between the United Kingdom and King Abdulaziz, who founded modern-day Saudi Arabia in 1932. As hon. Members are aware, Saudi Arabia is an influential voice in the region. It is the only Arab country to be represented among the G20. As the home of Islam’s two holy mosques, it has enormous global religious influence.

Today, the UK and Saudi Arabia co-operate in areas as diverse as education, healthcare, culture, defence, and, of course, counter-terrorism, as well as on the shared challenges facing the middle east. Some 25,000 Britons are proud to call the kingdom their home, and a further 70,000 visit each year as pilgrims. More than 15,000 Saudi students study in some of the UK’s world-class universities.

A strong relationship with Saudi Arabia matters. Our collaboration has foiled terrorist attacks, directly saving British lives. British-Saudi co-operation has specifically resulted in the foiling of al-Qaeda terrorist attacks that would have caused substantial destruction and loss of life. An example of this co-operation was the discovery at East Midlands airport of a “printer bomb” on board a US-bound flight in October 2010. The initial alert came from the Saudi authorities, which have been quick to provide information to protect British interests on this and many other occasions.

We should not ignore Saudi Arabia’s important and growing contributions to regional stability. We work together to tackle regional threats. We both want stability in the middle east. Saudi Arabia’s role in the region is essential to solving the crises in Syria and Yemen and to defeating terrorism.

The Saudi Arabian Government have been at the forefront of international efforts to defeat Daesh, from which the country has suffered first-hand. The king and the religious establishment continue clearly and publicly to condemn Daesh, and to emphasise that its poisonous ideology does not in any way represent the teachings of the Islamic faith.

Saudi Arabia was one of the first countries to participate in airstrikes against Daesh in Syria. It also co-leads the global coalition’s work to cut Daesh’s resources and has established the Islamic military coalition to fight terrorism. We are grateful to the Saudi Arabian Government for hosting a successful conference of Syrian opposition groups just last month to agree a common political platform and to start to form a negotiating team for UN-brokered peace talks with the Syrian regime, due to take place in Geneva on 25 January.

The recent escalation in tensions between Saudi Arabia and Iran is deeply concerning. I urge all parties in the region urgently to show restraint and responsibility, and to work towards resolving tensions. I was very concerned to hear of the attack on the Saudi embassy in Tehran and consulate in Mashhad on 2 January. We know only too well the impact of this. It is essential that diplomatic missions are properly protected and respected, in accordance with the Vienna conventions. The Foreign Secretary, myself and our representatives in the region have been in touch with all sides to urge calm and to de-escalate tensions.

I make it clear, however, that the UK’s close relationship with Saudi Arabia does not mean that we shy away from raising legitimate human rights concerns. We make this point very clearly in public and in private. The Saudi authorities are well aware of our views. I raised them most recently myself with the Saudi authorities yesterday, following the execution of 47 people over the weekend, 43 of whom were Sunni.

As I said in my statement on Sunday, the UK is firmly opposed to the death penalty. Our opposition extends to all circumstances and all countries. We remain firmly committed to advancing the global abolition of the death penalty. Regarding recent articles on the FCO’s “Strategy for Abolition of the Death Penalty 2010-2015”, I would like to clarify that this document is a general policy guide from 2011, rather than a case-by-case list of countries where the death penalty is applied. A full list of countries of concern was published in March 2015 in the annual human rights report; that includes Saudi Arabia and its use of the death penalty. The Saudi Arabian Government are well aware of our views. We will continue to raise our concerns with them.

We also raised the case of Ali al-Nimr with the Saudi authorities again over the weekend. We expect that Ali al-Nimr and the two others who were convicted as juveniles will not be executed. We will continue to raise these cases with the Saudi authorities.

More broadly, Saudi Arabia remains a Foreign and Commonwealth Office human rights priority country, not only because of the use of the death penalty, but because of restricted access to justice, women’s rights, and restrictions on freedom of expression, freedom of assembly and freedom of religion or belief. The UK’s position on human rights in Saudi Arabia is a matter of public record.

Founded just over a 100 years ago, Saudi Arabia is a relatively young country and we recognise that change cannot happen overnight. The human rights situation in Saudi Arabia reflects widely held conservative social values and, as such, needs to move at a pace that is acceptable to its society, but we believe that we will be more successful in discussing cases privately with Saudi Arabia. We use the strength of our relationship and engagement to encourage reform. We believe that it is more effective to work with other countries to improve and reform their systems than to criticise from the sidelines. We take this approach with Saudi Arabia, as we do with other countries around the world.

When it comes to reform, there has been some recent incremental progress. December’s municipal elections were the first in which women were allowed to stand and vote. Some 21 women were elected. A law on non-governmental organisations was passed in December
to create an official channel to enable the formation of NGOs and charities within the kingdom, but there is, of course, much progress still to be made.

Our prosperity relationship is important, but it is only part of the relationship, not our key driver. Saudi Arabia is one of the UK’s largest trading partners in the middle east, and the leading middle eastern exporter of goods to the UK. In 2014, exports of goods reached over £4 billion, and exports of services in 2013 reached over £5 billion. UK companies, with the assistance of Her Majesty’s Government, have delivered projects worth over £2 billion so far this financial year in the transport, healthcare and education sectors, but this does not come at the expense of human rights; we can, and do, raise these issues with the Saudi Arabian Government.

Only by working with them are we likely to bring about the change we all desire. I commend this statement to the House.

7.30 pm

Hilary Benn (Leeds Central) (Lab): I am grateful to the Minister for his statement and for giving me advance sight of it. He is right to refer to the long-standing relationship between the United Kingdom and Saudi Arabia, to our trade relations, to the vital importance of intelligence and security co-operation in countering terrorism and to the efforts that both countries are making to defeat Daesh brutality. But with the region already in ferment, with the brutal civil wars in Syria and Yemen and the threat from Daesh not only in Syria and Iraq but in Egypt, Libya and elsewhere, the Minister must recognise that the execution of Sheikh Nimr al-Nimr and 46 other people has caused a major diplomatic and political crisis. Surely the basis of any close relationship must be that the two parties can be honest with each other.

We, too, oppose the use of the death penalty in every circumstance, including what has happened in Saudi Arabia. But we on this side of the House believe that the Saudi Government were profoundly wrong to execute Sheikh al-Nimr, a Shi’a cleric, and three young Shi’a men whose alleged offences appear to have involved taking part in political protests and demonstrations against the current Government. The House will have noticed that neither the Prime Minister’s comments nor the Minister’s statement today mentioned Sheikh Nimr al-Nimr by name, and that is a matter of great regret.

These mass executions have caused dismay and outrage around the world. Amnesty International has described Sheikh al-Nimr’s trial as “seriously flawed”, and reported that he was denied the most basic means to prepare for his defence and was not represented by legal counsel for some of the proceedings because the authorities did not inform his lawyer of some dates of the hearings. Does the Minister share those concerns? Can he confirm the basis on which he has just told the House that the Government still believe that the sheikh’s nephew, Ali al-Nimr, who was convicted and sentenced to death as a juvenile, will not now be executed, given that his uncle has only just been put to death?

In the last few days, the Saudi embassy in Tehran has been attacked and there has been a breakdown of diplomatic relations between Saudi Arabia, Iran and other Gulf states. This is a very dangerous moment. In agreeing with the Minister’s call for calm and restraint, may I ask what he thinks the implications of this crisis will be for the Vienna talks on Syria? What are the prospects for the urgently needed ceasefire there, and does he still think that face-to-face negotiations between the parties will start by the end of this month? What is his assessment of the impact of all this on the Yemen peace talks, given that the Saudi-led coalition, which has been bombing the Iranian-allied Houthi movement in Yemen for nine months, announced on Saturday the end of a ceasefire that only began on 15 December?

The humanitarian crisis in Yemen is increasingly desperate, and many civilians have been killed in airstrikes. There have been reports of potential breaches of international humanitarian law by the Saudi military, which uses British-supplied weapons, among others. Before Christmas, in the light of those reports, I called on the Government to launch an immediate review of arms export licences relating to Saudi Arabia. Will the Government now carry out an independent investigation into whether there is a risk of UK arms being used in breach of international humanitarian law? I ask this because the Government say that they have urged Saudi Arabia itself to investigate any such breaches of international humanitarian law. Will the Minister tell the House what investigations have been undertaken by the Saudis, and what assessment he has made of their credibility?

Following the cancellation of the proposed UK prison contract, will the Government now publish the memorandum of understanding on judicial co-operation signed with Saudi Arabia on 10 September 2014? What discussions have taken place since then, and does the Minister think it would be appropriate now to suspend any co-operation on judicial matters with Saudi Arabia in the light of these mass executions?

Finally, it has been reported that in 2013 the UK assisted Saudi Arabia in its candidacy for a place on the United Nations Human Rights Council. Can the Minister confirm whether that was the case? If it was, why did the UK Government take that action, given that his own Department’s human rights and democracy report lists Saudi Arabia as one of the countries of human rights concern, relating not only to its use of the death penalty but to access to justice, to women’s rights, and to the rights to freedom of expression, freedom of assembly and freedom of religion or belief—all of which this House and our country are deeply committed to?

Mr Ellwood: Before I reply to the right hon. Gentleman’s important questions, may I just say that I am delighted to see him in his place today, following so much speculation? He commands a great deal of respect, and Parliament is all the wiser for his expertise in foreign affairs. I am pleased to see him back in his place.

The right hon. Gentleman has raised a number of questions, some of which related to the relationship between Saudi Arabia and Iran. He mentioned the importance of the work being done in Yemen and in Libya and also in Syria. It is fair to say that we ended 2015 in a better place—marginally—than we started it, so far as the middle east is concerned. We had a ceasefire in place in Yemen. We had agreement around the table from adversaries from Iran, Russia, Saudi Arabia, the United States and France, and from other participants and stakeholders in Syria, after waiting four years for
all the necessary players to work together and agree on the requirements for a ceasefire and a transition process and on the necessary steps to put in place an 18-month approach towards elections. That could not have happened had Iran and Saudi Arabia not come to the table themselves.

The right hon. Gentleman is right to point out the involvement of Saudi Arabia in Yemen. It leads a large coalition—he is fully aware that it is not just Saudi Arabia that is involved there—and had that action not been taken, the Houthis would have moved all the way down to the port of Aden. The consequences of that would have been dire. So yes, Saudi Arabia has participated in the push-back, but it is following resolution 2216, as he is also well aware.

Saudi Arabia is bringing together the opposition parties that have not been at the table at the Vienna talks, and that is absolutely critical. That illustrates the work that Saudi Arabia needs to do. I hope the right hon. Gentleman agrees that we need to de-escalate the tensions. We have had confirmation from Saudi Arabia that it wants to continue to participate in the Vienna talks, and I am pleased that the President of Iran has condemned what happened at the Saudi Arabian embassy and at the consulate. That condemnation is important if we are to see a de-escalation of tension.

The right hon. Gentleman specifically asked about—or made reference to—judicial co-operation under the memorandum of understanding. I understand from the Under-Secretary of State for Justice, my hon. Friend the Member for Esher and Walton (Mr Raab), that there is no agreement on judicial co-operation in that Mou.

We are working behind the scenes with Saudi Arabia and we are endeavouring to improve the situation in Saudi Arabia, but this country is pivotal to overall peace in the middle east. Only with agreement to de-escalate the current tensions will we see Iran and Saudi Arabia come back to the table to make sure that we can build on what we did in 2015, in Yemen, in Syria and in places further afield such as Libya.

Sir Nicholas Soames: I thank the Minister for his statement and for advance sight of it. The Independent recently reported that a legal adviser to the Foreign Secretary stated that it was “not at all clear” whether UK weapons sold to Saudi Arabia have been used on civilian targets in Yemen, and a recent legal opinion published by Matrix Chambers has further cast doubt on the Government’s action. I await a response from the Minister to my letter of 3 December, in which I asked for specific reassurances from him that international arms treaty laws have not been breached in the sale of these weapons. I hope he can use this opportunity to give that reassurance to the House.

At the same time, the Minister should explain why the work of this Government on the export of weapons and military equipment has not been subject to proper parliamentary scrutiny. Why have they been reluctant to have transparency on this vital matter? We must have a full explanation as to why Saudi Arabia was excused from the UK Government’s five-year strategy towards abolishing the death penalty worldwide, despite its having one of the world’s worst human rights records. Why did that happen? Following the execution of 47 people in a single day last week, does the Minister regret that decision? What representations did the Government make to Saudi Arabia before and after the execution of Sheikh Nimr al-Nimr?

Finally, let me say that this Government are fast losing any credibility when it comes to supporting human rights around the world. The question has just been asked, but not answered, as to whether they supported Saudi Arabia’s election to the UN Human Rights Council. What role did the Tory-Lib Dem Government play in that process? In addition, and of paramount importance, does the Minister support Saudi Arabia’s continuation in the role?

Mr Ellwood: Let me answer that last point about Saudi Arabia’s membership of the UN Human Rights Council first. The UK does not publicise how it votes, and that has been the case under all Governments, but I should say that this election was uncontested so it was very clear what the actual outcome would be. This appointment was made via an internal nomination of the consultative group, and the UK is not a member of that group. I hope that clarifies the British position in relation to Saudi Arabia and the UN Human Rights Council.

I thought I had answered the question about the five-year strategy. I specifically made it clear in my statement that that was written in 2011 and is no longer relevant in relation to the countries of concern, including Saudi Arabia. In dealing with a point about Ali al-Nimr made by the right hon. Member for Leeds Central (Hilary Benn), which I did not answer fully, I can only repeat what I have said over the weekend, as have the Foreign Secretary and our ambassador in Riyadh: there

Ms Tasmina Ahmed-Sheikh: I thank the Minister for his statement and for advance sight of it. The Independent recently reported that a legal adviser to the Foreign Secretary stated that it was “not at all clear” whether UK weapons sold to Saudi Arabia have been used on civilian targets in Yemen, and a recent legal opinion published by Matrix Chambers has further cast doubt on the Government’s action. I await a response from the Minister to my letter of 3 December, in which I asked for specific reassurances from him that international arms treaty laws have not been breached in the sale of these weapons. I hope he can use this opportunity to give that reassurance to the House.

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are no reasons why Ali al-Nimr should face execution, and nor should the other youths convicted while they were juveniles.

Crispin Blunt (Reigate) (Con): There should be much to be welcomed from more dynamic Saudi leadership and decision making, but not if it comes at a price of fomenting conflict with Iran. That relationship is key to conflict resolution in Syria, Iraq and Yemen, and to stability in Lebanon and Bahrain. The rest of the international community is going to have to pick up the pieces and the costs if the Saudi-Iranian relationship does not have both parties trying to work towards co-operation, not confrontation. Will the Minister assure the House that the United Kingdom’s view that both countries must be working hard towards co-operation and repairing this relationship is our absolute expectation?

Mr Ellwood: I pay tribute to the Chairman of the Select Committee on Foreign Affairs, the work that he has done and his interest in this area. I am aware that the Committee visited Tehran recently and has first-hand knowledge of what is happening there, following the nuclear deal. That is crucial: what message are we sending to the people of Iran with this opportunity, after the cold war that they have been through, to participate more responsibly in the region? We want to send a clear and positive message to the people of Iran, which is why it is so important to de-escalate the current tensions between Iran and Saudi Arabia.

Mr David Winnick (Walsall North) (Lab): Is it not clear that the Saudi authorities will continue with executions, including beheadings,stonings and even crucifixions, with the British Government saying, in effect, “Naughty, naughty” and continuing to be one of the main suppliers of arms? The record between this country and Saudi Arabia is one that should bring shame to Parliament.

Mr Ellwood: I think I have answered that question very clearly. We do not differentiate in respect of our arms sales; they very much go hand in hand, and we do exert influence behind the scenes, not just in Saudi Arabia, but in other countries. I am sorry that things are not as in the public domain as the hon. Gentleman would like.

Dr Julian Lewis (New Forest East) (Con): It can never be said too often that in highly contested areas of this sort one often has to choose the lesser of two evils. The Minister has painted a convincing picture of the way in which important intelligence tip-offs against Daesh are furnished to this country, but can he use his and the Government’s influence to say to the Saudis that their protestations of opposition to Daesh would carry more weight if there were less support from Saudi Arabia for the spreading of extreme Wahabist ideology through mosques and in countries around the world?

Mr Ellwood: My right hon. Friend makes an important point. We are facing extremism, not just from Daesh, but from a series of extremist operators, including the Khurasan group, al-Shabaab, Boko Haram, Ansar Bayt al-Maqdis, Ansar al-Sharia and al-Nusra. They have one objective in common: to harm the west. It is important that everybody recognises that we will win not on the battlefield, but by winning hearts and minds. Nothing is more important than countries such as Saudi Arabia recognising the work it can do, which is starting to do, in persuading the extremists and everybody else who might be encouraged to join those extremists that that is not what Islam is all about.

Tim Farron (Westmorland and Lonsdale) (LD): The executions over the weekend, including that of Sheikh Nimr al-Nimr, must surely raise fundamental questions about the United Kingdom’s relationship with Saudi Arabia. People in the UK have every right to want to know what arrangements we are entering into as a country with another country that has acted with such brutality and with such disregard to the impact of its actions on co-operation across the middle east, especially in the light of the Vienna process and the ongoing conflict involving Daesh. Will the Government now commit to publishing both the memorandum of understanding on security, which was signed by the Home Secretary on behalf of the United Kingdom, and the memorandum of understanding on judicial co-operation, both of which have been withheld in full despite Freedom of Information Act requests? Bearing in mind the Saudi Government’s appalling record on human rights, especially the rights of women, will the Government call on Saudi Arabia to step down from chairing the UN Human Rights Council? The Minister carefully avoided condemning the actions of Saudi Arabia over the weekend, so will he do so now? Clearly, Saudi Arabia has a great influence over this Government. Will this Government now prove that they have some influence over Saudi Arabia?

Mr Ellwood: I have made it very clear that we oppose the death penalty—I think that view is also shared by the Opposition—and we continue to engage on the matter at the highest level. Saudi Arabia is aware of our views. The UK is also committed not just to abolishing the death penalty in Saudi Arabia, but to advancing the global abolition of the death penalty. As a first step towards that objective, we should continue to work with our EU partners in applying the EU minimum standards. The hon. Gentleman also mentioned the Vienna talks. He seems to want to have his cake and to eat it too. Saudi Arabia is playing an influential role in the Vienna talks. Indeed, one could argue that those talks could not happen without Saudi Arabia at the table. It is very important that we continue to engage with Saudi Arabia and to de-escalate the tension that currently exists between Saudi Arabia and Iran so that we can ensure that the Vienna talks are able to proceed as expected later this month.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): One country that is working increasingly with Saudi Arabia, the Gulf states and particularly Yemen is Sudan, and there are growing relations between Khartoum and the Gulf states. Will the Minister use his influence with Saudi Arabia to put further pressure on the Sudanese President over the human rights abuses in Darfur?

Mr Ellwood: We have wandered away a little bit from Saudi Arabia. None the less, I did have the pleasure of attending the signing of the South Sudanese peace deal in Ethiopia. Clearly, human rights issues were very much at the forefront, and, yes, we will continue to work with Saudi Arabia to encourage change in Sudan.
Nick Thomas-Symonds (Torfaen) (Lab): The Minister made it clear in his statement that there are conservative social values in Saudi Arabia. Does he also agree that there is no excuse whatsoever for the brutal executions, the lack of access to justice and the treatment of women? What confidence does he have that the way in which we are engaging with Saudi Arabia will bring about a visible improvement in its human rights record in the coming months?

Mr Ellwood: I made it very clear in my opening statement that we had concerns about governance, rule of law, human rights and women’s issues. Saudi Arabia is making small progress and taking incremental steps. We will continue to work with it to ensure that it stays on that path.

Dr Tania Mathias (Twickenham) (Con): I commend the Minister for saying that he raises human rights concerns with the Saudi authorities and that he did so yesterday, but will he tell us what he has done to support the Sakhirov human rights prize winner and the PEN Pinter prize winner, Raif Badawi, bearing in mind that the Pinter prize is given to somebody who tells the truth about our lives?

Mr Ellwood: The House will be well aware that Raif Badawi is the blogger whose case has been a source of concern for Members across this House. We have raised the case with Saudi Arabia on a number of occasions. I have raised it myself, as has the Foreign Secretary. We understand that Badawi’s case is still in court, but let me make it clear that we do not expect him to receive the lashes that he has been sentenced to receive.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): If the name of the game is de-escalation, bringing people around the table and making some progress in this situation, have Ministers made it clear to the Saudis that they could not have done anything more provocative than the 47 executions, particularly the one involving Sheikh Nimr al-Nimr, to make the situation worse?

Mr Ellwood: The right hon. Lady’s points are now on the record. Our focus is to de-escalate those tensions. We have a number of regional challenges in which Saudi Arabia plays an important role, and that is what we will focus on now.

Mr Speaker: I call Mr Bob Stewart.

Bob Stewart (Beckenham) (Con): Thank you, Mr Speaker.

Mr Speaker: The hon. Gentleman should not look quite so surprised; he was standing to speak.

Bob Stewart: Forgive me, Mr Speaker, I have a problem with my hearing.

The execution of Sheikh Nimr al-Nimr was clearly a real blunder, strategically, politically and in all senses, and everyone in this House believes that is so. Will the Minister outline what he thinks is good about Saudi foreign policy that helps peace and security in the region?

Mr Ellwood: My hon. Friend allows me to underline the important role that Saudi Arabia is playing in relation to attempting to control a ceasefire under UN resolution 2216 and to supporting the UN envoy Ismail Ahmed’s work in trying to bring peace to that area. Obviously, that is one area of concern. Syria is the other area of concern, and Saudi Arabia is playing a vital role in that regard too. We must also understand Saudi Arabia’s important role and efforts in countering the poisonous message and ideology of Daesh.

Stephen Timms (East Ham) (Lab): I think the Minister owes the House an explanation of why Saudi Arabia was omitted from the 2010-2015 strategy document. He has dismissed the question on the basis that there has since been another list published, but why was it not in the strategy document? Was it an oversight?

Mr Ellwood: I think that the document has been misinterpreted. It was not an exhaustive list as such, as I made clear in my opening statement. Saudi Arabia remains a country of concern, and we remain committed to encouraging and improving human rights in that country.

Sir Gerald Howarth (Aldershot) (Con): The kingdom of Saudi Arabia is indeed a very important ally of the United Kingdom in the region. Although internal order must be a matter for the Saudi authorities, as internal order is a matter for the authorities in the United Kingdom, the draconian crackdown on dissent in Saudi Arabia has already had very serious ramifications across the region and potentially has serious ramifications for the relationship between our country and the kingdom of Saudi Arabia. I urge my hon. Friend to impress on our Saudi friends that this is a serious matter and that, in showing leniency, particularly to these young juveniles, they will be doing a favour not only to us but to themselves, and they will be promoting the country as a better example than currently, sadly, is the case.

Mr Ellwood: I am pleased to repeat our concern about Ali al-Nimr and the other youths who were convicted when they were juveniles. We have received reassurances from the Foreign Affairs Minister, Adel al-Jubeir, and from the Saudi Arabian ambassador in London that they will not face execution.

Caroline Lucas (Brighton, Pavilion) (Green): Does the Minister recognise that huge numbers of people across the country will be genuinely shocked by his inability to say that he condemns the actions of Saudi Arabia over those executions? Will he now strengthen his language on that matter? Has his Department assessed the legal opinion published last month by Matrix Chambers which concluded that the Government have misdirected themselves in law and in fact in continuing to grant authorisations for the transfer of weapons to Saudi Arabia that are capable of being used in the conflict in Yemen?

Mr Ellwood: We have one of the most vigorous export licensing schemes in the world. Indeed, it was set up by the previous Government. If there are any genuine examples of the misuse of weapons systems that have been sold to any country, the process is in place to ensure that they are examined. If such examples are brought forward, we will certainly look at them.

Mark Menzies (Fylde) (Con): As someone who has visited the kingdom of Saudi Arabia and who perhaps has more constituents working in the kingdom than any
other Member in this House as a result of the relationship through the defence sector, may I urge the Minister to impress on our Saudi friends the importance of working with the moderate influences within the kingdom to ensure that peace and stability prevail throughout the region?

Mr Ellwood: My hon. Friend rightly underlines the importance of this bilateral relationship, which is not only commercial but includes academic and medical perspectives and so forth. The more we are able to engage and share ideas, the more we will be able to encourage change, modernisation and adaptation of international standards and the rule of law.

Helen Goodman (Bishop Auckland) (Lab): What preparations has the Minister’s Department made for the potential legal action which the Government now face owing to the fact that arms have been exported to Saudi Arabia which, it has been reported, have been used against civilians in Yemen?

Mr Ellwood: I repeat what I just said. Saudi Arabia has a legitimate right to purchase weapons systems. It also has a legitimate right under UN Security Council resolution 2216 to provide legitimate support to the President Hadi in Yemen. Had actions not been taken, as I said, the humanitarian catastrophe in that country, which the hon. Lady’s Front-Bench spokesman rightly mentioned, would be worse than it is, as would the challenges that we face. A port off the Red sea called Al Mukalla—a town bigger than Bournemouth—is now run by al-Qaeda. That is the threat that we face in Yemen. So yes, we must be concerned and aware of any weapons systems that we sell across the world. We have robust systems in place, but let us keep in check how they are used and what the consequences are in the country where they are used.

Kevin Foster (Torbay) (Con): For any nation to welcome 2016 with a display of mass execution more fitting of 1016 is profoundly wrong. Will the Minister confirm that, as in the case of our deal on nuclear issues with Iran, our relationship with Saudi Arabia will not prevent us from continuing to press human rights issues, in particular the oppression of religious minorities, and that all nations in the region which are expressing concerns about that in Saudi Arabia should look to eliminating it in their own jurisdiction as well?

Mr Ellwood: My hon. Friend is right. I pay tribute to his understanding and knowledge of the area. We are working with Saudi Arabia across a wide range of issues, one of which is religious tolerance.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): We have seen a very weak response from the UK Government tonight. We find ourselves allies with one of the world’s biggest human rights abusers. It comes as no surprise to me when we heard at the weekend the Foreign Office use the word “disappointment,” stating that it did not expect the executions to go ahead. I am glad that I have heard tonight that the Minister has been in touch with the Saudi Kingdom and asked for the boys to be spared. The Minister is well aware that I have been campaigning for Ali for months and also for Dawoud and Abdullah, so I call on the Minister to make sure that the Saudi King commutes the death penalties and does not carry them out. Does the Minister seriously think that evidence of successful dialogue with Saudi is that only 47 executions were carried out, instead of 53?

Mr Ellwood: I do not entirely understand the final point that the hon. Lady makes. I pay tribute to her and the work that she is doing in making sure that she raises these issues on the Floor of the House. I take all her contributions extremely seriously. She is aware that I am in constant dialogue over these cases, not just Raif Badawi, but Ali Mohammed al-Nimr and others. We have been working closely together on that and I assure the hon. Lady that we will continue to do so.

Nusrat Ghani (Wealden) (Con): Saudi Arabia is co-ordinating the Islamic military alliance to fight terrorism, a coalition of 34 nations brought together to help defeat Daesh, in addition to the Vienna talks. Iran is not one of the 34 nations, and it is difficult to imagine how that coalition will be able to grow and work effectively, given the increased acrimony and the breakdown in diplomatic relations between Saudi Arabia and a number of other countries, including Iran. How can the Government make sure that this embittered Sunni-Shi’a division does not put the stability of the region and our own safety here at home at further risk from sectarian conflict and extremism on both sides, when we need bold steps towards a Sunni and Shi’a reconciliation?

Mr Ellwood: I agree with my hon. Friend, who I know has huge expertise in this area. She describes exactly the challenge that we face and what we need to do. She talks about the Islamic military coalition to fight terrorism. That is in its infancy. Countries have only just come together. It would make sense for Iran to be involved in that. The first meeting took place just before the new year. Further meetings are planned. It is a positive move that countries are now looking towards the longevity of their own security.

Fiona Mactaggart (Slough) (Lab): Is not the problem that the Saudi authorities are prepared to ignore diplomatic niceties, the Minister’s disappointment and a statement in the Foreign Office’s report in July about its continued concern over death penalty use in Saudi and the fact that the Foreign Office regularly raises the issue with the Saudi authorities unilaterally and bilaterally? Well, that’s worked, hasn’t it? Is it not time for the Saudi authorities to face concrete action from Britain, such as an end to arms exports, rather than continued expressions of concern? [Interruption.]

Mr Ellwood: I am reminded of Labour’s policy towards Saudi Arabia over 13 years. We must have clear and precise rules on the export licensing schemes around the world. We cannot do it by whim or by choice, according to whether a country is flavour of the month or not. There are rules that we follow. Saudi Arabia has the right to defend itself and to purchase weapons systems. No country has the right to purchase weapons systems from us and then abuse them or use them incorrectly. The licensing scheme then kicks in and makes sure that the sales are revoked.

Tom Pursglove (Corby) (Con): It is clear that countries in the region ought to be doing more on the Syrian refugee situation. What discussions have Ministers had with the Saudi Government on that?
Mr Ellwood: It is worth paying tribute to all the countries in the region that have taken on a huge commitment to look after refugees fleeing persecution not just in Iraq, but in Syria. That includes many of the Gulf states and Saudi Arabia. My hon. Friend’s question allows me to pay tribute particularly to Jordan and Lebanon, which have taken the largest burden.

John Woodcock (Barrow and Furness) (Lab/Co-op): The executions last week were shocking and deeply troubling. May I place a different emphasis from that of some of my colleagues and urge the Minister and the Government only to enact measures that will be effective in improving the Saudis’ record on human rights, acknowledging the dangers that bellicose statements from the west—from infidels—can sometimes make matters significantly worse in a situation where the Saudi Government themselves are fragile and could at some time be replaced by a far more brutal regime? We would not forgive ourselves, nor would we be forgiven in the country, if our actions resulted in a fundamental reappraisal of our relationship that stopped the vital intelligence that could have prevented a fatal attack on our shores.

Mr Ellwood: The hon. Gentleman articulates very well the challenge that we face. I pay tribute to his interest in and knowledge of this area. He is right. I described the leadership today as being at the liberal end of opinion in that country. He uses a different form of wording. There are huge challenges that we face in the middle east, and different ways that we can provide support and influence the country. We can use foghorn diplomacy, stand back and shout from afar. That does not work and has not worked in the past.

Nadhim Zahawi (Stratford-on-Avon) (Con): The greater prize for both traditions of Islam is reconciliation, and one has only to ask the families returning to their homes in Tikrit and now Ramadi to see that. This escalation of tension could reverse some of those hard-won victories. Has the Minister or the Foreign Secretary had any discussions with our American allies—with Secretary of State Kerry—and is he or the Foreign Secretary planning to go to Saudi Arabia and Tehran to help de-escalate the situation?

Mr Ellwood: Yes, huge efforts are taking place behind the scenes, involving many countries. My hon. Friend speaks about Ramadi. I place on record the importance of the capital of Anbar province now returning to the Iraqis. That shows that Daesh is on the back foot. The next step is Mosul. That will be significant for Iraq, which my hon. Friend knows well. It is important that that country is able to change the laws on de-Ba’athification and the national guard. If that does not happen, all that work will be challenged.

Susan Elan Jones (Clwyd South) (Lab): I think that most of us would agree that last week’s dreadful executions in Saudi Arabia reinforced the case for a global abolition of the death penalty. Does the Minister agree that it is vital that our democratic allies in the west also adhere to that? Will he strongly make the case to Americans in the southern states of the US, many of whom have a deep concern for religious freedom, that their support for the death penalty in their country weakens the case for a global abolition of the death penalty and for religious freedom worldwide?

Mr Ellwood: The hon. Lady makes a powerful point. I reiterate our commitment to advancing the global abolition of the death penalty, whether in Saudi Arabia or in the United States of America.

Dr Andrew Murrison (South West Wiltshire) (Con): The Kingdom of Saudi Arabia is indeed hardly alone in practising judicial killing, but this latest bloodbath suggests a regime under some kind of pressure. What contingency planning does the Minister think should be done for the potential geopolitical consequences of the regime falling, given that it would do so swiftly and brutally, not unlike the Shah in 1979?

Mr Ellwood: We are very much focused on de-escalating tensions between the two countries, for the reasons I have outlined, not just for the benefit of Saudi Arabia and Iran, but because there is much to be gained from getting back around the table and working on the progress made in 2015 to deal with the challenges in Syria and Iraq, and indeed in Yemen.

Ian C. Lucas (Wrexham) (Lab): The international reaction to the executions was entirely predictable, not least from Iran. Given the precarious nature of the Vienna process at the moment, what confidence does the Minister have that the Saudi Government are committed to pursuing that process? Why does he believe that that commitment is still there?

Mr Ellwood: It is not just Saudi Arabia that we put pressure on to deal with human rights issues, and indeed with the death penalty; we also put pressure on Iran, which executes far more people—that point has not yet been made today. However, the reaction from President Rouhani, and indeed from Saudi Arabia, recognising that they must encourage and continue regional discussions on these other issues, has been noted. Flights and diplomatic relations have been broken off, but we have been given assurances that those who wish to can continue to visit the holy sites of Mecca and Medina.

Dr Sarah Wollaston (Totnes) (Con): The execution of Sheikh al-Nimr has had disastrous consequences and is a gift to Daesh. Has the Minister made a calculation of the effect of the failure to deliver a straightforward condemnation on relations with other regional powers?

Mr Ellwood: My hon. Friend is right to recognise that Daesh benefits when there are disagreements between the regional players, which is why it is important that we de-escalate tensions.

Stewart Malcolm McDonald (Glasgow South) (SNP): The Islamic scholar and cleric Sheikh Nimr al-Nimr was described by our US allies as someone who promoted democracy, justice and peace. I do not doubt the Minister’s commitment to those values, but we really do need more than a statement of disappointment—a rather perverse manifestation of the British understatement. Given that promoting democracy in Saudi Arabia now appears to be a capital offence, can he outline exactly what the Saudi Government would need to do to draw an official censure from the Dispatch Box?

Mr Ellwood: I am sorry that the hon. Gentleman has chosen to link two different conversations. Two and two does not equal five. The fact that those who promote democracy are now facing the death penalty is incorrect.
We will continue to build our relationships with Saudi Arabia to encourage the reforms that we would like to see, as I articulated in my statement.

Helen Whately (Faversham and Mid Kent) (Con): Does my hon. Friend agree that the greatest threat to human rights in the region is ISIL-Daesh and that we must not be naive about the threats faced by allies such as Saudi Arabia? Therefore, as well as putting pressure on them to improve their human rights record, we must also help them to do so, and we must stand by them.

Mr Ellwood: My hon. Friend makes a powerful point that needs to be underlined in this Chamber. The organisation that is the most brutal in its failure to recognise any form of human rights is Daesh. It plays upon that fact, promising a better life to those who are attracted to make the journey to its self-imposed caliphate. It is a false promise: to the girls and boys who end up there, and on what happens when they eventually die, because they will not go to heaven and be rewarded for their actions.

Mr Gregory Campbell (East Londonderry) (DUP): The Minister referred to our close relationship with Saudi Arabia but said that that should not mean that we shy away from raising legitimate human rights concerns. Does he understand that the concern that many people have, both in this House and across the United Kingdom, is that commercial considerations are doing precisely that? What can he say, and what can the Government do, to ensure that commercial considerations are not being put ahead of human rights concerns, both for religious minorities and females?

Mr Ellwood: I touched on that in my statement and have made it very clear that no aspect of our commercial relationship with Gulf countries, including Saudi Arabia, prevents us from speaking frankly, and indeed openly, about human rights challenges. We will not pursue trade to the exclusion of human rights; they can and should be complementary.

Bob Blackman (Harrow East) (Con): My hon. Friend quite rightly refers to Saudi Arabia as a key ally, and to the emphasis on preventing further executions, so can he make it clear to the House what efforts were made by the Foreign and Commonwealth Office in advance of the executions to prevent them taking place at all?

Mr Ellwood: We were not informed when the executions would take place, and once they did we were in touch with the authorities immediately.

Tom Brake (Carshalton and Wallington) (LD): The Minister said that the UK Government had no role in securing the chairmanship of the United Nations Human Rights Council for Saudi Arabia. Following the execution of 47 people in a judicial process widely deemed to be grossly unjust and deeply flawed, and with the threat of execution hanging over Abdullah al-Zaher and Dawood Hussein al-Marhoon, will the UK Government now be lobbying to get Saudi Arabia to stand down from that chairmanship?

Mr Ellwood: No, we will not.

Mike Wood (Dudley South) (Con): It is particularly concerning that, notwithstanding assurances that have been given, death sentences remain in place against a number of juveniles, including Ali Mohammed al-Nimr. Will my hon. Friend pursue all available means to ensure that those executions do not happen?

Mr Ellwood: That is now our priority. It has been the subject of many conversations that we have had with the Saudi authorities, not least the Foreign Minister and the embassy. The assurance that we have received is that those executions will not take place.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Do the UK Government realise that unless western powers have a consistent approach to foreign policy in the middle east, particularly on human rights, there is no hope for a lasting peace? With that in mind, elementally, what is the difference between Islamic terrorist groups beheading people and Saudi Arabia beheading its political opponents?

Mr Ellwood: What Daesh is doing is beheading everybody who does not believe it. But Daesh is not a state, so the influence that we can have in defeating it and its ideology is well documented—indeed, it was debated and voted upon in this House. Our approach to Saudi Arabia has again been discussed here today. We are committed to removing the death penalty, and not just in Saudi Arabia; we are working with other countries to see it removed across the world.

Neil Carmichael (Stroud) (Con): The dreadful events last week have made a complicated situation even more challenging and tested fragile relationships in a region where we need to see peace. What reassurance can the Minister give the House now that he is in proper contact with his counterparts—notably our European allies and the United States—to bring more influence on making sure that human rights are a priority and that, above all, peace is introduced?

Mr Ellwood: The two issues are absolutely related. We need to encourage Saudi Arabia and other allies that need to make progress in this area and work out the best strategy for providing that support. That is exactly what we are doing. We are also in discussion with other Gulf Co-operation Council countries, the Arab League, the United Nations and the European Union to work together on how best to support the introduction and improvement of human rights, governance, the rule of law and women’s rights as well as the important issue of the freedom of the press.

Patrick Grady (Glasgow North) (SNP): Both Amnesty International and Save the Children have recently produced reports on the conflict in Yemen, expressing concern that UK-sold arms are being used by the Saudi coalition in breach of international human rights law. Does the Minister accept that if that is the case, the UK could be found to have been complicit in war crimes? What steps is he taking to investigate those reports and make sure that that is not the case?

Mr Ellwood: The hon. Gentleman is asking me a hypothetical; I am not going to go down that particular road. I will say, as I have repeated, that if there is
genuine intelligence evidence to suggest that weapons systems—not just in this country, but anywhere—have been abused, our robust export licence scheme will absolutely kick into place. I met representatives of a number of NGOs that operate in Yemen who raised concerns in the same vein. Again, I make the request to let us see the intelligence, then we will investigate it ourselves.

Rehman Chishti (Gillingham and Rainham) (Con): I have visited Saudi Arabia and met its parliamentarians and Ministers; one made it clear that one was against the death penalty and called for religious freedom. However, may I ask the Minister for clarification on this point? Has he seen the article by Joseph Braude from the Foreign Policy Research Institute? He said that many of those executed in Saudi Arabia along with Sheikh Nimr al-Nimr were members of Hezbollah al-Hejaz—a sister wing of Hezbollah that has been listed as a terrorist organisation by the European Union. Some colleagues have said that there was peaceful protest, but has the Minister seen the other side of the coin, which indicates that some of those involved had taken part in terrorist activity? I do not know the answer; I am simply seeking clarification. Linked to that issue, has the Minister seen a statement from al-Qaed and Daesh calling for open revolt and for people to take up arms against the Saudi Government? We have a common enemy in Daesh and al-Qaed in that respect.

Mr Ellwood: I have not seen the article and would be grateful if my hon. Friend passed it on to me. He makes an important point about the charges against these people. I underline, however, that we do not believe that the death penalty was deserved, whatever the charge. Britain has stood by that position for some time. As an interim step, there are EU standards that could be introduced. I hope that Saudi Arabia will take heed of that.

Mark Durkan (Foyle) (SDLP): In ascribing a key role in the Syrian process to Saudi Arabia, the Minister is dressing a wolf in sheep dog’s clothing. Does selling sophisticated armed technology to that regime blind the UK Government to the primitive barbarism that it continues to demonstrate? Is there any excess by that regime that the British Government will not offset by scraping the barrel of political excusery?

Mr Ellwood: I do not agree with the hon. Gentleman; he has his views. I make it clear that the two are not mutually exclusive: we are able to have a legitimate, recognised and transparent arms export scheme, which includes Saudi Arabia, but that does not prevent us from having very frank conversations—public and private—about issues of human rights in Saudi Arabia and other countries as well.

Seema Kennedy (South Ribble) (Con): I welcome the recent appointment of our new chargé d’affaires, Nicholas Hopton, to Tehran and I hope that before too long our two nations will have full diplomatic relations. Does the Minister agree that maintaining and strengthening diplomatic relations, even with countries with which we have substantial differences of opinion, is absolutely the best way to have those difficult conversations about human rights and democracy?

Mr Ellwood: My hon. Friend makes an important point, and I pay tribute to the knowledge and experience in this area that she brings to the House. In February, there will be elections to the Majlis in Iran. We are hoping that the signing of the nuclear deal will allow a moderate grouping of MPs to be elected, which will encourage greater representation of the voices of the Iranian people. We very much encourage that.

Jim Shannon (Strangford) (DUP): Saudi Arabia is 12th on the Open Doors World Watch list of countries where it is difficult to live as a Christian. In February last year, 12 Ethiopians, worshipping in their own house in private, were arrested, questioned and deported. In a Westminster Hall debate on international human rights in the second week of December, I brought to the attention of the Minister the issue of the 28 Christians—women, children and a few men—who were also arrested. For the record, I should say that those people disappeared into the ether of Saudi Arabia and there has been no explanation of where they have been.

On that day, I asked the Minister whether he could find out what had happened. I am concerned about the welfare of those people, as I am about the welfare of all Christians in Saudi Arabia, and other Members are also concerned. Will the Minister take up those issues directly with Saudi Arabia and give Members the answer we need?

Dr Philippa Whitford (Central Ayrshire) (SNP): The Minister says that any incidence of the use of British weapons against civilians in Yemen will be investigated. Is the bombing of the Médecins Sans Frontières hospital in the Saada region being investigated, as Saudi planes were identified as having been involved?

Mr Ellwood: First, I recognise the work that the hon. Lady has done as a doctor in various areas of conflict; she brings huge knowledge and expertise to the House.

The concerns about the misuse of military equipment are about where kit has been used, collateral damage has taken place and that has not been admitted to. When the Saudi Arabians—not only them; 10 other countries are involved in the coalition—have put up their hands to collateral damage having taken place, the necessary compensation has been paid. That is the correct process. Our concern, which has been articulated in the House, is whether the weapons are being used deliberately and indiscriminately to cause harm from a height and there has been no follow-up whatever.

Greg Mulholland (Leeds North West) (LD): The Minister is simply not facing up to the revulsion felt by British people at this outrage. He should have acknowledged and condemned it at the start of his statement, and he did not. He says it is important to deal with Daesh, who are executing their cultural and religious enemies, yet we are sitting down with a state that is executing—its cultural and religious enemies without proper trial. Is it any wonder that people around the country, including members of the all-party group on
the abolition of the death penalty, are concerned and suspicious that Saudi Arabia is not on the FCO strategy list of 30 countries where we are trying to abolish the death penalty?

Mr Ellwood: First, I acknowledge the work of the all-party group, which I would be delighted to meet if that would be of help in looking into these matters in more detail. This prompts the question of how we best exert influence. Do we shout from afar; do we back away from any relationship that we have, right across the piece, and expect change to happen in that way; or do we follow our current strategy, which was articulated and shared by the Liberal Democrats when they were in government as well, of being able to work behind the scenes to get elections so that women are now elected, and NGOs and charities are now represented, to allow this very young nation state to take the necessary steps towards the place where we want it to be?

Peter Grant (Glenrothes) (SNP): This very young nation state is about the same age as the nation state of the Republic of Ireland. I do not think we would excuse murder by the authorities in the Republic of Ireland on the basis that it was a young country, nor indeed in the nine member states of the European Union that did not exist in the early parts of the 20th century.

We are discussing a brutal and violent outrage perpetrated by an unelected dictatorship against its own citizens, and the public record will show that the Minister chose to say that he was very concerned about the reaction to that outrage before he even mentioned the outrage itself. Given that we are dealing with a regime that has made it perfectly clear that it is more than willing to murder its own citizens, not, in a phrase that will be familiar to the Minister, because of anything they did but because of who they were, does he accept that if the rules on arms sales allow such a brutal regime to receive arms from the United Kingdom, then those rules have to be changed with immediate effect?

Mr Ellwood: Again, this goes to the strategy of how we can best influence what is going on. We condemn state murder wherever it takes place, whether in Saudi Arabia or any other countries across the world. I have made that absolutely clear. We stand firm in wanting to advance the global abolition of the death penalty, and that will not change.

8.31 pm

Louise Haigh (Sheffield, Heeley) (Lab): On a point of order, Mr Speaker. I am genuinely sorry to take up the House's time today. Over the Christmas recess, we discovered that the Government have stopped the long-standing practice of releasing the historical Cabinet papers to the national archives for the new year. Only a small selection of files covering the 1986 to '88 period have been provided, and those dealing with issues such as the poll tax and the Black Monday stock market crash remain secret. Given that the Ministers responsible were themselves advisers to the then Government, it is important that we know who made this decision and for what reasons, yet no statement has been made to this House. Apparently they have found a way to reduce the accountability of two Tory Governments in one go. Is there anything you can do, Mr Speaker, to ensure that Ministers come to this House to explain this decision, not just so that they are held to account for themselves but to ensure that the public know about decisions that previous Administrations made in their name?

Mr Speaker: I thank the hon. Lady for giving me notice that she intended to raise this matter. I have to say that it is not a matter of order for the Chair but rather a matter for Ministers. As things stand—I do not think she will be surprised to hear me say this—I have received no indication that a Minister wishes to make a statement on the subject. That said, her concern will doubtless have been heard by those on the Treasury Bench and will be relayed to the relevant Ministers. Knowing her as I have come to know her over the past eight months, I am sure that she will use her ingenuity to find ways to pursue the matter through questions or possibly by seeking an opportunity for debate.

Mr Andrew Turner (Isle of Wight) (Con): On a point of order, Mr Speaker. Today is not a normal Tuesday, because we usually finish at about 7 o’clock or 7.30 pm but today we are finishing at 10 o’clock, 10.30 pm, or later. Could you help me by telling me what will be the consequence of passing the programme motion before us or defeating it?

Mr Speaker: I can answer very simply. If the programme motion is passed, there is protected time of up to six hours for debate on the Report stage of the Housing and Planning Bill. That is clearly what the Government intended in putting the motion on the Order Paper—six hours of protected time. If the motion is not passed, the answer to the hon. Gentleman, and for the benefit of the House, is that debate on the Bill could not continue beyond 10 o’clock. However, I must advise the House that in debating the matters appertaining to the Bill up until 10 o’clock, we would not do so in the order set down for consideration in the Government’s motion; we would have to proceed in a different way that would require ingenuity and speedy work of an administrative kind by those within the usual channels responsible for these matters. I am glad that one such senior denizen who would have that responsibility is nodding in assent to my proposition, whether with enthusiasm or an air of resignation I will leave it for the House to judge. If the motion is passed, we proceed as the Government had
intended; if the motion is not passed, we cannot proceed beyond 10 o’clock and would have to proceed in a different way.

Fiona Mactaggart (Slough) (Lab): Further to that point of order, Mr Speaker. Would it not be possible for Members on both sides of the House to agree voluntarily to continue with the order of debate in the proposed programme motion, even if it was all to be stopped at 10 o’clock?

Mr Speaker: It is a hypothetical question, but if the right hon. Lady is asking me whether it would be open to the Government to table a different proposed order of consideration at this stage, I am advised that it would be possible. I cannot recall a precedent for it, but if the right hon. Lady is asking me whether it is possible, the answer is that, like most things, if the House were to will it, it could happen. I have to say, however, that, although the resources of civilisation are not yet exhausted, no representative of the Government Whips Office has approached me on this matter. Given that we have been on statements for some time, one would rather have thought that if they did will that, they would have approached me. They have not, so I assume that they do not, if the House follows my drift.

We will have to leave it there for now, but I have explained the position and it is up to Members to do as they wish. As things stand, the House is due to sit—unusually, it has to be said, and pretty exceptionally—for several hours in order to progress the Government’s business. I am the servant of the House and I will do whatever the House decrees.

If there are no further points of order—for now, at any rate—we come to the ten-minute rule motion, for which the hon. Member for Wythenshawe and Sale East (Mike Kane) has been waiting exceptionally patiently.

Mesothelioma (Amendment) (No. 2)

Motion for leave to bring in a Bill (Standing Order No. 23)

8.37 pm

Mike Kane (Wythenshawe and Sale East) (Lab): I beg to move,

That leave be given to bring in a Bill to amend the Mesothelioma Act 2014.

I pay tribute to you, Mr Speaker, and your amazing ability to stay in that Chair for so many hours. I regularly play football on a Friday night and the question I am always asked by my colleagues is, “How does he manage to do it?”

May I once again pay tribute to my predecessor, Paul Goggins, who worked tirelessly for the victims of this cruel disease? As we approach the second anniversary of his death this week, I hope the whole House will join me in extending our warmest wishes to his family at this difficult time. I also express my gratitude to my mentor and the former MP for Wythenshawe, Lord Alf Morris, who campaigned tirelessly on the issue in the other place and saw that work as part of his groundbreaking Chronically Sick and Disabled Persons Bill 1970.

I also want to pay tribute to Conservative Members, namely the hon. Members for Chatham and Aylesford (Tracey Crouch) and for Totnes (Dr Wollaston), who have taken a particular interest in the matter and given their support, and to Lord Alton, who is promoting a concurrent Bill in the other place. He has also been working tirelessly for the victims of this disease.

Every year, hundreds of people gather in cities across the UK to raise awareness of mesothelioma and to call for better treatment of patients, for prevention of exposure to asbestos and for a ban on the export of asbestos to developing countries. Last July, a few colleagues and I once again attended Lincoln Square in Manchester with victims’ families. Loved ones released white doves symbolising each of the victims. It was an incredibly poignant and moving occasion. The number of people attending the event grows each year. The latest Government figures show that seven new cases of mesothelioma are diagnosed every day.

Next year’s event will be even more poignant because of Stuart Packard, who was highlighted recently by The Daily Telegraph. As most of us in Manchester went about our business on 15 June 1996, the city was rocked by a massive IRA bomb. As one of the first civilians allowed through the cordon later that week to view the devastation, I wondered how there was no loss of life. However, Stuart was just 21 when he spent about three weeks working as an emergency security guard at the scene and he was diagnosed with mesothelioma in March, having come into contact with the carcinogenic dust from the subsequent demolition work. He died just before Christmas, aged 40, leaving his wife and two young children. His father-in-law said:

“This disease just came back to get him so many years later.”

Mesothelioma is an invasive type of lung cancer that is caused primarily by prior exposure to asbestos. There is currently no cure. Patients often experience complex, debilitating symptoms and most die within 12 months of diagnosis. There is a long time lag between exposure...
and the development of the disease. Although it can be as little as 10 years, the average interval is between 30 and 40 years.

Most people with the disease developed it after being exposed to asbestos in the workplace—building our houses, schools and hospitals; working on our shipyards; or serving and defending our country in the armed forces. I pay tribute to my hon. Friend the Member for North Durham (Mr Jones), who is sat on the Front Bench, because, working with the Royal British Legion, he secured a better deal for our service personnel who are victims of the disease during the recent passage of the Armed Forces Bill.

The UK has the highest rate of the disease in the world. Mortality rates are increasing and have more than quadrupled over the last 30 years. It is estimated that more than 2,500 people will die of the disease in the UK this year and that during the next 30 years, about 60,000 people will die unless new treatments are found.

Research needs to be done to understand why certain individuals develop the disease and others do not. We know of instances where the wives of construction and shipyard workers have been diagnosed with mesothelioma due to exposure to asbestos dust on the overalls of their husbands, yet the husbands have never developed the disease. We do not know why that is.

The James Lind Alliance has identified a number of priority areas for research—essential questions that need to be answered to improve the understanding of the disease and provide hope to patients and their families. We need to ensure that there is funding to take that research forward.

The Bill offers an alternative route for funding research. Although Aviva, Zurich, AXA and the RSA have been contributing to this field, too many companies have evaded their responsibilities. We need statutory underpinning. Three million pounds a year will not dent the pockets of the companies who pay out £187 million a day to their customers.

Dr Robert Rintoul, who works at MesobanK, sees the importance of research not only for people living in this country, but for others around the world. He says that "asbestos is still being used in an unsafe and unregulated way. Although the number of cases of mesothelioma in the UK will fall over the next 30 years, there will continue to be an epidemic of the disease globally and the lessons that we learn today about the biology of the disease will be used by doctors the world over in years to come."

Lord Wills stated in the recent debate in the other place that the cost to the health service and society was a reason for action. Going by the data that each patient costs £75,000 and that there are 2,500 patients, he estimated a £5 billion cost to the UK over the coming years. That is an interesting argument, given the current focus on the financial burden to the NHS in the “Five Year Forward View”.

Unless a change is introduced to the way mesothelioma research is funded, we will risk stagnation and endanger potential life-changing and even life-saving breakthroughs. Currently, the research relies on ad hoc contributions from insurers, charitable donations and modest funding from the Government. That unreliable approach to funding jeopardises ongoing research, which impacts not only on the British research industry, but on mesothelioma mortality in the UK. That is why statutory funding must be secured for the research.

One can make plenty of salient and important arguments about the value of research, both to insurers and to the British research industry. However, the focus must remain on the people affected by this devastating disease—the workers, the spouses, the children—who currently have little hope due to the lack of treatment options available to them. For them it is essential that we seize the life-saving opportunity in front of us today.

I see that the hon. Member for Salisbury (John Glen) is in his place. His father, Phillip Glen, dedicated his 50-year working life to the horticultural industry in Wiltshire until his recent retirement. He was, however, exposed to asbestos by working with boilers in the nurseries, and he was recently diagnosed with mesothelioma. I am sure the whole House will join me in wishing the hon. Gentleman, his father, and all sufferers of this terrible disease our heartfelt best in the years ahead.

Question put and agreed to.

Ordered,

That John Woodcock, Jim Shannon, Sammy Wilson, Andy Slaughter, Andy McDonald, Mr Graham Brady, Jonathan Reynolds and Mike Kane present the Bill.

Mike Kane accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 29 January, and to be printed (Bill 114).
Housing and Planning Bill (Programme) (No. 2)

8.47 pm

The Minister for Housing and Planning (Brandon Lewis): I beg to move,

That the Order of 2 November 2015 (Housing and Planning Bill (Programme)) be varied as follows:

(1) Paragraphs (4) and (5) of the Order shall be omitted.

(2) Proceedings on Consideration up to and including Third Reading shall be taken in two days in accordance with the following provisions of this Order.

(3) Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.

(4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

<table>
<thead>
<tr>
<th>Table</th>
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<tbody>
<tr>
<td><strong>First day</strong></td>
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<tr>
<td>New clauses, new Schedules and amendments relating to Part 1</td>
</tr>
<tr>
<td>Two hours after the commencement of proceedings on the motion for this order.</td>
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<tr>
<td>New clauses, new Schedules and amendments relating to the following: (a) Chapter 3 of Part 4; (b) the recovery of social housing assistance; (c) the insolvency of social housing providers; (d) Part 2; (e) Part 3</td>
</tr>
<tr>
<td>Four hours after the commencement of proceedings on the motion for this order.</td>
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<tr>
<td>New clauses, new Schedules and amendments relating to the following: (a) Part 6; (b) surplus land held by public bodies or the disposal of land by public bodies</td>
</tr>
<tr>
<td>Two hours after the commencement of proceedings on Consideration on the second day.</td>
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<tr>
<td>New clauses, new Schedules and amendments relating to the following: (a) Chapter 2 of Part 4; (b) Chapter 4 of Part 4; (c) Chapter 5 of Part 4; (d) Chapter 1 of Part 4.</td>
</tr>
<tr>
<td>New clauses, new Schedules and amendments relating to the following: (a) Part 5; (b) Part 7; remaining proceedings on Consideration</td>
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(5) Proceedings in Legislative Grand Committee shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement on the second day.

(6) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement on the second day.

In the light of the points of order that we had a few moments ago, let me say that this programme motion has been agreed through the usual channels to ensure proper and full scrutiny of the Bill, and I am happy to facilitate requests from Labour Members to do that. Given the comments made by some Members about the time until which we may be here tonight, all colleagues have the ability to exercise self-restraint if they wish, and from a ministerial point of view I will do that to ensure that Back Benchers have a good opportunity to speak.

8.48 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): I rise to take real issue with the Government’s programming of the Bill. Not only did we have extraordinary cut-offs in Committee that at times made it difficult for the Opposition effectively to scrutinise the legislation, but we must ask why the Bill was brought back today when it had to be fitted in around four statements, meaning that we are starting the debate at this late hour. Why have the groupings been so oddly applied, meaning that little time is available for really contentious parts of the Bill?

What I most take issue with is the huge amount of new clauses and amendments to the Bill that the Government tabled over the Christmas period. We are considering most of them this evening when seeking to determine what the changes mean for housing associations with regard to regulation and deregulation, and to large-scale systemic changes to our planning system. Most planning organisations and agencies have simply had no time to assess what these changes will mean for them or the planning system. Never in my experience of many Bills in this House have I witnessed 65 pages of Government new clauses and amendments being produced at the last minute for a Bill that is 145 pages long. That is simply appalling and means that there will be no proper scrutiny in this House of almost a third of the Bill. We wish to register our strong view that that is no way for legislation to be made, and the Government should do the honourable thing and reprogramme this debate.

8.49 pm

Sir Peter Bottomley (Worthing West) (Con): I do not think there would be any objection if the Government agreed to that, but we are in the situation we are in.

The Bill totally misses out the necessary changes to leasehold and commonhold. Some years ago, the House passed a Bill to allow commonhold to come in. It has defects and we are going to be lumbered with more and more leaseholds being created—for over half of new homes.

The second thing I object to is that we have not taken the easy opportunity of cutting out the forfeiture of people’s homes when there has been a little dispute over some charges. I hope that later on, perhaps in another place, if not on Report and Third Reading, the House will realise that the Government really need to get on and sort out the problems of leasehold that affect a very, very high number of property owners.

8.50 pm

Fiona Mactaggart (Slough) (Lab): I am very unhappy about the programme motion, merely because of the time we are starting to debate it: 10 minutes to 9. This means that really important clauses will be considered after midnight, for example on whether there can be any priority for local people when it comes to purchasing of starter homes, which is included in new clause 57. There are a number of really important issues which frankly I think our constituents, who are concerned about housing
and planning, would not expect to be decided after midnight. That is not grown up; it is a return to the days when I first came to this House and voted against beating children at 4 am. I vowed never to have such important votes at that time of the morning again.

This House has modernised most of its procedures. In line with that, we should reject the programme motion. We should agree to proceed on the order of debate that we have agreed to. I am quite sure the usual channels could arrange that comfortably if the motion were to be defeated. We should defeat it and not have a debate on such important matters at 1 am.

Question put.

The House divided: Ayes 303, Noes 195.

Division No. 153] [8.52 pm

AYES

Adams, Nigel
Afriyie, Adam
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Brind, Julian
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartledge, James
Cash, Sir William
Caufield, Maria
Chalk, Alex
Chishti, Rehman
Cheope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth

Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margo
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinhanga, Danny
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Mr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddington, Mr Ian
Livingston, rh Mr David
Lilley, rh Mr Peter

Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Merryn, Johnny
Meetcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Oford, Dr Matthew
Opperman, Guy
Parish, Neil
Petersen, Mr rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Philip, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, rh Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sands, Anthony
Scally, Paul
Scelous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Housing and Planning Bill
(Programme) (No. 2)

As Madam Deputy Speaker informed the House, the Bill passed its Second Reading on 28 October and will progress through Committee Stage before the House resumes on Monday 27 November. It is expected to be able to finish Report Stage before the House rises for Christmas recess, and to be able to finish remaining stages before the next Session begins on 27 February 2017.

The Leader of the House has set out in the Written Statement of 28 October the arrangements for the Report Stage, which is expected to be be completed by mid-January 2017. A number of Select Committees wish to consider aspects of the Bill, and wish to sit in the period immediately following Christmas recess to do so. In the light of the arrangements for the resolution of the timetable, it is unlikely that all of these Select Committees will have a chance to consider the Bill before the House stands part for the recess, and it is also unlikely that the House itself will have had the opportunity to consider the Bill at all by the start of the next Session.

It is not in the interest of either the House or the Select Committees that the Bill should be subject to the Article 50 timetable, which would require that, by 30 March 2017, all new legislation has to be in effect or have become law. The Leader of the House has therefore proposed to the Prime Minister that there should be a period of legislative pause during the session, when no new legislation would be required, and that the Article 50 timetable would be prepared for the new session starting on 27 February 2017.

He has invited the Select Committees who are considering the Bill to write to him before the end of this Session to set out the stages that they wish to sit in the second half of the recess period, and when they expect to complete their work. If any Select Committee wishes to sit both in the first and second halves of the recess period, it would be helpful if it could give as much notice as possible of its intentions.

Housing and Planning Bill
(Programme) (No. 2)
any Government amendments tabled for Report stage which, if passed, would be likely to lead him to issue a certificate. Mr Speaker’s provisional certificate, based on those changes and expected amendments, is available on the Bills before Parliament website.

At the end of the Report stage of a Bill, on its second day in this case, Mr Speaker is required to consider the Bill as amended on Report for certification. Before we get to that point, he will issue a further provisional certificate. As Mr Speaker informed the House on 26 October, he has accepted the advice of the Procedure Committee not, as a rule, to give reasons for decisions on certification during this experimental phase of the new regime. Anyone wishing to make representations to Mr Speaker prior to any decision should send them to the Clerk of Legislation.

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Madam Deputy Speaker. I wonder whether you can help me. Have you any idea or any clue what any of that meant—[Interruption.]

Madam Deputy Speaker: Order. Because there is noise in the Chamber, I cannot hear the hon. Gentleman’s point of order.

Pete Wishart: I repeat my point of order. Have you any idea or any clue what any of that which you have just read out meant?

Madam Deputy Speaker: Yes. I thought it was crystal clear and I deliberately announced it very slowly to ensure that all Members in the House had a chance to understand it. If the hon. Gentleman would like a tutorial, we are all available later—it is no problem.

Mrs Maria Miller (Basingstoke) (Con): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Mrs Eleanor Laing): With this it will be convenient to discuss the following:

New clause 2—Duty to meet the resilience objective—

‘(1) The Secretary of State and planning authorities in exercising and performing the powers and functions conferred or imposed by the provisions in Part 1 (New homes in England) and Part 6 (Planning in England) of this Act shall exercise or perform them in the manner which he or they consider is best calculated to further the resilience objective at subsection (2).

(2) The resilience objective is—

(a) to secure the long-term resilience of housing developments as regards environmental pressures, population growth and changes in consumer behaviour, with particular regard to water supply management, sewerage management, flood risk mitigation and waste disposal, and

(b) to secure steps for the purpose of meeting, in the long term, the need for sustainable homes and communities, including by promoting—

(i) appropriate long-term planning and investment by relevant parties, and

(ii) the taking of measures by the relevant parties to manage resource use in sustainable ways, to achieve sustainable management of water, and to increase resource efficiency so as to reduce pressure on the natural environment.

(3) In this section, “relevant parties” includes—

(a) relevant undertakers, including licence holders and authorised suppliers, as provided in the Gas Act 1986, the Electricity Act 1989 and the Water Industries Act 1991; and

(b) individuals and bodies corporate who are seeking planning permission in order to build houses.”
This new Clause would provide a statutory duty on the Secretary of State and local authorities to secure and promote the resilience of housing and other development.

Amendment 31, in clause 1, page 1, line 6, after “promote”, insert “new homes across all tenures, including”.
The amendment would change the purpose of the Bill to one that would enable the supply of more housing across all tenures rather than just starter homes.

Amendment 32, in page 1, line 7, at end insert “and the infrastructure needed to support such developments”.
The amendment would ensure that additional housing is supported with adequate infrastructure.

Amendment 33, in page 1, line 12, leave out “at a discount of at least 20% of the market value” and insert “at a price no higher than is affordable to a household receiving the median local household income, with affordability to be determined by the local authority.”
The amendment would ensure that starter homes are affordable at locally-determined rates of income.

Amendment 34, in clause 2, page 1, line 15, at end insert—

“(f) is not to be sold to buy-to-let investors”.

The amendment would exclude “Buy to Let Property” from the definition of starter home.

Amendment 35, in page 1, line 15, at end insert—

“(f) is built on under-used or unviable brownfield sites not currently identified for housing on public and private land, as determined by the local authority.”

The amendment would limit starter homes to ‘exception sites’, as previously announced by the Government.

Amendment 37, in page 2, line 10, at end insert—

“(d) lives or works locally, with the definition of local to be defined by the local authority or the Greater London Authority in London.”
The amendment would ensure that a proportion of starter homes are available to local people.

Amendment 38, in page 2, line 22, after “State”, insert “after consultation with the relevant local authority or local authorities and the Mayor of London.”
The amendment would provide that the price cap can only be amended after consultation with the relevant local authorities and the Mayor of London.

Amendment 39, in page 2, line 25, at end insert—

“(8A) The restrictions on resales and letting at open market value relating to first time buyer starter homes must be in perpetuity.”
The amendment would require the discount to remain in perpetuity.

Amendment 1, in clause 3, page 2, line 28, after “starter homes” insert “or alternative affordable home ownership products, such as rent to buy”.

This amendment would ensure that new developments provide a mix of affordable home ownership products for first time buyers, to further widen opportunities for home ownership.

Amendment 110, in page 2, line 28, after “starter homes” insert “and other types of affordable housing”.

This amendment would ensure that new developments include a range of affordable housing options, to rent and buy.

Amendment 40, in page 2, line 28, at end insert “except where the local authority considers that providing starter homes would prevent other types of affordable housing being built.”

The amendment would enable local authorities to be able to ask for planning gain measures that provide for a range of affordable homes other than starter homes.

Amendment 41, in clause 4, page 3, line 13, at end insert “and which has been subject to a full assessment of the need for starter homes in the relevant local authority area.”
The amendment would ensure that priority is not given to the provision of starter homes in a given area before a full assessment of the number of such homes needed has taken place.

Amendment 42, in page 3, line 18, at end insert—

“The regulations may provide that sites can be exempted from the requirement to promote starter homes where a site has a scheme that—

(a) is a “build to rent” scheme;
(b) contains supported housing for younger people, older people, people with special needs and people with disabilities;
(c) contains a homeless hostel;
(d) contains refuge accommodation; or
(e) contains specialist housing.”

The amendment would remove sites from the starter homes requirement where other types of affordable housing has already been planned for.

Amendment 43, in clause 5, page 3, line 31, at end insert “which must be displayed on the authority’s website and updated annually, contain information on all types of affordable housing, and include information that starter homes remain to be sold at 20% below market value.”
The amendment would require local planning authorities to report on their functions in respect of starter homes, affordable housing more generally, and that starter homes remain to be sold below market value annually and to publish the report.

Amendment 44, in page 3, line 40, at end insert “and to demonstrate that the land in question is not needed for employment, retail, leisure, industrial or distribution use.”
The amendment would empower the Secretary of State to require data on the extent to which land used for starter homes was not needed for employment, retail, leisure, industrial or distribution use.

Amendment 45, page 4, line 1, leave out clause 6.

The amendment would remove Clause 6 from the Bill.

Amendment 2, in clause 6, page 4, line 4, after “starter homes” insert “or alternative affordable home ownership products such as rent to buy”.

This amendment would ensure that new developments provide a mix of affordable home ownership products for first time buyers, to further widen opportunities for home ownership.

Amendment 46, in clause 8, page 5, line 36, at end insert “and without unreasonable cost.”
The amendment would prevent local authorities having to bring forward sites that are deemed to be at an unreasonable cost.

Mrs Miller: I am sure that new clause 1 will be well worth the wait. I take this opportunity to thank the Clerks of the House for their expert help in drafting the new clause.

The new clause will ensure that the Bill does exactly what the Minister wants it to do. It will ensure that every starter home is top-quality and is inspected and built in accordance with existing house building quality processes and standards, and that the records that are already made at key points in the building process are available to new homeowners in order to increase transparency and drive up the quality of the new homes in which the Government are investing.
I am extremely grateful to my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) for his support, and in particular for his diligent chairmanship of the all-party parliamentary group for excellence in the built environment. In the APPG, we are working together on a formal inquiry into house-building standards, which involves a detailed evidence-led scrutiny of the problems that need to be dealt with.

Victoria Borwick (Kensington) (Con): Will these homes also be disabled-accessible? I am a passionate believer in the importance of lifetime homes for communities and families, especially in view of debates that we have had and what we have already heard this evening. Will my right hon. Friend assure me that all possible ways of improving disabled accessibility will be considered?

Mrs Miller: My hon. Friend has raised an important point, to which I am sure the Minister will respond later. One of the problems is that proposals for the construction of houses which might include disability accessibility are judged by the same group who made the proposals in the first place. There is, at the very least, some conflict of interest in the way in which the process currently works.

Ensuring that enough homes are available is, rightly, a priority for the Government, and I applaud their commitment to helping to ensure that people have the security of owning their own homes. Hundreds of my constituents have already benefited from the Help to Buy scheme. I know that many of them keenly await the roll-out of the right to buy scheme, and will take careful note of anything that the Minister may say about it. Let me, at this point, thank him for his support for the new self-build scheme that was announced in my constituency just before the Christmas break.

The Minister is clearly committed to ensuring that the new starter homes are of top quality. Those are not just warm words; the Minister has taken action. The design panel of which he has spoken at length during the Bill’s earlier stages will play a significant part in ensuring that the plans for starter homes are of the highest quality. My new clause would ensure that the top-quality plans that he rightly endorses are turned into top-quality buildings each and every time, and I hope that he will respond to it positively.

Mark Field (Cities of London and Westminster) (Con): No one wants to see jerry-built properties; we all want to see high-quality properties being built. However, will my right hon. Friend assure me that all possible ways of improving disabled accessibility will be considered?

Mrs Miller: My right hon. Friend is right to suggest that there could be a trade-off in terms of quantity and quality, but I do not think that that should be used to disguise the need to ensure that every single house that is built reaches the standards that are already in place. My new clause does not ask for higher standards; it simply asks for the standards that are already in place to be applied uniformly to every house that is built. It is not a question of creating new standards; it is simply a question of applying the standards that already exist.

9.15 pm

My right hon. Friend is right to raise the point, because at a time when we are seeing a significant increase in the demand for housing and the Government are attempting to ensure that more houses are built, we need to prevent further blocks from being put in the way. However, the Minister must acknowledge that the market for house buyers has changed. There are fewer local builders and more national brands. Indeed, over the last year, a mere eight companies were responsible for building half the new homes in the country.

On a regional basis, at any one time the level of real competition between house builders is frankly non-existent. This is far from a perfect market, and the current system of quality oversight was put in place when the local reputation of a builder was critical to a purchaser: builders were as good as their last build. Times have changed, and now a buyer may have little or no choice, and little or no information to go on other than national advertising campaigns. National builders seldom employ their own plumbers, bricklayers and electricians, and use subcontractors in their place. This change in market conditions means it is right that there should be a change in the independent quality monitoring scheme that is in place so that those changes can be reflected in full.

Rebecca Harris (Castle Point) (Con): On the point about restriction of choice and the rise of the big unit developers, does my right hon. Friend feel this might explain why we are not getting all the builds we need in the timely way we need, and that it may well not be in the interests of the big unit developers to build fast enough to stop the prices rising?

Mrs Miller: My hon. Friend is right to raise that point, and I was very pleased to see the Minister, and I think the Prime Minister as well, underlining the importance of encouraging more small house builders to be involved, particularly in self-build schemes where they can increase the supply of housing far faster than some of the national builders.

Good building plans are not enough; there needs to be a watertight process to ensure that at each stage every home is built to standard. Few who buy one of the 200,000 new starter homes that the Minister is talking about today will be expert house builders, plumbers or electricians, and by definition none will have purchased a house before. If these people were buying a second-hand house—one that somebody else had lived in before—most would be relying on the professional services of a surveyor. They would therefore be relying on a professional who would give their potential new home a structural health check before the sale was completed.

For the most part, those buying new starter homes will not have that structural health check because it is a new house, a glossy, shiny, perfect new show home that the salespeople are promising them. They therefore think, “Surely there’s no need for a quality check. There are quality checks built into the processes, aren’t there? There are building regulations set out in law, building...
control performance standards, independent approved inspectors whose only reason to be is to safeguard quality—in essence to safeguard the buyer in this imperfect market.” Yet those who experience problems with new homes quickly discover that too many of those quality checks are not as watertight as they might at first appear. Independent oversight of the building process may not be working in practice as the rules and regulations might imply.

Mr Richard Bacon (South Norfolk) (Con): I am delighted that my right hon. Friend has given way, first because it is a pleasure to hear her speak. Every moment she speaks is a moment we do not have to hear from the hon. Member for Harrow West (Mr Thomas), whom so many of us in the Committee heard droning on like an out-of-tune bagpipe for hours on end. Just by standing and speaking, my right hon. Friend is preventing the House from having to listen to him again, so I thank her for that.

Does my right hon. Friend agree that the experience of many constituency MPs as they go about their work and listen to constituency complaints is that the existing process through the National House Building Council does not always provide the reassurance that people are entitled to expect? While it might a bit strong to say that the NHBC is the lackey of the large house builders, it is precious close to being that.

Mrs Miller: I thank my hon. Friend. Friend for his intervention and pay tribute to him for the work he has done in helping more of my constituents have the opportunity to build their own homes. I did not have the pleasure of sitting across from the hon. Member for Harrow West (Mr Thomas), although I am sure we will hear his dulcet tones later.

Many people who buy a new home will have problems with the house they purchase; they will have a snagging list—chipped paint, ill-fitting doors, and so on. I do not deny the importance of getting such matters resolved, and the Minister may well want to address some of the difficulties people can experience in getting those small-scale problems fixed, but, as valid as those concerns are, that is not the point of this amendment. New clause 1 would ensure that every home was checked for significant defects while it was being built and at the end of the building process.

Over recent months, I have received evidence from people up and down the country who have purchased new properties with significant defects from major house builders. Some of those properties have damp-proof courses that are below ground level; some have been built on foundations; and some have roofs sitting on walls that are not structural. There are also reports of inadequate fire insulation and an absence of cavity-wall or loft insulation. Those are real-life examples of defects in houses that are subject to the current regime. Every one of those building errors should have been picked up during the construction of the house, as part of the building control process. That process exists to ensure that houses are built properly. The approved inspector is responsible for building control performance standards and is, to all intents and purposes, the professional who acts as the eyes and ears of the future buyer.

As matters stand, however, there is no legal requirement for even one visit to be made to a new-build home during the build in order physically to check the building standards. On a new estate, a random selection of houses might be monitored and the results extrapolated as though every house were the same. This is called a risk-based approach, but in reality it feels like a lottery. The fact is that every house could be different. The subsoil across a 300-house estate can change dramatically, for example, and changes in the weather throughout the build can significantly affect materials and the way they work. The current risk-based-approach creates an unnecessary lottery for the home buyer, rather than certainty. There is a calculated risk, which is not something that most buyers appreciate, and not something that most buyers would expect to accompany the purchase of a £200,000 or £300,000 house.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Does my hon. Friend not agree that people should get a survey done before buying a new-build house?

Mrs Miller: My hon. Friend makes an interesting point. This is something that we discussed in the evidence sessions held by the all-party parliamentary group on excellence in the built environment. Some of my constituents have indeed been forced to get surveys done as a result of the problems they have experienced after purchasing new houses. That might be the route that the Minister would favour, but I would favour getting it right first time and ensuring that we have a system of compliance that is overseen effectively.

The present guidance is comprehensive, and I believe that it is among the best in the world. It is pretty exhaustive, but it is just that: guidance. The Minister’s Department makes it clear that it is advisable to make four to six visits, even to low-risk new-build houses, but that is not a requirement. New clause 1 would provide certainty that every home would be visited at key points in the construction process. The evidence indicates that building control does not always work as the Government intended it to. Buyers are under the impression that their new home has been physically inspected at each key stage and on completion by a building control inspector, but that is not necessarily the case. On a big estate of several hundred houses, only a handful might be checked. The current risk-based approach adopted by many house builders means that hundreds of houses could have no checks at all, and the current skills shortfall has led to heartache for many new homeowners.

Bob Blackman (Harrow East) (Con): My right hon. Friend’s new clause seems to deal only with starter homes. She is making a powerful case for the protection of all those who wish to buy a new home, so the new clause should surely apply to all new homes and not just to starter homes.

Mrs Miller: My hon. Friend is absolutely right, but I am sure that I would incur the wrath of Madam Deputy Speaker if the new clause did not deal with starter homes, as it needs to be read in the context of the Bill. I am glad that my hon. Friend has made that point, however, because this is a problem for every new home owner.

As I said, the shortfall of skilled tradesmen and women means that too many new homeowners are experiencing the problems that I have set out, with inadequate work not apparent for months or even years, and not caught at a time when things could be put right.
Some more unscrupulous builders could even play the system for short-term gain, using substandard contractors, perhaps poorly supervised, knowing that problems would not reveal themselves until after their sales targets for the year are reached, or indeed their liability ends and the new house build 10-year warranty kicks in and they are long gone.

The new clause would remove perverse incentives and this apparent quality control lottery, and would increase consistency and transparency in the house building process. It would simply enforce the existing regime for all new homes, rather than some. It would ensure that every new starter home was checked for correct construction. I am not talking about a higher standard or a new standard, but about the same standard for every house, thus removing the lottery that is currently in place. The new clause would simply put building control performance standards on a statutory basis and require the records already kept to be made available to the new buyer, so that they could satisfy themselves that proper checks had been made.

**Simon Hoare** (North Dorset) (Con): In the new regulatory regime that my right hon. Friend seeks to advocate, whom does she envisage funding, managing and employing this new army of new-build inspectors? Local authorities up and down the country are seeing their budgets under pressure, so this is not going to come from that side of the equation.

**Mrs Miller:** My hon. Friend is right, which is why independent approved inspectors were set up when they were, to take pressure off local authorities. The problem we have seen is that because we are not working within a defined statutory scheme, those approved inspectors can vary the way in which they work. Indeed, some could argue that there are pressures on approved inspectors to come in at a lower price or to offer to do fewer inspections because it would cost the house builders less. What I am advocating here is a level playing field where all approved inspectors would be acting in the same way, and this is firmly something that would be a cost covered by the house builders. After all, we are dealing with properties worth many hundreds of thousands of pounds, and we would want to make sure that they were going to last for the long term and not simply be subject to inappropriate and inadequate quality checks.

I urge the Minister, on behalf of the homeowners from many different constituencies around the country who have contacted me, to listen to the arguments being made today and to respond positively to what is being suggested. With a nationwide shortage of skilled tradespeople, ever-growing demand for housing and home builders looking to keep costs low, buyers need protection afforded by the building control performance standards regime, and the work of approved inspectors is more important than ever before.

As I have just said, we need to remove the pressure that could exist on approved inspectors to reduce the number of inspections that are made in order to cut costs. We need a robust system to safeguard the quality of what is being built, particularly given the taxpayer investment in schemes such as the starter home initiative. Of course these concerns go far wider than starter homes, as my hon. Friend the Member for Harrow East (Bob Blackman) mentioned in his intervention. I hope that the Government will look to further extend the requirements in this new clause to all new-build homes. I have spoken to the Minister about this issue in recent months and I know that he has a clear understanding of the problem. I look forward to his response and an indication as to whether the objectives set out in new clause 1 could be achieved for all new builds, perhaps through further regulations. With that, I shall draw my comments to a close.

**Alex Cunningham** (Stockton North) (Lab): I rise to speak to new clause 2, which stands in my name and that of my hon. Friend the Member for Bassetlaw (John Mann). It would place a statutory duty on the Secretary of State and local authorities to secure and promote the resilience of housing and other developments, giving consideration to the impact that new developments will have on resources and biodiversity.

9.30 pm

During the passage of the Bill, Members have addressed the need for many new homes, the record of past Administrations and the failures of the current Government that have led to rising homelessness, falling home ownership, escalating rents and deep cuts in investment. We all know that we need the houses, and efforts to help more people into a position of home ownership are to be welcomed. New clause 2, rather than seeking to undermine the essence of that ambition, attempts to improve the proposals by building into the Bill a recognition of the important environmental context, which is to ensure that new homes and developments are not only better to live in, but place a lighter burden on the environment. If the Government are serious about building up house building—I sincerely hope that they are—such considerations will be crucial. Simply put, the objective of the new clause is to promote the long-term sustainability of homes and communities, requiring that consideration be given to future-proofing new developments against mounting pressures from climate change and the burgeoning demands being placed on already stretched infrastructure.

A range of policies, including the climate change risk assessment and the national planning policy framework, already support such an approach through schemes such as sustainable drainage systems that could significantly enhance resilience. Despite the supporting evidence for the utility, very few new developments are implementing those strategies. Indeed, in a letter to Baroness Trafford over Christmas, the chair of the Adaptation Sub-Committee wrote that

> “the uptake of sustainable drainage systems in new development is lamentable and the new proposals introduced in April repeat the same mistakes of the past.”

We must also be clear that the Bill in its current form would promote a profusion of rapid cheap building at the expense of proper planning and with no real requirement to consider any potential environmental impact. It is important that the chair of the Adaptation Sub-Committee also suggested that there is no evidence that resilience measures will affect the speed of development. I take this opportunity to echo calls for the Government to respond on that matter today.

**Mr Mark Prisk** (Hertford and Stortford) (Con): Given that the definition of resilience appears to be based on the existing planning law regarding sustainable development, will the hon. Gentleman explain the difference between the two and how it would be enforced?
Alex Cunningham: It is relatively straightforward. Currently, the measures are not necessarily imposed. The legislation is not strong enough to compel various changes, and I will come on to that as I go through my speech.

It is worthy of note that the new National Infrastructure Commission has been established without a mandate for sustainability or resilience and without any commissioners with expertise in the environment. Thousands of homes could therefore be given the green light in areas of flood risk or water stress and without proper provision for resource resilience or protection of urban diversity. There is a very real risk that new infrastructure will be built without proper regard for its impact on natural systems such as the water cycle or habitat connectivity. That is precisely what the campaign for flood-free homes led by the Association of British Insurers is attempting to halt, with calls for better planning, greater investment in flood defences and a stop to inappropriate development. Indeed during Environment, Food and Rural Affairs questions in December, the Under-Secretary of State, the hon. Member for Penrith and The Border (Rory Stewart) suggested that we needed to end house building on floodplains. Perhaps the Minister can tell us whether there will be a change of policy in that area.

The statutory duty that new clause 2 seeks to introduce would address those shortcomings by securing a resilience objective, promoting measures by developers and those responsible for utilities infrastructure to further that goal in building homes in communities that are sustainable in the longer term. This is an important point. By promoting action to respond to pressures on the environment—be it from climate change, population growth or changes in behaviour—a statutory duty of resilience would encourage long-term planning and investment, and support measures to manage development sustainability and reduce demand on resources. That would represent a positive movement towards securing the continued viability of the infrastructure, on which new developments rely. I am clear that the proposals to speed up the planning system must not come at the expense of sensible design.

Let us not forget that the Secretary of State for Environment, Food and Rural Affairs has already recognised the advantages that building resilient homes can deliver relative to efforts aimed at adding resilience at some future date. Those folk who have suffered the effects of flooding in recent weeks will be only too familiar with the need for adding resilience by default. The concept of resilience in this context encompasses a broad spectrum of issues that range from waste disposal to water supply management and flood-risk mitigation.

Melanie Onn (Great Grimsby) (Lab): We heard earlier a number of colleagues from both sides of the House talking about the impact that the flooding that communities have experienced in recent weeks has had on their constituents’ properties and belongings. It has to be accepted that such flooding is not the exception and is becoming the norm. It would be extraordinarily remiss of the Government not to accept the new clause.

Alex Cunningham: Indeed. The events of recent weeks highlight the need for the inclusion of the new clause in the Bill. The extensive flooding that devastated both large and small communities across swathes of Cumbria, Lancashire and Yorkshire throughout December underlines the need for in-built resilience, so much so that the Environment Secretary has committed to revisiting the modelling used by the Environment Agency to ensure its fitness for purpose following repeated unprecedented weather events, as well as committed to a national flood resilience review which will see worst-case scenario planning updated.

These are certainly steps to be welcomed, and I hope the Minister will build on those commitments from his colleagues and agree to grasp the opportunity to legislate for a longer-term resilience objective in the Bill. Doing so would be of great significance at a time when cuts to the resource budget of the Department responsible for dealing with flooding are fresh in the memory and doubts remain about the equally vital issue of spending on flood defence maintenance to ensure its continued integrity.

Although the Government must commit to long-term investment in maintaining flood defences to provide stability and certainty, it is high time that Ministers dropped their complacency about the need for climate change adaptation and actively put measures in place to increase resilience. David Rooke, deputy chief executive of the Environment Agency, recently echoed this thinking, saying that we need a “complete rethink” in our approach and suggesting that “we will need to move from just providing better defences…but looking at increasing resilience”.

Building higher walls will not, on its own, provide the protection that our towns and cities need. Such an approach has been well and truly debunked in the past month alone. Instead, we need measures aimed at prevention as well as at defence. Achieving this, as the floods Minister acknowledged only a few weeks ago, means more trees and woodland in the hills, functioning ponds and bogs, allowing rivers to meander, and constructing buffer zones around their banks. The Government’s own climate change risk assessment lists the various risks resulting from climate change to which our homes and communities need to be resilient, including damage to property due to flooding and coastal erosion, and energy infrastructure at significant risk of flooding.

However, although new developments are to be prepared for all the eventualities identified in the risk assessment, the Government’s plans for infrastructure development pay little attention to the need to manage resource risks or the need for so-called green and blue infrastructure to support development by better bringing together water management and green infrastructure. That is worrying when continued urbanisation is drastically reducing the amount of rainfall that can soak away into the ground, meaning that water has to be actively managed to prevent flooding.

Although national planning policy was strengthened from April 2015, making clear the expectation that sustainable drainage systems will be provided in all major developments unless demonstrably inappropriate, that was a blatant watering down of previous commitments. The Government originally said that sustainable drainage systems would become compulsory in all new developments from April 2014, as mandated by the flood and water management legislation, but they delayed implementation before choosing to ignore completely the findings of the 2007 Pitt review and cancelling plans for the approval
bodies that would have been established by local authorities. Will the Minister tell the House what proportion of new developments now include sustainable drainage systems?

Exemptions and opt-outs currently apply to smaller developments, allowing many to go ahead without sustainable drainage. The Government stopped short of implementing the Pitt review recommendation to remove developers’ automatic right to connect new homes to the public sewer system, which provides an incentive for them to include sustainable drainage.

The provisions in new clause 2 would ensure that local authorities and the Secretary of State take the positive steps necessary to promote resilience and protect against such damage in future. A failure to address the issue, however, and choosing to push ahead with non-resilient development is likely to increase costs in the economy, not to mention ruining people’s homes and livelihoods at the same time as threatening critical national infrastructure. It is therefore vital that as the area of urban development grows, sufficient green space and wetland must be incorporated to support nature and to manage flood risk both in any new developments and downstream. With the failure of the existing framework to encourage developers to pursue such strategies freely, it is right that mechanisms should be put in place to compel developers to create more places for trees, shrubs and grass to flourish—to create what engineers in the field term “hydraulic roughness.”

Today the Government have a chance to add a vital part of the system: the management of water in our communities. Many hon. Members will have seen the story of the north Yorkshire town of Pickering, which used natural flood defences to protect itself when traditional concrete options were too expensive. At a tenth of the cost, the people of Pickering were protected by investing in natural resilience. We should incorporate that objective in all our new developments and downstream. With the failure of the existing framework to encourage developers to pursue such strategies freely, it is right that mechanisms should be put in place to compel developers to create more places for trees, shrubs and grass to flourish—to create what engineers in the field term “hydraulic roughness.”

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the right solution. It is clear that Britain needs more affordable homes, both to rent and buy, and a huge increase in the supply of homes. Yet the Bill gives billions of pounds to a relatively small number of people through the extension of right to buy while prioritising a relatively small number of better-off renters through so-called starter homes, rather than supporting the much larger number of people for whom saving for a deposit, even for a starter home, seems like a pipe dream.

The purpose of my amendment 110 is to ensure that new homes built under the starter homes initiative are genuinely affordable and include social rented homes. Unamended, this Bill threatens an even worse crisis for those in need of an affordable home to rent or buy in the years to come.

As it stands, the starter homes initiative will merely allow a few people to access those homes at the cost of losing about 300,000 new genuinely affordable homes that would have been secured through planning gain. The policy is bad and based on the wrong priorities. In addition, the sale of social rented homes will further exacerbate the situation. It is expensive. The National Housing Federation estimates the cost at £11.6 billion. It is unfair for private renters, who have been paying market rents for many years and do not have the luxury of a £100,000 discount on buying a home. Given the Bill's current lack of safeguards for replacements and the funding mechanism through the sale of council homes, the policy will lead to a reduction in affordable homes. I would like the provision to be removed from the Bill when we discuss the matter later.

On amendment 110, we should ensure that new starter homes are genuinely affordable and meet the needs of the community in which they are built. They should be mixed-tenure, including shared ownership and social rented homes. In rural communities such as mine in south Cumbria, we should ensure that there are planning controls for newly built properties to prevent them from slipping into the second-home market, undermining the sustainability of our communities and pushing up house prices for local people.

The Government must recognise the differential impact of their proposals across the country. In places such as London, the west country, Northumberland and Cumbria, the forced selling off of high-value council homes will reduce the supply of affordable homes in the very places where they are needed most: where high rental prices push out those who work locally on low incomes, often causing them to travel long distances with unaffordably high travel costs to reach work or forcing them to give up work altogether. It is absolutely the wrong thing to do and puts a crippling financial burden on councils already struggling to cope with reduced budgets.

My amendment relates to the Bill’s impact on the supply of affordable homes through the inaccurately titled starter homes proposal—in particular, the fact that the starter homes will replace a larger number of other forms of affordable homes to rent and buy, including shared ownership, resulting again in a squeezing of the availability of homes for lower-income renters. A policy similar to the starter homes proposal would be deserving of support as long as those homes were kept below market value in perpetuity, which is essential so that the benefits of starter homes are passed on to future buyers. However, they should be in addition to, not instead of, other forms of affordable homes that meet different needs. Consequently, councils should have a duty to promote all forms of affordable tenures in new developments and not exclusively the Government’s narrow, mostly unaffordable definition of a starter home.

Seema Kennedy (South Ribble) (Con): The hon. Gentleman talks about the affordability of starter homes, and I refer to a development in my constituency, in Penwortham—a place that he knows very well, because it is where he grew up. Much of this debate has been London-centric. In the vast majority of the country, starter homes are affordable to working people, and that is why this initiative is very popular with all our constituents.

Tim Farron: I am particularly grateful to have given way to my dad’s MP. On affordability, we all started somewhere. We might be fortunate enough to be homeowners, but people who are only just a bit younger than me belong to a generation where the average earner cannot afford to buy a home of any kind, so a starter home is a great blessing wherever it may be. I am not arguing against starter homes, but against a narrow definition whereby they are built at the cost of a larger number of genuinely affordable homes across the country. That is what my amendment seeks to address.

Mr Bacon: There is a fallacy that the hon. Gentleman adumbrated again when he said “at the cost of”. Why “at the cost of”? Why cannot local councils establish, grow and promote mutual housing co-operatives?

Tim Farron: I am in favour of those things too, but our understanding is that the starter homes initiative comes at the expense of—displaces—a larger number of homes built under section 106 of the Town and Country Planning Act 1990 through other forms of planning gain. That is what the Government have stated since the election and since this Bill became a subject of discussion.

I am not somebody who ideologically takes a view in favour of private or publicly provided housing; in fact, my great problem is that too many people in this debate do take an ideological view one way or the other. I want to solve the crippling housing crisis in this country. That means building 3 million homes over the next 10 years, and to achieve that, the majority will have to be what we would refer to as affordable homes—social rented homes, shared ownership homes, and other homes with some form of restriction that allows them to be affordable to people on average incomes.

Mr Bacon: Why?

Tim Farron: Perhaps if the hon. Gentleman understood what the average earner earns and what the average home costs in the average place, he would not need to ask why.

Mr Bacon: Does not the hon. Gentleman understand that the word “affordable” is deeply tendentious—deeply laden? The reason things are not affordable is that there is not enough supply. Fix the supply, and we fix the affordability. It is perfectly possible to have exception sites for mutual housing co-operatives, or for self-build, which could be done on a large scale. Some 50% or 60% of housing is done that way in big countries such as Germany and France, and it could be done here. All it needs is a bit of imagination.
Tim Farron: The hon. Gentleman preaches to the converted. It is about supply and demand, but it is not as simple as that. House prices have tripled or quadrupled over the past generations while incomes have not, so it cannot be merely about supply and demand: we need to do something else as well. That is why it is wise to be involved in the marketplace in a way that does not just allow the market to rule. If we are to go through a process of setting up new starter homes, which the Government may build themselves according to the Chancellor’s statement earlier this week—I would welcome that—we have to recognise that unless we put restrictions on the value of those homes we will simply kick the problem five years down the road.

Christian Matheson (City of Chester) (Lab): Has the hon. Gentleman considered the possibility that, if housing and planning policy is ideologically left to developers, they will have a natural tendency to build more expensive properties, for which they will get more money? I do not blame the developers for that, but that would be the consequence of leaving it to be determined by their needs.

Tim Farron: The hon. Gentleman makes a fine and correct point. I do not blame the developers, either. In a market situation, they sell what they can at the price they can get. In my community, one in seven homes are not lived in. I am talking not about holiday lets, but about second homes bought by people away from the area who earn significant incomes and can afford to buy several properties as investments or boltholes, and good luck to them. In such a marketplace, it is blindingly obvious that there needs to be intervention. That is why there is a role for social rented housing and why our amendment to improve the Government’s starter homes proposals is completely wise.

Mr Stewart Jackson (Peterborough) (Con): I say gently to the hon. Gentleman that it was regrettable that the Liberal Democrats did not provide anyone to sit on the Bill Committee. He may need to review that. He probably views policy through the prism of South Lakeland, which I would have thought is a unique place in the north-west of England. The information we were given by expert witnesses was that the cumulative impact of the Bill would be to deliver a larger number of affordable homes. We received no evidence whatsoever that the new starter homes would not be affordable to people on average incomes on the line between the Bristol channel and the Wash.

Tim Farron: If I thought there was no merit whatsoever in the proposal, I would have tabled an amendment to scrap it altogether. The point, however, is that in different parts of the country, including in the north of England—not just Cumbria, but Northumberland and parts of the Yorkshire dales—in the west country and in London, which are significant proportions of the country, the homes are unlikely to be affordable to anybody on anything like an average wage. They may be affordable in other parts of the country, in which case the Government have nothing to fear from accepting my amendment.

In moving towards a conclusion, I am genuinely deeply concerned about the effect this Bill will have not just on those areas I have mentioned, but on others as well, particularly with regard to right to buy.

Oliver Colville rose—

Tim Farron: I would like to move on for other people’s sake, but I am happy to give way.

Oliver Colville: Surely this is about making sure that we fulfil aspiration, because what a large number of people actually want to do is to own their own homes.

Tim Farron: Indeed, and I have a great aspiration for the 1.6 million people in this country who are rotting on a social housing waiting list, and that number will grow larger as the years go on. I want to bring down house prices so that they are affordable to people, but this is a displacement proposal that will help better-off private renters and will not help a much larger number of people who are in a much worse situation.

Simon Hoare: Conservative Members would be very interested to hear the hon. Gentleman answer his own question. He told the House a moment ago that it is not solely—I think that was the phrase he used—supply and demand that affect the price of a house. What other things does he think add to it?

Tim Farron: I have already given my view on that—it is blindingly obvious, really. Supply and demand play a significant and critical part, which is one of the reasons I am very proud that my council in South Lakeland has already built 1,000 affordable homes and has plans to build another 5,000. Why do things other than supply and demand have an impact? The answer is that property is a clear investment and people with enough money will buy more than one. Indeed, my constituency is strown with such properties.

In conclusion, my worry is that in 10 years’ time, the housing crisis will be even worse, with thousands of affordable homes having been sold off, some converted to buy-to-let properties and very few replaced, at the same time as waiting lists for homes soar and homelessness rises. Poor housing is a barrier to success in life, and that impacts not only on individuals, but on communities and wider society. That is why it is essential for families across Britain—and, indeed, for our economic ambitions as a country—that we ensure that everyone has a decent and affordable place to live in.

It is often said in polite society that the most stressful thing in life is moving home, because of the insecurity, the uncertainty and the cost. Well, welcome to the reality of everyday life for millions of people in Britain who do not, and cannot aspire to, own their own home. Millions of families live with the financial, psychological and emotional burdens that inadequate, insecure and unaffordable housing brings. The Bill deliberately misses the opportunity to help those people in order to settle old ideological scores and ride some pretty ropey old hobby horses. Doing nothing in the face of this housing crisis would be bad enough, but by actively promoting a Bill that will make the crisis worse, the Government are ensuring that their legacy will be scorned by the future generations that the Bill betrays.

10 pm

Mr Gary Streeter (South West Devon) (Con): I shall be mercifully brief. I have great respect for the hon. Member for Westmorland and Lonsdale (Tim Farron), but I do not agree with his analysis of the Bill.
Clause 3(1) states:

“An English planning authority must carry out its relevant planning functions with a view to promoting the supply of starter homes in England.”

I rise to support amendment 1, which I tabled and which has support throughout the House. After the words “starter homes”, it would add “or alternative affordable home ownership products, such as rent to buy”.

I have been involved in social housing since 1989, when I was the chairman of Plymouth City Council’s housing committee. Even then we had policies on hedgehogs in Plymouth. The harsh reality is that under any colour of Government and any kind of council, there has always been more demand for social affordable housing to rent than there has been supply. That continues today and will probably always be with us. It is our obligation, in every generation, to do our best to meet that demand and provide good quality social affordable housing to rent for the many people who require it.

We face a new crisis in this country today that is completely different from what we faced when I was involved in housing back in the 1980s. It is the crisis of home ownership and the inability of many younger people to own their own homes. We know that 85% of people still aspire to do so. I bought my first house when I was 23. The average age of a first-time buyer is now 38. This is a genuine crisis—generation rent—and the Government have my support in seeking to tackle it by supplying more affordable homes to buy.

I strongly support the big push by the Government to build more homes, especially starter homes with a 20% discount. I also support the challenging targets the Government have set themselves to meet that need throughout the Parliament. I agree that planning authorities should promote the supply of starter homes, although I argue strongly—this is the thrust of my amendment—that the Bill should refer to starter homes and other rent to buy products as well. That would help us to move towards the goal that we all want to reach: more young people owning their own homes.

Mr Prisk: I strongly support my hon. Friend’s two amendments, which relate to the same point. Does he agree that the crucial point is that his amendments would not only help the Government to deliver the additional homes we all want to see, but widen the pathways towards that end?

Mr Streeter: My hon. Friend puts the case much more eloquently than I ever could. Indeed, he used the favourite word of the moment: pathway. We heard it a lot earlier this afternoon and it is a very commendable word. I agree entirely with him.

The point of the schemes that I am promoting is not that they give an option to buy, nor that there is a wish or aspiration that the incoming tenant will perhaps buy one day. The whole basis on which the schemes are set up is that the incoming tenant or occupant of the property will buy it and, within five, 10, 15 or 20 years, will be a homeowner. These products help to fulfil the aspirations of people who cannot get there right now and help the Government to meet their targets over a period of time. As far as I am concerned, they are a win-win.

There are new rent to buy products on the market. Rentplus has its headquarters in Plymouth, which is why my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) and I support it so strongly. It has brought forward a product that has attracted a lot of private investment. It is interested in setting up schemes that attract people in bands C and D on the housing needs register. We know from our constituency surgeries that people in bands C or D do not often get the house that they go for. This product is helping people who are on the homeless register to rent their property to begin with, but to agree at the outset—here is the beauty of the scheme—that within five, 10, 15 or 20 years—whatever they think they can manage—they will buy that property. They are gifted a 10% deposit by the scheme to make that purchase possible. It is a very innovative scheme and the kind of product I am sure the Government would want to promote.

Mr Jackson: Like me, my hon. Friend will support localism. However, it is currently within the gift of a local planning authority to introduce a local plan or county structure plan, or the capacity to develop staircasing or intermediate tenure. With all due respect, the amendment is slightly onerous.

Mr Streeter: I do not agree because it is important that these schemes are given the kind of Government backing that the amendment would ensure. Developers will not need to negotiate and explain their case to every individual planning authority, because they will know that they have the backing of someone as significant as the Housing Minister. If that wording is included in the Bill it will give those schemes a flying start and help us to meet the Government’s challenging targets.

In conclusion, I believe that this amendment is a win-win, and I hope the Minister will think seriously about adding it to the Bill. If that cannot be done on Report, I hope that serious thought will be given to including it in another place. I do not see a downside to this: I see only more young people meeting their aspirations to own their own home in our country in years to come.

Dr Roberta Blackman-Woods (City of Durham) (Lab): I rise to speak to amendments 31 to 35, 37 to 39, 40 to 45 and 46, although given the time available, it is most unlikely that I will get to speak to them all. I start by welcoming new clauses 1 and 2. They seem to be sensible measures and I hope the Minister will take them on board.

Amendment 31 would “change the purpose of the Bill to one that would enable the supply of more housing across all tenures rather than just starter homes.”

As we argued continually and strongly in Committee, the Bill is a huge waste of an opportunity to get the housing that we so desperately need across all tenures to solve our housing crisis. The Government have so far dismissed evidence from charities such as Shelter, which has said that these measures are unwise, but perhaps they will take note of The Economist, which argued that this policy would have “unhappy distributional consequences”, and fewer homes to rent for low-income families—the same families who cannot afford the deposit on so-called starter homes. As a result, “poor households may find it even harder to find a place in Britain’s affordable housing market.”
Chris Philp (Croydon South) (Con): Does the hon. Lady agree that the starter home discount, combined with Help to Buy, which requires only a 5% deposit, makes starter homes extremely affordable to almost everybody?

Dr Blackman-Woods: As the hon. Gentleman will know because he sat through the Committee stage, evidence from Shelter suggests that starter homes will be unaffordable to people on low incomes in 98% of the country, and unaffordable to those on middle incomes in 58% of the country. For that reason we think that local authorities should have more flexibility to deliver other forms of affordable housing alongside starter homes.

Ms Karen Buck (Westminster North) (Lab): On affordability, does my hon. Friend agree that in places such as London where starter homes will be priced at £450,000 if the market value before discount is £560,000—[Hon. Members: “Up to £450,000!”] In central London it is inconceivable that many, if any, of those properties will cost under £450,000. Someone would need a household income higher than that of a Member of Parliament to afford one.

Dr Blackman-Woods: My hon. Friend makes an excellent point that we reiterated again and again in Committee, but alas the Minister took no notice.

These concerns are spread across all parties and are reflected in the amendments tabled by the hon. Members for Westminster North (Ms Buck) and for Brighton, Pavilion (Caroline Lucas). We broadly support those amendments, as they very much back up the arguments we made in Committee.

In Committee, we attempted to point out very clearly to the Government that we need to build houses across all tenures if we are to address the housing crisis. The largest number of houses we built recently was the 214,000 houses built in 2006-07, but that compared unfavourably with 1969 when 357,000 houses were built. What that demonstrates is that if we are to get something like the 250,000 homes we need, about half of them should be delivered by the public sector. However, there are simply no measures in the Bill to produce those much needed public sector homes. That is why we have tabled amendment 31 on Report.

Amendment 32 seeks to ensure that additional housing is supported with adequate infrastructure. This is a really important amendment.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): Before my hon. Friend moves on to the substance of her remarks on amendment 32, she will remember that on amendment 31 one of the few chinks of light in Ministers’ otherwise disappointing responses to our amendments was on housing co-operatives. Does she not think that tonight, in the Minister’s wind-up to this group of amendments, there might be an opportunity for him to update us on the progress he has made on offering local authorities useful guidance on how more mutual co-operative housing stock can be built?

Dr Blackman-Woods: My hon. Friend makes an excellent point, one I hope that the Minister listens to and responds to this evening.

Mr Bacon: Does the hon. Lady not think that the Labour and Co-operative party ought to be able to furnish advice without help from Her Majesty’s Government? Why has it not been doing that?

Dr Blackman-Woods: The hon. Gentleman is being uncharacteristically unfair. Many Labour Members argued strongly for more co-operative housing. In fact, I am sure the hon. Gentleman is very well aware that we had a whole section on the Lyons review that addressed this very topic. I think we are doing our bit.

Amendment 32 is really important. Indeed, the Minister himself acknowledged on a number of occasions that not only do we need homes as places to live in, but that they need to be built in communities that people want to live in. New homes have to be supported with the right infrastructure so that those who rent or purchase them have access to good quality healthcare, schools, further and higher education, transport links, employment and so on. It would be very useful to hear from the Minister this evening what he intends to do to address the concerns raised by a number of local authorities, including Milton Keynes, which pointed out that, because of the lack of community infrastructure levy applied to starter homes, there is a very real risk there will not be enough money available to support the infrastructure that is needed.

Amendment 33 would ensure that starter homes are affordable at locally determined rates of income and on a multiple of median incomes within the local area, rather than set centrally, which puts the homes out of the reach of many people, as my hon. Friend the Member for Westminster North (Ms Buck) said. Homes that are priced at £250,000 outside London or £450,000 in London are simply unaffordable for too many people.

Amendment 34 seeks to exclude buy to let property from the definition of a starter home. In Committee, we thought this was a really, really important issue to address. We assumed the Government’s intention is for these to be starter homes for people and not starter homes for landlords. In Committee, we did not get the assurances we sought from the Minister. This is a straightforward amendment, and we would like to hear how he intends to give us the reassurances he indicated in Committee he would. At the moment, nothing has come forward.

10.15 pm

Amendment 35 would limit the provision of starter homes to exception sites, as previously announced by the Government. In Committee, we sought to elicit from them an explanation of why their policy on starter homes changed so drastically between March and May last year, but we did not get a satisfactory response about why they had gone from being available only on exception sites to being available on almost all sites. It would be good to have an update from the Minister on that point.

Amendment 37 would ensure that a proportion of starter homes are available to local people, which, in Committee, we thought was a really important issue. We all know that one reason local people sometimes object to new housing is that they think it is not for people like them and their families. We would like some priority to be given to helping people get on the housing ladder locally. Amendment 38 asks that the price cap,
Mr Prisk: What estimate has the hon. Lady made of the loss in the number of homes built? If the price is capped and the discount extended into perpetuity, it will almost certainly increase the unit cost, which will mean fewer homes. How many fewer homes would she be happy to see built?

Dr Blackman-Woods: I do not accept the hon. Gentleman's logic. The new starter homes would be coming up for resale, as well as the additional starter homes still being built, so I am not quite sure of his logic.

Amendment 40 would ensure that local authorities can ask for planning gain measures providing for a range of affordable homes, rather than just starter homes.

Amendment 41 suggests that the Government should really ask local authorities to provide a full assessment of housing need in the area and then deliver the number of homes that meet that housing need, rather than prioritising starter homes above all other types of affordable housing. It does not seem to us that the Government are prioritising starter homes above all other types of housing being built in an area. To provide an example, there might be 640 starter homes produced in an area, but how many affordable homes that are social homes for rent might actually have been built? We think that people need a full range of information about the type of housing and the applicable tenure in order to make sense of starter home information.

Amendment 44 is designed to ensure that the land set aside for starter homes “is not needed for employment, retail, leisure, industrial or distribution use.” It is important for ensuring that starter homes do not crowd out other forms of development.

Amendment 45 would remove clause 6 from the Bill, as we think it is an imposition on local authorities, which takes away important community rights to have a say about what is happening in an area, while amendment 46 would ensure that in moving to promote self-build, the cost of servicing plots is not unreasonable for local authorities.

Several hon. Members rose—

Mr Deputy Speaker: Order. I need to bring in another four speakers before bringing the Minister at 10.37 pm.

Mr Jackson: It is always a pleasure to follow the hon. Member for City of Durham (Dr Blackman-Woods) and lovely to hear her dulcet tones, which brought back flashbacks of 17 sittings looking in detail at the 145 clauses and 11 schedules of the Bill. As I say, it is lovely to see her in her place and not having been subject to the night of the long knives as a result of the Labour reshuffle, if indeed the reshuffle is concluded, as someone suggested on Twitter, by 4 o’clock tomorrow—

Mr Deputy Speaker: I am sure you do, Mr Jackson, but I can assure you that I do not want to hear the history of the reshuffle. Come on, we could be here all night!

Mr Jackson: It was longer than one of Britney Spears’s marriages—that is what I wanted to say, Mr Deputy Speaker.

What was depressing about our Committee sittings was the conservative nature of the debate and the stasis of what we got from the Labour party, which did not move on. If there is a housing crisis, we need to find radical ways forward to deal with it. It is not as if we are leaving it simply to the private sector. This week’s announcement of the building of 13,000 units on public sector land provides an example of where we are using the might of Government to work with the private sector to deliver. To appreciate that, one needs to look only at Help to Buy, Help to Buy ISAs and other Government initiatives to help small and medium-sized builders, for instance.
The fact is that we have a mandate for starter homes. The hon. Member for City of Durham asked what changed between March and May. With all due respect, let me tell her that we won the general election and her party lost it. We have a mandate to deliver starter homes, and the hon. Lady does not do justice to the wider issues in housing, planning and development. She fails to take into account some pertinent issues. When in power, her Government failed to deliver infrastructure planning properly. We had housing information packs and we had eco-cities. All those things failed. We had density targets. We had regional spatial strategies, which were a disaster and did not deliver homes. Under that Government, the smallest number of homes were built since 1923, there was the largest increase in young people in temporary accommodation and housing waiting lists increased massively.

Dr Blackman-Woods: The hon. Gentleman needs to accept that we built 2 million more homes.

Mr Jackson: It says something about their priorities that, in five years, the previous Government built more local authority houses than the hon. Lady’s Government did in 13 years, with a much more benign financial regime. She fails to take into account how difficult brownfield remediation is and that about a third of local planning authorities do not have a local plan in place, despite the Government’s encouragement—the local plans have not gone through the inspection process. It is not either/or. Starter homes are a radical boost to ensure that more young people in work who need homes and are languishing in band 4 and band 5 council housing and housing association lists get the opportunity.

If a local authority has produced a decent plan—a structure plan or a deposited local plan—it will, as I said to my hon. Friend. Friend the Member for South West Devon (Mr Streeter), be in a position to effectively put in place intermediate housing and social rent provision working with registered providers. We are not in the business of squeezing that out. It is up to local authorities to do that.

The point made by my hon. Friend the Member for South Ribble (Seema Kennedy) was right. We are not here to discuss the London housing Bill. This is about the whole of the country. In fact, this is a historic Bill because I think it is the first Bill that is subject to Evel, so we did not have the dulcet tones of our Caledonian friends helping us on the Committee or on Second Reading.

The starter homes policy is about delivering homes to people who need them. If the hon. Member for City of Durham remembers, when the expert witnesses were challenged in Committee, they could not produce the figures, either on the day or afterwards, that showed definitively, beyond any reasonable doubt, that, from the Bristol channel to the Wash, in Chorley—Mr Deputy Speaker’s seat—in Leyland, in most parts of Lancashire, in Yorkshire and Humber and in the east and west midlands, for most people on an average income—I accept that there is a difference with the national minimum wage and that the city of Durham is perhaps a different example—the homes would be affordable. Conservative Members on the Committee were not indulging, as the hon. Member for Westmorland and Lonsdale (Tim Farron) said, in some ideological pursuit. We were looking at the evidence brought before us. The evidence did not demonstrate, with all due respect, the hon. Lady’s position.

This is a radical Bill. I was disappointed by the lack of coherent, cogent alternatives from Her Majesty’s Opposition. May I end on a slightly cheeky note? I listened with interest to the hon. Lady’s plaintive cry that she was badly treated by the programme motion. My understanding is that the usual channels came to an agreement but, because of the incompetence of Her Majesty’s Opposition, they truncated or elongated various new clauses because they had forgotten to table the appropriate amendments. That is why they had to pad it out—which I am obviously not doing.

This is an excellent, radical Bill. It will deliver. It will complement other forms of tenure. We won the election. We have a mandate. I look forward to many more starter homes in my constituency and others throughout the country to give young people in particular the start in life that they deserve in the property-owning democracy that we should be building.

Mr Clive Betts (Sheffield South East) (Lab): I want to raise three concerns about the Government’s proposals on starter homes. Obviously it is right, given the aspirations of many people to own their own home who currently cannot afford to, that we should look seriously at measures that enable that to happen. What we should be concerned about is whether those measures are good value for the taxpayer and have any unintended consequences. If it is such a good idea to help people on to the housing ladder, why do we not help the next group of people on to it by ensuring that the discount, or assistance, continues in perpetuity?

10.30 pm

I visited a Pocket development the other day. Pocket is an organisation that provides homes for people who could not afford to buy them at market prices. It insists that when the homes are resold, they are bought by people on certain income levels, so that the reduced price is passed on to the next generation of home buyers. That means that there is extra value for taxpayers’ money, because the people who purchase the properties the second time around benefit as well. Why do the Government not consider introducing what strikes me as a very sensible, and radical, arrangement?

Conservative Members suggest that starter homes will be additional, but in fact they will replace homes that would otherwise have been built under section 106. A quarter of a million section 106 homes have been built in the last 10 years, mainly for housing associations: affordable housing, and social housing to rent. Developers will not build starter homes in addition to the rented homes that would have been built under section 106. If Ministers disagree with that, let them come forward and say so. I believe that local authorities should be allowed to assess the housing need in their areas and reach an agreement with developers about the sort of houses that should be built under section 106, whether they be starter homes, homes for shared ownership, homes to rent or co-operatives.

I agree with what Members have said about supply and demand. If no more homes are built than would have been built under section 106 but extra money goes
into house purchasing, as is demanded by this starter home measure, the amount of money available to purchase homes will increase and the supply of homes will not. There is only one conclusion to be reached: house prices could eventually be driven up further. Members must seriously consider that conclusion. It would be helpful to know what the Government really think, but they have not produced an impact assessment.

Mr Bacon: I have a great deal of respect for the hon. Gentleman, who talks a lot of sense a lot of the time, but he is now suggesting that only a small number of developers can affect the situation. Does he not understand the central problem, which is that most ordinary people cannot make the decision to bring forward their own projects? If that changed, developers would find that people had other genuine choices. There is a reason why 75% of people do not want to buy the products of volume house builders.

Mr Betts: I agree, but I do not think that that is the issue in this instance, because buy and large starter homes will be produced by volume house builders.

These homes will be built instead of other housing, and the Government are almost ignoring the right of local authorities to have an influence on the assessment of housing need. When the Minister appeared before the Select Committee, he said that it would be up to developers and local authorities to negotiate deals, including deals on starter homes, on the basis of individual sites and planning applications. How can that fit into a framework in which the Government have a target—I think it is a target rather than an aspiration; no doubt the Minister will tell us whether that is the case—of 200,000 starter homes? If the Government have a target, they will have to use their powers of direction to ensure that local authorities deliver starter homes on each site that will add up to the 200,000 total. In other words, they will override the rights of local authorities to assess housing need in their areas and arrive at the best deal on each site, so that the best possible balance of housing is available. Starter homes will simply push out the other houses for rent that local people really need.

Chris Philp: Thank you for calling me at this late hour, Mr Deputy Speaker. I draw the House's attention to my entry in the Register of Members' Financial Interests.

I support the Bill's emphasis on starter homes, and the corollary of that is that I oppose some of the amendments that dilute that emphasis, particularly amendments 40, 110 and 33. I believe that owner-occupiers on low incomes need all the help that they can get to get on to the housing ladder, and the starter home provisions will provide exactly that.

I was alarmed to note that between 2007 and 2013, the most recent period for which figures are available, the number of owner-occupiers in the country fell by half a million, and the proportion fell from 68% to 63%. The provisions in this Bill are designed to arrest that decline, and it is right that they do so. My hon. Friend the Member for Peterborough (Mr Jackson) referred in his closing remarks to the merits of a property-owning democracy, and we know that 86% of the public aspire to own their own home. There is no greater service we in this House can do tonight than help those 86% of our constituents realise their dream of owning their own home, and this Bill does that.

On the questions raised by the hon. Member for City of Durham (Dr Blackman-Woods) about affordability, I would make the following observations. First, starter homes by definition are 20% more affordable than current homes for sale, and that is a welcome step in the right direction; it is clearly an improvement on where we are today. She referred to deposits, too. The Government's Help to Buy scheme allows people to borrow up to 95% of a property's value. Even in London, even if the price is the maximum the deposit is only £22,500, and outside London it is only a £12,500 deposit. These are maximum figures; I expect many starter homes will be below these maximum figures and will be extremely affordable.

Catherine West (Hornsey and Wood Green) (Lab): Is the hon. Gentleman aware that in certain constituencies, including mine, Help to Buy has helped as few as one household? When I last looked, one household in Hornsey and Wood Green had been assisted in May this year.

Chris Philp: Most first-time buyer households have two people's incomes contributing, which improves the affordability.

On the specific question raised by the hon. Member for City of Durham on amendment 34 about preventing buy-to-let investors, clause 2(1)(b) says starter homes will apply only to "qualifying first-time buyers", which is very clear.

In summary, I strongly support the starter homes concept and the concept of a property-owning democracy, and I support the 86% of our constituents who want to buy their own home.

The Minister for Housing and Planning (Brandon Lewis): We have had an extensive discussion both in Committee and tonight, and I look forward to rest of tonight's debate, not least as it might allow us to see if the current shadow Front Bench is still the shadow Front Bench by the time we finish.

We have had extensive discussion on the Opposition amendments on starter homes, particularly in relation to clause 1, and the hon. Member for City of Durham (Dr Blackman-Woods) has returned to that today, repeating points made in some of our previous debates. Since we discussed these clauses in Committee, our spending review has doubled our investment in affordable housing. The Prime Minister announced just yesterday that £1.2 billion of our starter homes funding will in the first instance support further brownfield site preparation, and that builds on the £36 million made available late last year.

Clause 1 sets out our position clearly—our manifesto commitment being delivered to build 200,000 starter homes. Clause 1 includes a clear definition to be applied nationally, and I hope the House will agree that we should not water it down through the proposed amendments. We strongly believe that new housing developments need to be supported by improvements in local infrastructure—this particularly covers amendment 32. Starter homes reforms do not change this. Starter home developments will still be required to have section 106 agreements to provide necessary site-specific infrastructure.
Turning to amendments 33, 34, 35, 37, 38 and 39, we need to be clear that these would remove the real benefits starter homes offer to young people—the very people we are looking to help. So I maintain that our model, as defined in clause 2, should stand to define our product clearly and support national delivery.

The hon. Member for City of Durham referred to amendment 39. I made it clear in Committee—Members can read what was said in Committee—that the regulations will specify that post-sale restrictions on sale and letting will exist and there is likely to be a period of five years before a starter home can be sold or let at open market value. I defend the right of any homeowner to have the same rights as any other homeowner to treat their home properly. If someone can never realise more than 80% of the value of their property, they lose the ability to move upwards in the housing market. This risks stagnation, rather than mobility. I want to incentivise young people and families to move onwards and upwards, and our model will enable families to do just that.

Turning to amendments tabled by the hon. Friend the Member for South West Devon (Mr Streeter), the hon. Member for North Westmorland and Lonsdale (Tim Farron) and the right hon. Member for Wentworth and Dearne (John Healey), I want it to be absolutely clear that the Government strongly support the need for a range of products to improve access to homeownership, and other products can perform a valuable function, too. It is for councils to consider whether these products should form part of their affordable housing ask on any given housing site. The clause will not prevent such developments from coming forward; nor will it prevent councils from securing other forms of affordable housing.

We are also introducing flexibilities in the Bill to encourage councils to build their own affordable housing. Let us be clear: 2014 saw the highest level of council housing starts for 23 years. However, we make no apology for prioritising support for low-cost home ownership and for making sure that we do what we can to get young people on to the housing ladder, rewarding their hard work and ambition.

I note the support for rent to buy, which is a product that we in the Government have supported as well. We will continue to focus on it, but at this stage I do not want to dilute our clear focus on delivering starter homes for first-time buyers. I accept that the need will vary across the country, which brings me to amendment 41. We need to be able to provide more starter homes across the country, and the outcome of our consultation will involve setting different requirements in different areas. However, I want to wait for the outcome of the consultation before I make any final decisions.

As I said in Committee, amendment 42 is unnecessary. Again, our consultation will seek views on the type of site that should be exempt from the duty, and I believe that it is right to await the outcome of that consultation. We will then publish a full range of exemptions. On Amendment 43, much of the information that the amendment proposes to have included is already reported. I want to reassure Members that we will consult on the proposed regulations relating to clause 5, and this will include details of the proposed monitoring reports.

On amendments 44 and 46, we are now in a position in which we can no longer afford to hold on to employment land indefinitely if it is not in productive use. I expect local authorities to continue to examine applications relating to exemption sites with the same rigour with which they examine other applications. I am therefore not persuaded that either of the amendments is required. If land is in active use, or if there is robust evidence that it could soon be in productive use for employment uses, a council will be free to consider it as part of the planning process.

Turning to amendment 45, I want to reassure Members that it is our firm intention that any compliance direction should be a backstop provision. We expect that provision to be used only rarely, but it will be an incentive to ensure that we do our bit to deliver these new starter homes for first-time buyers.

Mr Betts: On that point about direction, will the Minister tell me what freedom local authorities will have to assess housing need in their areas if they decide that, on balance, they need to provide more rented or shared ownership homes as part of a package relating to a section 106 agreement on a particular site?

Brandon Lewis: Obviously, local authorities can build more council houses. I would encourage them to use the headroom that they already have to build more social housing themselves, but they will continue to have the ability to negotiate with developers in relation to section 106, just as they do now.

On new clause 2, it is clearly important that we build new developments that can stand the test of time, just as our Victorian and other predecessors did before us. I do not believe that the new clause is necessary, however. We already have strong, clear policies on resilience, sustainability and design in the national planning policy framework, supported by building regulations. The new clause would impose additional and unnecessary burdens. I say this in the light of the fact that in more than 96% of the cases in which the Environment Agency has raised objections, those objections have been fully heeded in the final planning decisions. It is absolutely right that local authorities should take good account of the advice given by the agency on developments in flood risk areas.

John Mann (Bassetlaw) (Lab): Would the Minister consider a new classification of floodplains within the development framework, to allow an additional specification for local authorities? I am prepared to reshuffle to the Tea Room to discuss this matter further if he would like to join me.

Brandon Lewis: I am always happy to discuss all things with the hon. Gentleman, but I am not going to be tempted into making changes like that here tonight. He is right, however, to suggest that councils listen to the advice given by the Environment Agency, and it is good to know that 99% of proposed new homes involved in planning outcomes have been in line with the agency’s advice.

My right hon. Friend the Member for Basingstoke (Mrs Miller) opened the debate with a discussion on new clause 1. I am pleased to be the first to say that it is already a requirement that starter homes should be subject to compliance with the relevant requirements of the building regulations, as are all new buildings and all major alterations to existing ones. I note that she and other Members have been raising issues to make it clear that they want to ensure that these regulations are...
strong enough and are abided by, I believe that her proposed subsection 2(b) is not needed, because of the codes already in place. However, she and others have raised the issue of the availability of site inspection records, which is also an important issue. As a result of her representations, we have asked the Building Control Performance Standards Advisory Group to look at making inspection records available on request to building owners and prospective owners. It will report back to us with suggested amendments in February, and I of course look forward to hearing her contribute on that.

Work is also being done by the all-party group for excellence in the built environment, which I know is looking at a range of issues in this area. I look forward to receiving its report, as we will be able to review what comes out of it in order to consider whether any strengthening of the guidance is needed going forward.

We have had an interesting debate on this group but, for the reasons given, I hope that my right hon. Friend and others who have tabled proposals will not feel the need to press them to a Division.

10.45 pm

Mrs Miller: Getting rid of the current house building quality lottery is absolutely non-negotiable, but I can hear that the Minister has listened to the argument and am delighted with his announcement that he will be watching carefully for the details of what he is proposing, is real progress and with that, although I shall be first hand exactly how their house has been built. That made available to house buyers, so that they can see at looking at ways in which those quality records can be am delighted with his announcement that he will be.

Question put, That the amendment be made.

The House divided: Ayes 194, Noes 301.

Division No. 154]  [10.46 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinop, Tom
Blomfield, Paul
Brada

Coyle, Neil
Crausby, Mr David
Creasy, Stella
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danzuk, Simon
David, Wayne
Davies, Geraint
Donaldson, rh Mr Jeffrey M.
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dunkan, Mark
Edwards, Jonathan
Ellord, Clive
Elliot, Julian
Elliott, Tom
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Field, rh Frank
Fitzpatrick, Jim
Fiello, Robert
Fletcher, Colleen
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Glindon, Mary
Goodman, Helen
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendrick, Mr Mark
Hebpurn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Holborn, Kate
Hopkins, Kelvin
Hunt, Tristram
Hussain, Imran
Irрана-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Kinahe, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Niall
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McKelvie, Liz
McKinney, Catherine
McMahon, Jim
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Orn, Melanie
Osamor, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Robinson, Mr Geoffrey
Rotheram, Steve
Saville Roberts, Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Smeeh, Ruth
Smith, Angela
Smith, Cat
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Stamer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark

Corbyn, rh Jeremy

"(8A) The restrictions on resales and letting at open market value relating to first time buyer starter homes must be in perpetuity.”—(Dr Blackman-Woods.) The amendment would require the discount to remain in perpetuity.

Clause 2

WHAT IS A STARTER HOME?

Amendment proposed: 39, page 2, line 25, at end insert—

"(8A) The restrictions on resales and letting at open market value relating to first time buyer starter homes must be in perpetuity.”—(Dr Blackman-Woods.)

The amendment would require the discount to remain in perpetuity.

Question put, That the amendment be made.

The House divided: Ayes 194, Noes 301.
155 156

Housing and Planning Bill

5 JANUARY 2016

Housing and Planning Bill

Tellers for the Ayes:

Sue Hayman and Jeff Smith

NOES

Adams, Nigel
Afriyie, Adam
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Mr Alistair
Cairns, Alun
Carmichael, Neil
Carling, James
Cash, Sir William
Caudfield, Maria
Chalk, Alex
Chishtie, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleaver, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron

Davies, Chris
Davies, Chris T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Djanogly, Mr Jonathan
Donelan, Michelle
Double, Steve
Dowden, Oliver
Duffy-Price, Jackie
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Sir Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evrenett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, rh Sir Roger
Garnier, rh Sir Edward
Ghani, Nusrat
Gibb, rh Sir Mark
Gillian, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, chris
Green, Chris
Green, rh Dame
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark

Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkins, Mr Bernard
Jenkins, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCARTNRY, Jason
McLoughlin, rh Mr Patrick
McFarland, Stephen
Menzies, Mark
MERCER, Johnny
Merriman, Huw

Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, rh David
Morrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O’farrel, rh Matthew
Opperman, Guy
Parish, Neil
Paterson, rh Mr Owen
Pawsey, Mark
Pannick, rh Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Philip, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Ian
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Question accordingly negatived.

10.58 pm

More than two hours having elapsed since the commencement of proceedings on the programme motion, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 3

GENERAL DUTY TO PROMOTE SUPPLY OF STARTER HOMES

Amendment proposed: 110, page 2, line 28, after “starter homes” insert

“and other types of affordable housing”.—(Tim Farron.)

This amendment would ensure that new developments include a range of affordable housing options, to rent and buy.

Question put, That the amendment be made.

The House divided: Ayes 190, Noes 304.

Division No. 155

[10.59 pm]

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Bradyshaw, rh Mr Ben
Brennan, Kevin
Bryant, Chris

Buck, Ms Karen
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Chapman, Jenny
Clegg, rh Mr Nick
Coyle, Neil
Crausby, Mr David
Creasy, Stella
Cummings, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic

Danczuk, Simon
David, Wayne
Davies, Geraint
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Durkan, Mark
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Field, rh Frank
Fitzpatrick, Jim
Fiell, Robert
Pletcher, Colleen
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Glindon, Mary
Goodman, Helen
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate
Hopkins, Kelvin
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Irрана-Davisies, Huw
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
Mclnnes, Liz
McKinnell, Catherine
McMahon, Jim
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Onn, Melanie
Osman, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Robinson, Mr Geoffrey
Rotheram, Steve
Saville Roberts, Liz
Shah, Naz
Shannon, Jim
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Smeeth, Ruth
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Slarmer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigge, Stephen
Vaz, Valerie
West, Catherine
Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Nick David
Winterton, Dame Rosie
Woodcock, John

Wright, Mr lain
Zeichner, Daniel

Tellers for the Ayes:
Tom Brake and
Sue Hayman

NOES

Adams, Nigel
Afriyie, Adam
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Barwell, James
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Browne, Ian
Bridgen, Andrew
Brine, Steve
Brokenshire, Sir James
Burt, Alistair
Burns, Sir Simon
Burns, Conor
Burrowes, Sir David
Burt, Mr Alistair
Cairns, Alun
Carmichael, Neil
Cartwright, James
Cash, Sir William
Cawthorne, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, Rh Greg
Cleaver, James
Clifton-Brown, Geoffrey
Coffey, Dr Therese
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, Mr Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, T. C. Davies, Glyn
Davies, Dr James
Davies, Mims

Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, R Sajid
Jawanshahi, Mr Rani
Jenkins, Mr Bernard
Jenkins, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Sir Greg
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinarah, Danny
Knight, Mr Greg
Knight, Julian
Kwarteng, Kwaasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Mr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McLoughlin, Mr Patrick
McPartland, Stephen
Menzies, Mark
Merron, Mr Greg
Merriman, Huw
Metcalfe, Stephen
Miller, Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, Mr Anne
Mitchell, Mr Andrew
Mordaunt, Penny
Morgan, Mr Nick
Morris, Anne Marie
Morrison, David
Morton, Wendy
Mowat, David
Muddell, Mr David
Murray, Mrs Sheryl
Murrison, Mr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jemima
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Paterson, Mr Michael
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Philip, Chris
Pickles, Mr Eric
Pincher, Christopher
Poole, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, Mr Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, Mr Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Soames, Mr Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Ian
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdey, Julian
Sunak, Rishi
Swain, rh Mr Desmond
Swayne, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
I beg to move, That the clause be read a Second time.

Communities and Local Government (Mr Marcus Jones):

Watkinson, Dame Angela
Warman, Matt
Warburton, David
Wallace, Mr Ben
Walker, Mr Robin
Walker, Mr Charles
Villiers, rh Mrs Theresa
Vickers, Martin
Vara, Mr Shailesh
Tyrie, rh Mr Andrew
Turner, Mr Andrew
Tugendhat, Tom
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Watkinson, Dame Angela
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt

Question accordingly negatived.

New Clause 6

REDUCING SOCIAL HOUSING REGULATION

'Schedule (Reducing social housing regulation) contains amendments to reduce the regulation of social housing.'—

(Mr Marcus Jones.)

This new Clause and NS1 make various amendments to reduce the regulation of social housing.

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones):

I beg to move. That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss Government new schedule 1—Reducing social housing regulation.

Government amendments 4, 6 and 5.

Government new clause 7—Recovery of social housing assistance: successors in title.

Government new clause 8—Housing administration order: providers of social housing in England.

Government new clause 9—Objective of housing administration.

Government new clause 10—Applications for housing administration orders.


Government new clause 12—Housing administrators.

Government new clause 13—Conduct of administration etc.

Government new clause 14—Winding-up orders.

Government new clause 15—Voluntary winding up.

Government new clause 16—Making of ordinary administration orders.

Government new clause 17—Administrator appointments by creditors.

Government new clause 18—Enforcement of security.

Government new clause 19—Grants and loans where housing administration order is made.

Government new clause 20—Indemnities where housing administration order is made.

Government new clause 21—Indemnities: repayment by registered provider etc.

Government new clause 22—Guarantees where housing administration order is made.

Government new clause 23—Guarantees: repayment by registered provider etc.

Government new clause 24—Modification of this Chapter under the Enterprise Act 2002.

Government new clause 25—Registered societies: ordinary administration procedure etc.

Government new clause 26—Amendment to housing moratorium and consequential amendment.

Government new clause 27—Interpretation of Chapter.

Government new clause 28—Application of Part to Northern Ireland.

Government new schedule 2—Conduct of housing administration: companies.

Government new schedule 3—Conduct of housing administration: moratorium and consequential amendments.

Government amendment 7.

New clause 5—Provision of tenure information when collecting council tax information—

'(1) The Local Government Finance Act 1992 (LGFA 1992) is amended as follows—

(2) After Section 27 [Information about properties] of the LGFA 1992 insert—

“27A Information about tenure

(1) Whenever a billing authority requests council tax information from the resident, owner or managing agent of any dwelling, the authority must request the provision by that person of tenure information in respect of the dwelling unless—

(a) that person has already given that information to the authority, or

(b) the authority already holds that information.

(2) “Tenure information” means current information regarding—

(a) the category into which the dwelling falls; and

(b) the name and address of the owner of the dwelling or, if this is not known, the name and address of—

(i) the managing agent, if any, or

(ii) recipient of the rent payable.

(3) A person who is subject to a request under subsection (1) must provide the information to the billing authority in such manner as the authority may request as soon as is practicable and in any event within 21 days of the making of the request, but only insofar as the information is in his possession or under his control.

(4) A request to a person to provide tenure information may be made by the billing authority by such means as the authority considers appropriate including a verbal request made by or on behalf of the authority.

(5) The billing authority must retain any tenure information which they hold in relation to any dwelling, however it was obtained, but the authority may destroy or delete that information after the expiry of 12 months from the date when that information is known to have ceased to be current.

(6) A request under subsection (1) must be accompanied by a warning that failure to comply may result in the imposition of a financial penalty.

(7) A request for the provision of tenure information may be made, and must be complied with, even though the authority requests the provision of that information for other purposes, including but not limited to housing purposes.'
A local authority may use tenure information supplied under this Act for any reasonable and lawful purpose within its duties and responsibilities.

A person may be requested by a billing authority to supply information under any provision included in regulations under paragraphs 2, 3, 9 or 10(2) of Schedule 2 even though such a request is made for housing purposes.

The LGFA 1992 is further amended as follows—
(a) in paragraph 1(1) of Schedule 3 [penalties], after the words “any provisions”, insert the words “in section 27A or”;
(b) in paragraph 1(2) of Schedule 3 [penalties], after the words “any provisions”, insert the words “in section 27A or”;
(c) in paragraph 1(1) of Schedule 4 [enforcement], after the words “any provision”, insert the words “in section 27A or”.

The Housing Act 2004 is amended as follows, in paragraph (a) of section 237(1), after the word “premises”, insert the words “or for any other function which is exercisable by a housing authority”.

No duty of confidentiality, contractual obligation, nor any provision of the Data Protection Act 1998 shall prevent the supply of tenure information under this section.

This new Clause would require existing powers to collect information to be deployed consistently thus enabling local authorities to enforce regulations relating to the private rented sector more effectively to tackle a rogue minority of private landlords. It would also enable the size and shape of the private rented sector and property ownership to be assessed accurately for the first time for housing policy-making purposes.

New clause 55—Accreditation and licensing for private landlords—

Local authorities shall be required to operate an accreditation and licensing scheme for private landlords.

New clause 56—Extension of the Housing Ombudsman to cover the Private Rented Sector—

The Secretary of State shall by regulations introduce a scheme to extend the Housing Ombudsman Scheme, as set out in section 5 of and Schedule 2 to the Housing Act 1996, to cover disputes between tenants and to private landlords in the Greater London Authority.

The scheme under subsection (1) shall—

(a) last at least one year and no longer than two years; and
(b) come into effect within 6 months of this Act receiving Royal Assent.

The Secretary of State shall lay before each House of Parliament a report of the scheme under subsection (1) alongside any statement he thinks appropriate, within 3 months of the closing date of the scheme.

The Secretary of State may by regulations extend the powers of the Housing Ombudsman Scheme as set out in section 5 of and Schedule 2 to the Housing Act 1996, to cover disputes between tenants and private landlords nationwide.

The new clause would give the Secretary of State the power to introduce a pilot scheme which would see the Housing Ombudsman extend its cover in London to private sector housing and disputes between tenants and private landlords, to require that the Secretary of State reports on the pilot scheme, and to give the Secretary of State power through regulations to extend the Housing Ombudsman to cover private sector housing and disputes between tenants and private landlords nationwide.

Government amendments 12 to 26.
in building more houses and helping more of their tenants into home ownership. I believe that the amendments address the concerns highlighted by the ONS while protecting tenants and maintaining associations' ability to access private finance at low rates so that they continue to build new homes. As a result, amendment 4 removes clause 78, as it is no longer needed.

New clauses 8 to 28 and new schedules 2 and 3 introduce a special administration regime for the social housing sector and the option to extend ordinary administration to housing associations. In introducing these changes, we are responding to concerns that the existing moratorium provisions are not suitable for modern, large, developing and complex housing associations. The provisions could be used in the unlikely event of a housing association becoming insolvent, thus retaining confidence in the sector's lenders.

Amendment 16 amends clause 21. Civil penalties for breaches of a banning order are an alternative to prosecution. Does the Minister agree that the penalties need to be increased? That level of fine to make the bans effective?

Mr Prisk: On Second Reading, I and a number of other Members raised the issue of clause 21 penalties. I am delighted that the Government have responded to that. Does the Minister agree that the penalties need that level of fine to make the bans effective?

Mr Jones: I thank my hon. Friend for his comments. He is absolutely right. It is important that we raise the level of civil penalty to £30,000, because a smaller fine may not be significant enough for landlords who own numerous properties and who flout the law to think seriously about their behaviour and provide good quality, private sector rented accommodation for their tenants.

Amendments 17 and 18 provide that a person who has had two or more relevant civil penalties imposed on them in the previous 12 months may be entered on the database of rogue landlords and property agents. Amendment 26 would amend clause 53, consequential to Government amendment 17. As the Bill is drafted, it is possible for a person to be entered on the database only if they have been convicted of a banning order offence. Consequently, any person who has had a number of civil penalties imposed on them as an alternative to prosecution in relation to such offences may not be entered on the database. We seek to remove that anomaly with these amendments. We recognise that a civil penalty is likely to be imposed rather than a prosecution in a court for less serious offences. That is why two or more civil penalties have to be imposed, as opposed to a single criminal conviction.

Amendment 19 provides that regulations made about information to be included on the database may include the details of the civil penalties a person has incurred. Amendment 20 makes provision for an entry on the database to be removed or reduced by the local housing authority when the entry was made because the person had incurred civil penalties. That mirrors the existing provisions that deal with the removal or variation of database entries for people who have been convicted of criminal offences. Amendment 21 provides that the duration of an entry on the database may be reduced to less than two years by the local housing authority in certain circumstances.

Amendment 22 provides that the Secretary of State may provide information held on the database in an anonymised form to any person with an interest in private sector housing for statistical and research purposes.

In Committee, the Bill was amended to make it a criminal offence to breach a banning order imposed under chapter 2 of part 2. Changes were also made to ensure that chapter 4 applies to the offence of breach of a banning order in the same way as it applies to other offences. Amendments 23, 24 and 25 are minor and consequential on the introduction of the banning order offence.

Teresa Pearce (Erith and Thamesmead) (Lab): I will speak to new clauses 55 and 56 and amendments 49, 47 and 48.
New clause 55 would require local authorities to put in place a scheme to license and provide for the accreditation of private sector landlords in their area. Private rented housing is an important part of the housing sector. Nine million people rent privately and the sector is growing. In the past, the private rented sector was often a place for young people to find short-term solutions to their housing needs, perhaps while studying or establishing their careers. Now, almost half of those who rent are over 35 and they need security and stability. Many people are stuck in the private sector, unable to secure any of the declining amount of affordable social housing or to save for a deposit to buy their own home owing to the ever-rising rents.

Most landlords are effective and efficient in letting their property. They provide good properties and support their tenants. Many landlords are already accredited through independent or local authority schemes and some are licensed as they provide houses in multiple occupation. However, there are a few rogue landlords, as we call them, who bring down the name of the private rented sector and the reputation of all landlords. Such rogue landlords often provide substandard accommodation at extortionate prices, sometimes intimidate tenants and often cannot be reached until the rent is due.

The accreditation of landlords has been a feature of the private rented sector for more than 15 years. A local authority-led accreditation and licensing scheme would allow all private landlords to meet set standards. As it would be administered locally, it would give councils the power to establish the scheme that best suited their local housing need. Some local authorities might have particular difficulties with private landlords in respect of housing standards and want to address those through the scheme. Others might have no real problem, but might want to better understand the housing need in the local area and to monitor standards. An accreditation and licensing scheme would also support other measures in the Bill, such as the database of rogue landlords and banning orders. A local authority-led accreditation and licensing scheme would undoubtedly drive up standards across the private rented sector—something we all want—and bring the select few rogue landlords up to the standards of the many good landlords across the country.

Ms Buck: Does my hon. Friend share my concern that although it is estimated that 700,000 properties in the private rented sector have a category 1 hazard under the housing health and safety rating system, just 2,000 landlords have been prosecuted in the past eight years? In addition to the measures she is supporting, does she agree that we should make it possible for tenants to take action when their properties are not fit for human habitation, and update the legislation, as she sought to do in Committee and I did in my private Member’s Bill?

Teresa Pearce: I could not agree more with my hon. Friend. The rogue landlord proposals in the Bill and the banning orders are responses to that fact. We want to improve standards so that people do not end up needing banning orders, and do not have to go through the trauma of living in substandard accommodation. Such accommodation often makes people unwell and unfit to work; it lowers their productivity and hampers their children’s education.

Catherine West: Does my hon. Friend accept that it is also terrible when housing benefit is paid on such properties so that in some cases it is almost state-sponsored squalor?

Teresa Pearce: I could not agree more. In Committee we tabled an amendment that asked local authorities to report quarterly to Her Majesty’s Revenue and Customs on all housing benefit paid, so that some of the landlords who are literally putting money in their back pocket and not providing a decent service could be caught. Unfortunately, that amendment was not accepted.

Mr Prisk: All Members of the House want to ensure that we crack down on rogue landlords, and that is why many measures in this Bill are good. My problem with the new clause is that it seems to replicate the failed experiment in Scotland, where a register has been on the books for more than five years, yet fewer than half of 1% of those landlords have been removed or had their licence revoked. The ombudsman scheme, together with measures in the Bill, is more effective. How would the hon. Lady’s scheme differ from the one in Scotland?

Teresa Pearce: I am aware of the Scottish scheme, but this measure applies to England and it is perfectly possible that we could do it better. We will discuss our amendment on the ombudsman later, so I hope the hon. Gentleman will bear with me.

Mark Pawsey (Rugby) (Con): We all accept that substandard rental accommodation should not be offered to tenants. Does the hon. Lady agree that local authorities currently have plenty of powers to deal with substandard accommodation, but the problem is that often they do not exercise them? Should we be putting pressure on local authorities to make use of powers they already have?

Teresa Pearce: Local authorities have the powers but they do not have the resources. Many local authorities have very few officers who are able to police the system, but resourcing that is an argument for a different day. We discussed in Committee whether the fines that were brought in should be ring-fenced for that purpose, but that measure was not accepted.

Mr Marcus Jones: Does the hon. Lady accept that the civil penalties that local authorities can impose on rogue landlords will be received by the local authority that takes action against the landlord? Does she also accept that things such as housing benefit payments can be reclaimed by local authorities where rogue landlords have not fulfilled their duties under the new rent repayment order regime in the Bill?

Teresa Pearce: I do accept those facts, and in Committee there was much in this section of the Bill that we agreed on. Amendments were tabled that the Minister took away and has now agreed to, which I welcome. New clause 55 is just to ask whether accreditation and licensing by local authorities would create a more professional private rented sector.
New clause 56 would give the Secretary of State the power to introduce a pilot scheme that would see the housing ombudsman extend its cover in London to the private sector. It would require a report from the Secretary of State following the pilot scheme and give the Secretary of State the power to extend the powers of the housing ombudsman to the private sector nationwide after that pilot.

11.30 pm
Private rented housing is a fundamental part of the housing sector and the number of people in the sector has risen. There are now 1.5 million families with children in such properties. They can be evicted with as little as two months’ notice. Overall, 9 million people are now renting. In London, the private rented sector makes up a large proportion of the housing market. We proposed introducing a pilot scheme in London to establish whether extending the housing ombudsman scheme to the private rented sector would be advisable. Most landlords offer a good property with good support for their tenants, but disputes can occur. These disputes occur across all forms of housing, but currently the private sector is not covered by the housing ombudsman. It could be a concern that part of a property is dangerous, or that part of the tenancy agreement or the lease is not being upheld. There could be a delay in responding to a situation in the flat, perhaps a problem with electrics, gas or heating. The housing ombudsman is a fantastic independent service which helps to resolve many of these complaints and concerns.

The housing ombudsman considers complaints about how a landlord has responded to reports of the problem, rather than the actual problem itself, and considers what is fair in the circumstances. Some 87% of cases referred to the housing ombudsman were resolved by landlords and tenants with its support and by using the landlords complaints procedure. Many of these have gone on to build and keep good relations, and continue to rent from and let to each other.

It is important that we look at extending the housing ombudsman. The Bill may see a decline in social housing, both local authority managed and housing association managed. While all local authorities and housing associations must be a member of the ombudsman scheme, at present private sector landlords can join the scheme only on a voluntary basis. Not nearly enough of them do, however, leaving many tenants in a position where, when things go wrong, they have nowhere left to turn. Indeed, the type of landlord whom tenants are likely to want to contact the housing ombudsman about are the least likely to sign up voluntarily to the scheme. The private rented sector will increase its share of the housing market as a result of the measures in the Bill. Surely it is right to ensure that tenants are afforded the same protections and dispute resolution service across all sectors.

Helen Hayes (Dulwich and West Norwood) (Lab): Does my hon. Friend agree that private landlords being subject to the ombudsman scheme, and subject to the scrutiny that comes with being a part of the scheme, would also help to drive up standards more generally in the private rented sector in a way that is very badly needed?

Teresa Pearce: I agree that that is a possibility, which is why we are proposing that new clause 56 would see the extension of the housing ombudsman scheme, at first through a pilot scheme in London and then potentially across the country. I believe this would help many tenants in resolving disputes.

On amendment 49, part 3 of the Bill makes provision for private landlords to recover abandoned premises from tenants without going to court. We appreciate the need for landlords to recover abandoned premises, but the measures give landlords dangerous powers to evict tenants with speed and ease. We believe the Bill does not provide safeguards for genuine cases where somebody could be away from the property legitimately, such as a stay in hospital or somebody working away from home. We believe the measures will lead to further pressure on our already stretched local authorities. As the measures stand, we believe they go against the spirit of other parts of the Bill where we have looked to crack down on rogue and criminal landlords through banning orders and a database, and to drive up standards. Instead, as they stand, the measures give the very same landlords a way to evict without recourse to the courts, and with speed and ease.

Many organisations contacted us to raise concerns about the proposed legislation. I raised their concerns in Committee, but it is worth raising them again. Crisis and Shelter have both spoken out against these clauses and recommended that they be removed from the Bill. They were particularly concerned that vulnerable tenants could be unintentionally evicted; tenants will be unable to challenge their eviction effectively; and that there is insufficient evidence that abandonment is a widespread problem and that there is existing legal provision to deal with genuine cases of abandonment. In addition, they believe that by undermining the role of courts in the eviction process, the changes will put more tenants at risk of homelessness. Further representations were made in written and oral evidence to the Committee noting concern with the proposals. Crisis highlighted that the “Bill creates a new ‘fast track’ eviction process for landlords to reclaim possession of a property which has been abandoned” and that there was no “robust evidence to suggest that abandonment is a significant or widespread problem.”

Citing the Bill and the Government’s impact assessment, it also stated: “Landlord associations have estimated that 1% of calls made to their helplines relate to abandonment. There are approximately 1.4 million landlords. From this figure the government has extrapolated that there are only 1.750 tenancies abandoned every year, which amounts to only 0.04% of private renting households.”

We heard concern from legal organisations, such as the Housing Law Practitioners Association, which was unaware of any evidential basis suggesting the need for such a power as that in part 3 of the Bill and did not understand what was thought to be defective in the existing law. It also noted that the “trigger” rent arrears in clause 50 were plainly modelled on those in ground 8 in schedule 2 to the Housing Act 1988. If those arrears are made out, the landlord is already entitled to a mandatory possession order under ground 8. If a landlord has a mandatory right to possession already, why does he need a right to bypass the courts?

The association was also uneasy about the re-instatement provisions and had many concerns about the proposals. Others noted that they did not think the proposals were needed.
necessary at all. In fact, there is already legal provision for cases of abandonment in the form of the legal rule of implied surrender, which is where a tenant behaves in such a way that would make a landlord believe they wanted to end a tenancy, such as emptying the property of all its possessions or handing back the keys. Crucially, there has to be evidence of actual abandonment—evidence that the tenant has gone for good—and this could be evidence from neighbours or visual evidence, such as possessions being cleared. The landlord can accept this and then legally change the locks without any court proceedings being required. The question has been raised with us why the measures are being introduced, given the existing provisions protecting landlords in such circumstances.

Many of the organisations that approached us wanted the provisions to be withdrawn from the Bill altogether, but our amendment proposes an extra layer, requiring the local housing authority to confirm that it suspects that the property is abandoned before a landlord can recover the abandoned premises. Landlords could use the proposals in the Bill to secure eviction just by writing tenants a couple of letters, as an act of revenge or to kick out a legitimate tenant who is away on business or in hospital; and what would happen if a landlord says he has sent a letter but the tenant never receives it, after which the tenant goes away a couple of weeks later on holiday and the landlord evicts them while they are away?

The Bill requires the landlord only to say that the property is abandoned, rather than for it actually to be abandoned, and that could be open to abuse. That is why we would like to insert a reasonable extra layer in the proposals. Under the amendment, the local housing authority would need to confirm that it also suspects that the property is abandoned, ensuring that a landlord could not just say so. The amendment would add the voice of a local, respectable and accountable body, such as the council, to a landlord’s concerns and to the process and ensure that the measures are not open to abuse. Given that there are estimated to be only about 1,750 occasions a year when such a situation would arise and that there are about 400 local authorities, it is unlikely to overburden local authorities. The clauses clearly need to be amended if they are to work, are not open to abuse and can be used appropriately on the rare occasions that a landlord requires a property back.

Amendments 47 and 48, also on abandoned premises, would extend the time period between the two letters needed to evict a tenant. Amendment 47 would specify that the date by which the tenant must reply must be after the 12-week period, while amendment 48 would provide longer between the first and second warnings. I spoke, on the previous amendment, about the flaws in the abandonment proposals and how they were open to abuse or error, meaning that landlords could use the proposals to evict tenants just by writing them a couple of letters.

I completely understand the situation a landlord is in when a tenant truly has abandoned a property. In Committee, I raised the need for local authorities to know not just who rogue landlords were but who rogue tenants were. Tenants also enter into a legal contract with a landlord when they take on a property, and they should not breach that agreement, just as landlords are not expected to breach their end of the agreement, yet these clauses give rogue landlords the ability to evict with speed and ease.

The Minister has already responded to the issues raised in Committee and added provision for a third wave of letters, for which I am grateful. It is still important, however, to safeguard these measures against abuse. We believe that by extending the minimum amount of time before a landlord is able to recover abandoned premises, those with legitimate reasons for absence from their property would be able to respond, which would help to safeguard against potential abuse.

One of the concerns raised about these proposals was the pressure on local housing authorities that might have a duty to rehouse tenants who have been evicted, even if just in emergency accommodation following the eviction. When faced with a situation where someone has not been paid rent in section 21 notices, local housing authorities have the advantage of time in the current system to plan the resources; if they know that a resident is going to be evicted, they can try to do something about it before the date of eviction. Under the proposals in the Bill, however, residents could be evicted in haste, placing further pressure on local housing authorities.

The amendments would insert a little more time into the recovery of abandoned premises, which would ease the pressure on local housing authorities and help to avoid any abuse of the process. In addition, it would be advantageous to extend the time period between the first two letters needed to evict a tenant suspected of abandoning premises from four weeks to eight weeks, because that would safeguard against error and a landlord using the measure to kick out a legitimate tenant who is away on business, in hospital or even on holiday. By extending the time period between the letters, there is obviously less chance of that happening. That will safeguard against abuse and allow tenants more time to query the landlord or to seek housing advice. As there is no court involvement in this process, it gives the tenant more time to assess their options.

It is clear that the Bill’s proposals could affect all tenants in the private rented sector, and that all landlords will have the powers, even though they are open to abuse and abandonment accounts only for an estimated 1,750 occasions a year. Why not get this right so that it safeguards against abuse and does what it is supposed to do? That would allow landlords to recover abandoned premises and not allow rogue landlords to evict tenants with ease. Legislation on abandonment needs to be watertight, because although it affects only 0.04% of tenancies, it could be abused.

**Dame Angela Watkinson** (Hornchurch and Upminster) (Con): I am pleased to have the opportunity to speak to new clause 5, which is complementary to clause 26—previously clause 22—of this excellent Bill and which relates to rogue landlords and letting agents. The new clause simply requires local authorities to add a question to their council tax registration forms seeking information about the tenure of a property. It would not only be administratively easy to implement, but the cost would be de minimis. The purpose of the new clause is to provide a database for all local authorities, identifying the owners of privately rented properties.
Currently, local authorities know who is paying council tax on a private property, but they have no way of knowing if it is owner-occupied or tenanted. Having easy access to such information would have numerous benefits for local planning authorities, environmental health departments, social services, tenants, HMRC and good landlords. The Residential Landlords Association fully supports this measure.

Mr Prisk: I strongly support new clause 5 and I hope that the Government will look favourably on it. Does my hon. Friend agree that one critical benefit of the new clause is the ability to use the information to track rogue landlords when they move from one place to another?

Dame Angela Watkinson: I thank my hon. Friend for that intervention. That is why it is so important that all local authorities adopt this measure; rogue landlords will have properties in more than one area.

The database would also assist local planners in measuring the size of the private rented sector in their area. That would help to develop future planning policy. Enforcement of existing regulations relating to the private rented sector would be made easier, as the landlord could be identified and contacted. Indeed, the absence of this information could alert local authorities to possible irregularities such as illegal subletting, unregulated houses in multiple occupation—this is becoming a problem in my Hornchurch and Upminster constituency—housing benefit fraud and public health issues. Finite resources could then be targeted at the most troublesome tenanted properties via the Land Registry.

11.45 pm

HMRC would be able to identify non-declaration of rental income for taxation purposes, but importantly this measure would help tenants by identifying rogue landlords who do not maintain their properties in safe, habitable condition or treat their tenants fairly. An estimated one third of privately rented properties do not meet decent homes criteria and one in six present a severe threat to health or safety because of unsafe gas and electrical appliances, leaking plumbing or roofs, faulty fire alarms, vermin and damp. Too many tenants live at the whim of rogue landlords, unaware of their rights, in squalid conditions with insecure tenancies.

Local authorities do not have the resources or capacity effectively to inspect and enforce all these issues. In clause 26, the Bill gives local housing authorities in England responsibility for maintaining the content of the database and ensures that “local housing authorities are able to edit the database” and to keep it updated. It is difficult to see how local authorities are going to be able to fulfil this function if they do not have the database to refer to and if they do not know which properties in their area are tenanted and who or where the landlords are.

The licensing of landlords has been shown to be complex and costly, with patchy results, as only the good landlords will register and the costs of registering passed on to the tenant. It has been argued that councils already have the power to collect tenure information on their council tax registration forms but, crucially, only a small handful do so. To be effective, all councils need to use this power consistently as rogue landlords often operate in more than one area. That is why the new clause makes the use of the power mandatory. It is not further regulation, but a measure to facilitate the enforcement of existing regulations affecting the private rented sector and the taxation of landlords. It is not administratively burdensome or a drain on scarce resources, but it would benefit tenants, good landlords, local authorities and HMRC. I look forward to hearing the Minister’s comments on the proposal when he responds to the debate.

Mr Betts: I thank the Government for taking up two of the proposals from the Select Committee’s report in the previous Parliament on rent recovery and civil penalties. That was something the Committee agreed unanimously. I see the hon. Member for Rugby (Mark Pawsey) in his place. He was a member of the Committee at that time. It is right to give local authorities a lighter-touch way of dealing with the less serious problems that may exist in private sector properties by introducing civil penalties and rent recovery. The idea that landlords should be getting public money when clearly providing a property that breaches legal requirements is outrageous. It is good that the Government are acting and legislating, I think with all-party support, to ensure that the money paid out in those wrongful circumstances can be properly recovered by the public sector and indeed by tenants where their money has been used to pay for rent for a property that has not met the legal standards.

I want to raise one or two issues mentioned by my hon. Friend the Member for Erith and Thamesmead (Teresa Pearce) and refer to the Select Committee report. When the Committee published its report—I am sorry to cut slightly across my hon. Friend on this issue—we concluded that licensing schemes should be a matter for local discretion. We said that they were a useful tool in the armoury of local authorities to deal with particularly bad problems in areas with poor landlords and poor-quality housing, but we adopted a localist approach and said that in the end it should be a matter for local discretion. However, we did raise the problem—it is right that my hon. Friend raised the issue again—that many authorities chose not to take up licensing schemes, not because they thought they were a bad idea, but because the whole bureaucracy around the schemes deters authorities and makes it expensive to get them in place. I hope the Minister will have another look at that.

I speak from experience, not in my constituency but in the next-door constituency of Sheffield, Brightside and Hillsborough. A licensing scheme that was introduced in Page Hall has been very successful in dealing with the real problems caused by bad landlords and bad properties, but the process of establishing it involved a great deal of bureaucracy and money that could have been better spent on enforcement and attempts to deal with the inadequate housing situation.

Mark Pawsey: The hon. Gentleman led the production of the Select Committee report very effectively during the last Parliament. As he will recall, the evidence suggested that good landlords were happy to go on to the register, or, alternatively, were reluctant, but did so because they wanted to play by the rules. The rogue landlords, by definition, do not want to play by the rules and would not register in the first place. The process tends to be not terribly productive.
Mr Betts: I think that when authorities have been able to target resources at a particular area, go for the bad landlords and try to get them to sign up, the system has been relatively successful. I have had experience of one case, but there is a bigger case in Newham, where the local authority has been licensing all the private sector properties in the borough.

If the necessary resources are put in, a licensing scheme can be effective. The difficulty is that local authorities can charge only for the administration costs. They cannot charge for the costs involved in following up inadequate properties, and trying to enforce proper conditions in those properties. The problem that currently affects private sector housing relates not to the powers that local authorities may or may not have, but to the fact that, in many instances, they do not have the resources that would enable them to use their powers effectively. That is a real challenge that needs to be addressed, and on which we ought to reflect further. I do not know whether the Government have any more ideas, but rent recovery and civil penalties may help a little.

Let me return to another issue that was raised by the Select Committee, and to which the Minister referred. Why cannot local authorities keep the fines that are imposed on bad landlords for failing in their duties? It seems a little odd that in the less serious cases authorities can keep the proceeds of civil penalties, but in the most serious cases, which often cost the most in terms of local authority officers' time—and, in my experience, authorities often do not recover the costs when they go to court—the fines go back to the central Exchequer. What is the Government's problem with allowing authorities that are involved in the most serious cases, with the greatest costs, to keep the fines that are levied?

Catherine West: In some instances, particularly in London boroughs, it is so lucrative to be a landlord that the civil penalties are not enough of a disincentive. People can be in court at one moment and building another shoddy flat at the next. They will simply pay the fine, because ultimately it will represent only a tiny proportion of their profit.

Mr Betts: That is true. I am pleased that the Government seem to want to increase the fine levels. I hope that eventually the banning orders will kick in, and a number of civil penalties will be imposed over a period. That is the intention of one of the amendments, and it, too, is welcome. I think that banning orders will have an impact if they are properly effective, along with other measures in the Bill that will help to deal with rogue landlords.

Before I say a few words about the ombudsman, I want to say something about new clause 5, which we heard about from the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson). I think that it is an excellent measure, and the Government ought to think seriously about it. It is very simple, and would be very light on public sector resources. Indeed, it would probably save public money, because it would not be necessary to chase around finding out who owned properties when there was a problem with them. The information would be readily available, at little cost to the public purse. Local authorities would be able to do their jobs more effectively, as they would spend less time trying to find out who was the owner or the letting agent. Tenants often do not have that information, but by the time a problem occurs, authorities want to have it to hand so that they can take immediate action against those who are responsible.

The hon. Lady also put her finger on a very important point. In the case of the licensing scheme in Sheffield, I suddenly realised why landlords were so opposed to it. There was, of course, the possibility that local authorities would carry out more inspections of their properties, find faults and take action, but what most disturbed them, in my view, was that HMRC would know that a property was tenanted and rent was being paid to someone, and one or two further inquiries might follow. I think that is absolutely right: that should be done—the taxpayer ought to be paid their tax on rent that is collected. Very often in these properties there are not proper tenancy agreements, the rent is simply paid cash in hand and the taxpayer receives none of it. Having that information in the public domain that can be used for any proper purpose—I hope that would include being able to pass it on to the tax authorities—has another benefit to the public purse. That is a very sensible and simple measure, and I hope the Government will be prepared to support it.

Finally, I hope the Government will give further thought to the housing ombudsman covering the private rented sector. I know there may be the view that this is a private sector and therefore a public sector ombudsman should not be looking at these matters, but let us draw a comparison. The coalition Government extended the remit of the local authority ombudsman to cover social care homes even when the person in those homes was paying for themselves, so there was no direct public sector involvement. That remit was extended to social care homes because it was thought that it was somehow wrong that some people could not take an element of social care provision to the ombudsman for a decision while other people in the same care home could.

For example, if a local authority discharges its homelessness duty by allocating or placing someone in a private sector property and it all goes wrong, the local authority element of that, where it makes the placement, would presumably be under the jurisdiction of the local authority ombudsman. However, if it is the private landlord who does not deal with that tenancy properly, there would be no remit for the tenant to go to any ombudsman at all. Once the local authority discharges its duty and makes provision to have someone housed in the private sector, at some point in the transfer from someone being homeless to them receiving a private tenancy, there would be a switch from an individual having recourse to go to an ombudsman and their not having recourse to do so. There could be great dispute about whether the action of allocating someone a house in the private sector as part of a local authority's homelessness responsibility was covered by an ombudsman or not. I therefore hope that the Government will reflect on the fact that this may be one of the gaps in the provision of the ombudsman's service. I know that they are looking overall at reconfiguration of the service, and they might give some thought to this extension as a sensible way of covering one of the gaps.

Dr Blackman-Woods: I wish to make some comments about the Government new clauses on deregulation of housing associations and ask the Minister some questions.
In Committee we raised several probing amendments relating to clause 78, which covered reducing regulation but did not specify what measures the Government would be taking to deregulate the social housing sector. Of course, we understand that the Government are now seeking, under amendment 4, to leave out clause 78 and replace it with new clause 6 and new schedule 1. As the Minister said in Committee in response to probing amendments:

“I intend to introduce a package of measures on Report. The ONS announced the reclassification decision on 30 October, which has not yet given us the time to carefully work through a package in time for the Committee.”—[Official Report, Housing and Planning Public Bill Committee, 1 December 2015; c. 465.]

This is our first opportunity to see these new measures.

We welcome replacing the general with the specific. Removing clause 78 and replacing it with new clause 6 and new schedule 1 is primary legislation. Clause 78 gave Ministers a sweeping open power to repeal regulations affecting housing associations. At least new clause 6 and new schedule 1 have the merit of being precise—but they are very long. In total, the new clauses and schedules in this group amount to 34 pages of new legislation—almost a quarter as long as the Bill itself. They were tabled close to the deadline for debate on Report, and over the Christmas recess, so there is no way that this House, or the organisations and experts that have a direct interest in these provisions, can properly scrutinise or challenge the Government on the content of this newly introduced legislation. We can see that the new clauses and new schedule contain several elements that address some of the issues raised by the ONS as part of the reclassification of housing associations. They will address the issues through the removal of the Government’s consent power over how housing associations hold their assets.

12 midnight

As we observed in Committee, housing associations have said that artificial restrictions on valuations mean that association homes that have been transferred from local authorities can be valued at only 30% to 45% of what they are worth. They have asked for that restriction to be removed, because those homes, like other affordable homes owned by such associations, should be valued at about 60% of their market worth. The Government’s powers over the management of housing associations, and in particular the power of the regulator—the Homes and Communities Agency—to appoint managers and officers to housing associations, were also identified as key areas of concern by the ONS. Again, we can see that this question is being addressed through the new clauses.

New schedules 2 and 3, along with several of the new clauses, will introduce a special administration regime in the event of the potential insolvency of a housing association. That, too, was a matter that was raised by the housing associations. Government control over the voluntary winding up, dissolution and restructuring of housing associations was also cited by the ONS in its judgment. That question is now dealt with by new clauses 13 and 14, among others.

I want to ask the Minister three questions on these subjects. The House will know that the housing associations were shocked when the ONS decided to reclassify them as public bodies. That caught them unawares and it was seen as an unwelcome step. They are keen to see the reclassification reversed, and Ministers claim that changes
working group. From that work, we will consider what measures are necessary—or not—to take forward the proposal made by my hon. Friend.

Mr Betts: I understand that there might be a need to establish why local authorities are not using powers they already have. Is the Minister saying to the House that local authorities currently have all the powers that are contained in the new clause proposed by the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson)?

Mr Jones: The significant difference in my hon. Friend’s new clause is that there is a compulsion on local authorities to obtain the information that it requires and then to act on that. At the moment, there is nothing to prevent local authorities from doing that, as they have the powers from the 1992 Act and they have the powers to use that information from the 2004 Act.

I shall move on to deal with new clause 55, which would require all local authorities to operate an accreditation and licensing scheme for private landlords. I do not believe that local authorities should be required to operate an accreditation scheme in their area. Accreditation is only of interest to good landlords who rent out decent accommodation, so it does not help to identify and tackle the criminal landlords, whom we are tackling through other measures in the Bill. In addition, local authorities are in the best position to decide whether there is a need for an accreditation scheme in their area.

I welcome the Chairman of the Select Committee’s comments about this new clause, particularly what he said about the civil penalties that the Bill includes and rent repayment orders. Both of those were measures that the Select Committee sought in the last Parliament. He mentioned bureaucracy, but he does need to consider that due process does need to be followed and full public consultation needs to take place. That is a challenge in regard to the concern that he had, but he did make an important point about best practice. Some local authorities are doing this very well and we need to spread that best practice and examine how we can do so.

New clause 56 seeks to widen the housing ombudsman’s role to cover private sector housing and disputes between tenants and private landlords in London through requiring the Secretary of State to set up a pilot scheme, and then potentially extend it nationwide. As I set out in Committee, private sector landlords can of course already join the housing ombudsman scheme on a voluntary basis. Indeed, some landlords are doing this very well and we need to spread that best practice and examine how we can do so.

Ms Buck: Given that there are three quarters of a million properties in the private rented sector that have a category one hazard, does the Minister share my disappointment that only 250 landlords a year have been prosecuted over the past eight years? Why does he not think it sensible to make a simple change in the law to allow tenants themselves to take civil action against rogue landlords?

Mr Jones: I hear what the hon. Lady says, but with this Bill we are significantly changing the dynamic so that local authorities can keep the civil penalties—penalties of up to £30,000 on a landlord—and recover money paid in housing benefit through rent repayment orders. As for why a tenant cannot go ahead and invoke a banning order as a local authority can, we need to bear in mind that first-tier tribunals will be able to issue banning orders following an application from a local housing authority. Banning orders are being introduced to help deal with landlords who repeatedly fail to comply with their legal responsibilities. The important point is that local housing authorities will have the information about previous offences that have been committed by the landlord anywhere in England and will therefore be in the best position to determine whether a banning order will be the most appropriate sanction. Where a tenant or an organisation has information about a landlord’s transgression, they will be able to report it to the particular housing authority, which will now be more able to move forward with such action because they will have additional resource.

Catherine West: Will the Minister also clarify what he is thinking about in relation to increasing the fines? Is that still under consideration?

Mr Jones: As the hon. Lady will know from looking at the original Bill, the penalty—I use the word penalty rather than fine—is £5,000. That has now been increased with these amendments, which I hope she will support, to £30,000. In regard to amendments 47, 48 and 49, the process for serving warning notices in the operation of the unpaid rent condition means in practice that it will take a landlord at least 12 weeks to recover an abandoned property.

Amendments 48 and 49 would add at least a further four weeks, and amendment 47 would delay the process further if a landlord needed to seek the local authority’s view on whether the property had been abandoned. I can see that some kind of independent verification as a safeguard might, on first appearance, seem an attractive proposition. However, in addition to the obvious delay to the process that that would cause, I do not see how the local authority could deliver that verification with any more precision than the landlord. It would also create a significant new burden on local authorities.

The provisions can also be used where a property has been abandoned by the tenant and rent arrears continue to accrue. In those circumstances, it is important that landlords should be able to recover the premises with minimum delay, but while giving the tenant every opportunity to confirm that they have not abandoned it. We therefore believe that three months, or 12 weeks, is the right period. We brought forward a number of further safeguards in Committee including a third warning notice, which must be affixed to the property.

I am conscious of the time, and I hope that colleagues who have tabled amendments as part of this group will not divide the House unnecessarily. The Government amendments will also confirm our support for an
independent housing association sector that has freedom to deliver the homes people need and I commend them to the House.

Question put and agreed to.

New clause 6 accordingly read a Second time, and added to the Bill.

New Schedule 1

REDUCING SOCIAL HOUSING REGULATION

PART 1

REMOVAL OF DISPOSAL CONSENT REQUIREMENTS

Housing Act 1985 (c. 68)

1 (1) Section 171D of the Housing Act 1985 (consent to certain disposals of housing obtained subject to the preserved right to buy) is amended as follows.

(2) After subsection (2) insert—

“(2ZA) Subsection (2) does not apply to a disposal of land by a private registered provider of social housing.”

(3) In subsection (2A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

Housing Act 1988 (c. 50)

2 The Housing Act 1988 is amended as follows.

3 (1) Section 81 (consent to certain disposals of housing obtained from housing action trusts) is amended as follows.

(2) In subsection (1), for “section 79(2)(za) or (a)” substitute “section 79(2)(a)”.

(3) In subsection (3A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008”.

4 (1) Section 133 (consent to certain disposals of housing obtained from local authorities) is amended as follows.

(2) In subsection (1ZA)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(3) For subsection (1B) substitute—

“(1B) This section does not apply if the original disposal was made to a private registered provider of social housing.”

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008”.

Local Government and Housing Act 1989 (c. 42)

5 (1) Section 173 of the Local Government and Housing Act 1989 (consent to certain disposals of housing obtained from new town corporations) is amended as follows.

(2) After subsection (1) insert—

“(1ZA) Subsection (1) does not apply to a disposal of land by a private registered provider of social housing.”

(3) In subsection (1A)—

(a) omit paragraph (a);

(b) in paragraph (b), for “any other” substitute “a”.

(4) In subsection (7), omit “section 148 or 172 of the Housing and Regeneration Act 2008”.

Leasehold Reform, Housing and Urban Development Act 1993 (c. 28)

6 In Schedule 10 to the Leasehold Reform, Housing and Urban Development Act 1993 (acquisition of Interests from Local Authorities etc), in paragraph 1(2)(b), for “sections 148 and 172” substitute “section 148”.

Housing and Regeneration Act 2008

7 The Housing and Regeneration Act 2008 is amended as follows.

8 In section 60 (structural overview), in subsection (4), in the final column of the entry relating to Chapter 5 of Part 2 of the Act—

(a) for paragraph (b) (Regulator’s consent) substitute—

“(b) Notification of regulator”;

(b) omit paragraphs (c), (d) and (g).

9 After section 74 insert—

“(74A Leaving the social housing stock: transfer by private providers

(1) A dwelling ceases to be social housing if a private registered provider of social housing owns the freehold or a leasehold interest and transfers it to a person who is not a registered provider of social housing.

(2) Subsection (1) does not apply if and for so long as the private registered provider has a right to have the interest transferred back to it.

(3) Subsection (1) does not apply where low cost home ownership accommodation is transferred to—

(a) the “buyer” under equity percentage arrangements (see section 70(5)), or

(b) the trustees under a shared ownership trust (see section 70(6)).

(4) See section 73 for circumstances when low cost home ownership accommodation ceases to be social housing.”

10 (1) Section 75 (leaving the social housing stock) is amended as follows.

(2) Omit subsection (1).

(3) In subsections (2) and (3), for “section 79(2)(za) or (a)” substitute “Subsection (1A)” does.

(4) In the heading, after “stock:” insert “local authority”.

11 In section 119 (de-registration: voluntary), in subsection (5), omit paragraph (a) and the “and” at the end of that paragraph.

12 In section 149 (moratorium: exempted disposals)—

(a) omit subsection (6);

(b) in subsection (7), for “6” substitute “5”;

(c) in subsection (8), for “7” substitute “6”.

13 In section 171 (power to dispose), in subsection (3), omit “(which include provisions requiring the regulator’s consent for certain disposals)”.

14 For the italic heading above section 172 substitute—

“Notification of Regulator”.

15 Omit sections 172 to 175 (disposal consents).

16 For section 176 substitute—

“176 Notification of disposal

(1) If a private registered provider disposes of a dwelling that is social housing it must notify the regulator.

(2) If a non-profit registered provider disposes of land other than a dwelling it must notify the regulator.

(3) Subsection (1) continues to apply to any land of a private registered provider even if it has ceased to be a dwelling.

(4) The regulator may give directions about—

(a) the period within which notifications under subsection (1) or (2) must be given;

(b) the content of those notifications.

(5) The regulator may give directions dispensing with the notification requirement in subsection (1) or (2).

(6) A direction under this section may be—

(a) general, or

(b) specific (whether as to particular registered providers, as to particular property, as to particular forms of disposal or in any other way).
(7) A direction dispensing with a notification requirement—
(a) may be expressed by reference to a policy for disposals
completed by a registered provider;
(b) may include conditions.
(8) The regulator must make arrangements for bringing a
direction under this section to the attention of every registered
provider to which it applies.”
17 Omit section 179 and the italic heading before it (application of
provisions of the Housing Act 1996 that have a connection
disposal consents.)
18 In section 186 (former registered providers), for “to 175”
substitute “and 176 (apart from section 176(2))”.
19 Omit section 187 (change of use, etc).
20 Omit section 190 (consent to disposals under other
legislation).
21 In section 278A (power to nominate for consultation
purposes), for paragraph (b) substitute—
“(b) section 176”.

PART 2

RESTRUCTURING AND DISSOLUTION: REMOVAL OF CONSENT REQUIREMENTS ETC

22 The Housing and Regeneration Act 2008 is amended as
follows.
23 In section 115 (profit-making and non-profit organisations),
in subsection (9), after “non-profit organisation” insert “or vice
versa”.
24 For section 160 substitute—
“160 Company: arrangements and reconstructions
(1) This section applies to a non-profit registered provider
which is a registered company. The registered provider must
notify the regulator of any voluntary arrangement under Part 1
(2) The registered provider must notify the regulator of any
order under section 899 of the Companies Act 2006 (court
sanction for compromise or arrangement).
(3) An order under section 899 of Companies Act 2006 does
not take effect until the registered provider has confirmed to the
registrar of companies that the regulator has been notified.
(4) The registered provider must notify the regulator of any
order under section 900 of the Companies Act 2006 (powers of
court to facilitate reconstruction or amalgamation).
(5) The requirement in section 900(6) of the Companies
Act 2006 (sending copy of order to registrar) is satisfied only if
the copy is accompanied by confirmation that the regulator has
been notified.”
25 For section 161 substitute—
“161 Company: conversion into registered society
(1) This section applies to a non-profit registered provider
which is a registered company.
(2) The registered provider must notify the regulator of any
resolution under section 115 of the Co-operative and
Community Benefit Societies Act 2014 for converting the
registered provider into a registered society.
(3) The registrar of companies may register a resolution passed by the society for the purposes of the
restructuring provisions listed in subsection (4).
(4) The following provisions of the Co-operative and
Community Benefit Societies Act 2014 are the restructuring
provisions—
(a) section 109 (amalgamation of societies);
(b) section 110 (transfer of engagements between
societies);
(c) section 112 (conversion of society into a company etc).
(5) The regulator must decide whether the body created or to
whom engagements are transferred (“the new body”) is eligible
for registration under section 112.
(6) If the new body is eligible for registration, the regulator
must register it and designate it as a non-profit organisation.
(7) If the new body is not eligible for registration, the regulator
must notify it of that fact.
(8) Pending registration, or notification that it is not eligible
for registration, the new body is to be treated as if it were
registered and designated as a non-profit organisation.
26 For section 163 substitute—
“163 Registered society: restructuring
(1) This section applies to a non-profit registered provider
which is a registered society.
(2) The registered provider must notify the regulator of any
resolution passed by the society for the purposes of the
restructuring provisions listed in subsection (4).
(3) The Financial Conduct Authority may register the
resolution only if the registered provider has confirmed to the
Financial Conduct Authority that the regulator has been notified.
(4) The following provisions of the Co-operative and
Community Benefit Societies Act 2014 are the restructuring
provisions—
(a) section 109 (amalgamation of societies);
(b) section 110 (transfer of engagements between
societies);
(c) section 112 (conversion of society into a company etc).
(5) The regulator must decide whether the body created or to
whom engagements are transferred (“the new body”) is eligible
for registration under section 112.
(6) If the new body is eligible for registration, the regulator
must register it and designate it as a non-profit organisation.
(7) If the new body is not eligible for registration, the regulator
must notify it of that fact.
(8) Pending registration, or notification that it is not eligible
for registration, the new body is to be treated as if it were
registered and designated as a non-profit organisation.
27 In section 165 (registered society: dissolution), for
subsection (2) substitute—
“(2) The registered provider must notify the regulator.
(3) The Financial Conduct Authority may register the
instrument under section 121 of that Act, or cause notice of the
dissolution to be advertised under section 122 of that Act, only if
the registered provider has confirmed to the Financial Conduct
Authority that the regulator has been notified.”
28 Omit section 166 (winding up petition by regulator).
29 After section 169 insert—
“Notification of constitutional changes
169A Registered societies: change of rules
A non-profit registered provider that is a registered society
must notify the regulator of any change to the society’s rules.
169B Charity: change of objects
The trustees of a registered charity that is a non-profit
registered provider must notify the regulator of any amendment
to the charity’s objects.
169C Companies: change of articles etc
A non-profit registered provider that is a registered company
must notify the regulator of—
(a) any amendment of the company’s articles of
association,
(b) any change to its name or registered office.”
Directions about notifications
169D Directions about notifications
’(1) The regulator may give directions about—
(a) the period within which notifications under sections
160 to 165 or 169A to 169C must be given by private
registered providers;
(b) the content of those notifications.
(2) The regulator may give directions dispensing with
notification requirements imposed by sections 160 to 165 or
169A to 169C.
(3) A direction under this section may be—
(a) general, or
(b) specific (whether as to particular registered providers, particular kinds of notification requirement or in any other way).

(4) A direction dispensing with a notification requirement may include conditions.

(5) The regulator must make arrangements for bringing a direction under this section to the attention of every registered provider to which it applies.”

30 In section 192 (overview), omit paragraph (c).

31 Omit sections 211 to 214 and the italic heading before section 211 (constitutional changes to non-profit providers).

PART 3

ABOLITION OF DISPOSAL PROCEEDS FUND

32 In the Housing and Regeneration Act 2008 omit—

(a) sections 177 and 178;

(b) the italic heading before section 177.

33 Regulations under section 152 in connection with the coming into force of paragraph 32 may, in particular, include provision to preserve the effect of sections 177 and 178 of the Housing and Regeneration Act 2008 for a period in relation to sums in a private registered provider’s disposal proceeds fund immediately before that paragraph comes into force (including later interest added under section 177(7) of that Act).

PART 4

ENFORCEMENT POWERS

34 The Housing and Regeneration Act 2008 is amended as follows.

35 In section 269 (appointment of new officers of non-profit registered providers) in subsection (1)(c), for “proper management of the body’s affairs” substitute “to ensure that the registered provider’s affairs are managed in accordance with legal requirements (imposed by or under an Act or otherwise)”.

36 In section 275 (interpretation), for the definition of “mismanagement” substitute—

“‘mismanagement’, in relation to the affairs of a registered provider, means managed in breach of any legal requirements (imposed by or under an Act or otherwise)”.

Brought up, read the First and Second time, and added to the Bill.

Amendment made: 4, page 33, line 6, leave out clause 78.—(Mr Marcus Jones.)

Clause 78 amends legislation that requires private registered providers to obtain consent before disposing of property. The purpose of the clause was to allow a disposal to refer to the right to buy deal. This clause is no longer needed because NSI removes the general requirements for private registered providers to obtain consent before disposing of property:

Clause 153

REGULATIONS: GENERAL

Amendments made: 6, page 76, line 22, leave out paragraph (b).

This is consequential on amendment 4.

Amendment 5, page 76, line 23, at end insert—

“( ) regulations under section (Conduct of housing administration etc) or paragraph 44 of Schedule (Conduct of housing administration: companies),”

—(Mr Marcus Jones.)

This ensures that the regulations mentioned in the amendment are subject to affirmative procedure.

New Clause 7

RECOVERY OF SOCIAL HOUSING ASSISTANCE: SUCCESSORS IN TITLE

“(1) Section 33 of the Housing and Regeneration Act 2008 (recovery of social housing assistance: interest and successors in title) is amended as follows.

(2) In subsection (6)(b), after “another person” insert (“the successor”).

(3) After subsection (6) insert—

“(6A) But subsection (7) does not apply if—

(a) the successor is a person other than a registered provider of social housing, and

(b) at any time since the social housing assistance was given—

(i) a person has enforced a security over the social housing, or

(ii) the social housing has been disposed of by a body while it is being wound up or is in administration.”

(4) In subsection (7) for “that other person” substitute “the successor”.

Where the Homes and Community Agency gives financial assistance on condition that the recipient provides social housing, there are currently circumstances in which the financial assistance can be recovered from a successor in title to the recipient. The amendment limits the ability to recover from a successor in title in certain circumstances, for example where a mortgagee has taken steps to recover possession.

Brought up, read the First and Second time, and added to the Bill.

New Clause 8

HOUSING ADMINISTRATION ORDER: PROVIDERS OF SOCIAL HOUSING IN ENGLAND

“(1) In this Chapter “housing administration order” means an order which—

(a) is made by the court in relation to a private registered provider of social housing that is—

(i) a company,

(ii) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(iii) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011, and

(b) directs that, while the order is in force, the provider’s affairs, business and property are to be managed by a person appointed by the court.

(2) The person appointed for the purposes of the housing administration order is referred to in this Chapter as the “housing administrator”.

(3) The housing administrator must—

(a) manage the provider’s affairs, business and property so as to achieve the objective set out in section (Objective of housing administration), and

(b) carry out all other functions so as to achieve that objective.

(4) In relation to a housing administration order applying to a registered provider that is a foreign company, references in this section to the provider’s affairs, business and property are references to its UK affairs, business and property.”

—(Mr Marcus Jones.)

This is the first of a number new clauses designed to introduce a special administration regime for private registered providers of social housing that have become insolvent. There are also restrictions on other insolvency procedures. The intention is for
these new clauses to form a new Chapter in Part 4 of the Bill. References in the amendments to “this Chapter” or to “Chapter 3A” are to the new Chapter.

Brought up, read the First and Second time, and added to the Bill.

New Clause 9

OBJECTIVE OF HOUSING ADMINISTRATION

“(1) The objective of a housing administration is to ensure that—

(a) that the registered provider’s social housing remains in the regulated housing sector, and

(b) that it becomes unnecessary, by one or more of the following means, for the housing administration order to remain in force for that purpose.

(2) Those means are—

(a) the rescue as a going concern of the registered provider, and

(b) relevant transfers of some or all of the registered provider’s undertaking.

(3) A transfer is a “relevant” transfer if it is a transfer as a going concern to another private registered provider, or to two or more different providers, of so much of the undertaking as it is appropriate to transfer for the purpose of achieving the objective of the housing administration.

(4) The means by which relevant transfers may be effected in the case where the registered provider subject to the order is a company include, in particular—

(a) a transfer of the undertaking of the registered provider subject to the order, or of a part of its undertaking, to a wholly-owned subsidiary of that provider, and

(b) a transfer to a registered provider of securities of a wholly-owned subsidiary to which there has been a transfer within paragraph (a).

(5) In subsection (4) “wholly-owned subsidiary” has the meaning given by section 1159 of the Companies Act 2006.

(6) The objective of a housing administration may be achieved by relevant transfers to the extent only that—

(a) the rescue as a going concern of the registered provider is not reasonably practicable or is not reasonably practicable without the transfers,

(b) the rescue of the registered provider as a going concern would not achieve the objective of the housing administration or would not do so without the transfers,

(c) the transfers would produce a result for the registered provider’s creditors as a whole that is better than the result that would be produced without them, or

(d) the transfers would, without prejudicing the interests of the registered provider’s creditors as a whole, produce a result for the registered provider’s members as a whole that is better than the result that would be produced without them.

(7) In the case of a charitable incorporated organisation, the reference in subsection (6)(d) to the registered provider’s members is to be read as a reference to the charitable incorporated organisation.

(8) For the purposes of subsection (1)(a) social housing remains in the regulated housing sector for so long as it is owned by a private registered provider.” —[Mr Marcus Jones]

See Member’s explanatory statement for NC9.

Brought up, read the First and Second time, and added to the Bill.

New Clause 10

APPLICATIONS FOR HOUSING ADMINISTRATION ORDERS

“(1) An application for a housing administration order may be made only—

(a) by the Secretary of State, or

(b) with the consent of the Secretary of State, by the Regulator of Social Housing.

(2) The applicant for a housing administration order in relation to a registered provider must give notice of the application to—

(a) every person who has appointed an administrative receiver of the provider,

(b) every person who is or may be entitled to appoint an administrative receiver of the registered provider, every person who is or may be entitled to make an appointment in relation to the registered provider under paragraph 14 of Schedule B1 to the Insolvency Act 1986 (appointment of administrators by holders of floating charges), and

(c) any other persons specified by housing administration rules.

(3) The notice must be given as soon as possible after the making of the application.

(4) In this section “administrative receiver” means—

(a) an administrative receiver within the meaning given by section 251 of the Insolvency Act 1986 for the purposes of Parts 1 to 7 of that Act, or in relation to a foreign company, a person whose functions are equivalent to those of an administrative receiver and relate only to its UK affairs, business and property.” —[Mr Marcus Jones]

See Member’s explanatory statement for NC10.

Brought up, read the First and Second time, and added to the Bill.

New Clause 11

POWERS OF COURT

“(1) On hearing an application for a housing administration order, the court has the following powers—

(a) it may make the order,

(b) it may dismiss the application,

(c) it may adjourn the hearing conditionally or unconditionally,

(d) it may make an interim order,

(e) it may treat the application as a winding-up petition and make any order the court could make under section 125 of the Insolvency Act 1986 (power of court on hearing winding-up petition), and

(f) it may make any other order which it thinks appropriate.

(2) The court may make a housing administration order in relation to a registered provider only if it is satisfied—

(a) that the registered provider is unable, or is likely to be unable, to pay its debts, or

(b) that, on a petition by the Secretary of State under section 124A of the Insolvency Act 1986, it would be just and equitable (disregarding the objective of the housing administration) to wind up the registered provider in the public interest.

(3) The court may not make a housing administration order on the ground set out in subsection (2)(b) unless the Secretary of State has certified to the court that the case is one in which the Secretary of State considers (disregarding the objective of the housing administration) that it would be appropriate to petition under section 124A of the Insolvency Act 1986.

See Member’s explanatory statement for NC11.

Brought up, read the First and Second time, and added to the Bill.
(4) The court has no power to make a housing administration order in relation to a registered provider which—
(a) is in administration under Schedule B1 to the Insolvency Act 1986, or
(b) has gone into liquidation (within the meaning of section 247(2) of the Insolvency Act 1986).
(5) A housing administration order comes into force—
(a) at the time appointed by the court, or
(b) if no time is appointed by the court, when the order is made.
(6) An interim order under subsection (1)(d) may, in particular—
(a) restrict the exercise of a power of the registered provider or of its relevant officers, or
(b) make provision conferring a discretion on a person qualified to act as an insolvency practitioner in relation to the registered provider.
(7) In subsection (6)(a) “relevant officer”—
(a) in relation to a company, means a director,
(b) in relation to a registered society, means a member of the management committee or other directing body of the society, and
(c) in relation to a charitable incorporated organisation, means a charity trustee (as defined by section 177 of the Charities Act 2011).
(8) In the case of a foreign company, subsection (6)(a) is to be read as a reference to restricting the exercise of a power of the registered provider or of its directors—
(a) within the United Kingdom, or
(b) in relation to the company’s UK affairs, business or property.
(9) For the purposes of this section a registered provider is unable to pay its debts if—
(a) it is deemed to be unable to pay its debts under section 123 of the Insolvency Act 1986, or
(b) it is an unregistered company which is deemed, as a result of any of sections 222 to 224 of the Insolvency Act 1986, to be so unable for the purposes of section 221 of that Act, or which would be so deemed if it were an unregistered company for the purposes of those sections.”.—[Mr Marcus Jones.]
See Member’s explanatory statement for NC8.
Brought up, read the First and Second time, and added to the Bill.

New Clause 12

HOUSING ADMINISTRATORS

“(1) The housing administrator of a registered provider—
(a) is an officer of the court, and
(b) in carrying out functions in relation to the registered provider, is the registered provider’s agent.
(2) The management by the housing administrator of a registered provider of any of its affairs, business or property must be carried out for the purpose of achieving the objective of the housing administration as quickly and as efficiently as is reasonably practicable.
(3) The housing administrator of a registered provider must carry out functions in the way which, so far as it is consistent with the objective of the housing administration to do so, best protects—
(a) the interests of the registered provider’s creditors as a whole, and
(b) subject to those interests, the interests of the registered provider’s members as a whole.
(4) In the case of a charitable incorporated organisation, the reference in subsection (3)(b) to the interests of members is to the interests of the charitable incorporated organisation.
(5) A person is not to be the housing administrator of a registered provider unless qualified to act as an insolvency practitioner in relation to the registered provider.
(6) If the court appoints two or more persons as the housing administrator of a registered provider, the appointment must set out—
(a) which (if any) of the functions of a housing administrator are to be carried out only by the appointees acting jointly,
(b) the circumstances (if any) in which functions of a housing administrator are functions of one of the appointees, or by particular appointees, acting alone, and
(c) the circumstances (if any) in which things done in relation to one of the appointees, or in relation to particular appointees, are to be treated as done in relation to all of them.”.—[Mr Marcus Jones.]
See Member’s explanatory statement for NC8.
Brought up, read the First and Second time, and added to the Bill.

New Clause 13

CONDUCT OF ADMINISTRATION ETC

“(1) Schedule (Conduct of housing administration: companies) contains provision applying the provisions of Schedule B1 to the Insolvency Act 1986, and certain other legislation, to housing administration orders in relation to companies.
(2) The Secretary of State may by regulations provide for any provision of Schedule B1 to the Insolvency Act 1986 or any other insolvency legislation to apply, with or without modifications, to cases where a housing administration order is made in relation to a registered society or a charitable incorporated organisation.
(3) The Secretary of State may by regulations modify any insolvency legislation as it applies in relation to a registered society or a charitable incorporated organisation if the Secretary State considers the modifications are appropriate in connection with any provision made by or under this Chapter.
(4) In subsection (3) “insolvency legislation” means—
(a) the Insolvency Act 1986, or
(b) any other legislation (whenever passed or made) that relates to insolvency or makes provision by reference to anything that is or may be done under the Insolvency Act 1986.
(5) The power to make rules under section 411 of the Insolvency Act 1986 is to apply for the purpose of giving effect to this Chapter as it applies for the purpose of giving effect to Parts 1 to 7 of that Act (and, accordingly, as if references in that section to those Parts included references to this Chapter).
(6) Section 413(2) of the Insolvency Act 1986 (duty to consult Insolvency Rules Committee about rules) does not apply to rules made under section 411 of that Act as a result of this section.”.—[Mr Marcus Jones.]
See Member’s explanatory statement for NC8.
Brought up, read the First and Second time, and added to the Bill.

New Clause 14

WINDING-UP ORDERS

“(1) This section applies if a person other than the Secretary of State petitions for the winding-up of a registered provider that is—
(a) a company,
(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.
(2) he court may not exercise its powers on a winding-up petition unless—If an application for a housing administration order in relation to the registered provider is made to the court in accordance with section (Applications for housing administration orders) before a winding-up order is made on the petition, the court may exercise its powers under section (Powers of court) (instead of exercising its powers on the petition).

(a) notice of the petition has been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since that notice was given.

(3) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (2)(a).

(4) References in this section to the court’s powers on a winding-up petition are to—

(a) its powers under section 125 of the Insolvency Act 1986 (other than its power of adjournment), and

(b) its powers under section 135 of the Insolvency Act 1986.”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 15

VOLUNTARY WINDING UP

“(1) This section applies to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) The registered provider has no power to pass a resolution for voluntary winding up without the permission of the court.

(3) Permission may be granted by the court only on an application made by the registered provider.

(4) The court may not grant permission unless—

(a) notice of the application has been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since that notice was given.

(5) If an application for a housing administration order in relation to the registered provider is made to the court in accordance with section (Applications for housing administration orders) after an application for permission under this section has been made and before it is granted, the court may exercise its powers under section (Powers of court).

(6) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (4)(a).

(7) In this section “ordinary administration application” means an application in accordance with paragraph 12 of Schedule B1 to the Insolvency Act 1986.”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 16

MAKING OF ORDINARY ADMINISTRATION ORDERS

“(1) This section applies if a person other than the Secretary of State makes an ordinary administration application in relation to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) The court must dismiss the application if—

(a) a housing administration order is in force in relation to the registered provider, or

(b) a housing administration order has been made in relation to the registered provider but is not yet in force.

(3) If subsection (2) does not apply, the court, on hearing the application, must not exercise its powers under section (Powers of court) unless—

(a) notice of the application has been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since that notice was given, and

(c) there is no application for a housing administration order which is outstanding.

(4) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (2)(a).

(5) Paragraph 44 of Schedule B1 to the Insolvency Act 1986 (interim moratorium) does not prevent, or require the permission of the court for, the making of an application for a housing administration order.

(6) On the making of a housing administration order in relation to a registered provider, the court must dismiss any ordinary administration application made in relation to the registered provider which is outstanding.

(7) In this section “ordinary administration application” means an application in accordance with paragraph 12 of Schedule B1 to the Insolvency Act 1986.”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 17

ADMINISTRATOR APPOINTMENTS BY CREDITORS

“(1) Subsections (2) to (4) make provision about appointments under paragraph 14 or 22 of Schedule B1 to the Insolvency Act 1986 (powers to appoint administrators) in relation to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011.

(2) If in any case—

(a) a housing administration order is in force in relation to the registered provider;

(b) a housing administration order has been made in relation to the registered provider but is not yet in force, or

(c) an application for a housing administration order in relation to the registered provider is outstanding, a person may not take any step to make an appointment.

(3) In any other case, an appointment takes effect only if each of the following conditions are met.

(4) The conditions are—

(a) that notice of the appointment has been given to the Regulator of Social Housing, accompanied by a copy of every document in relation to the appointment that is filed or lodged with the court in accordance with paragraph 18 or 29 of Schedule B1 to the Insolvency Act 1986,

(b) that a period of 28 days has elapsed since that notice was given,
(c) that there is no outstanding application to the court for a housing administration order in relation to the registered provider, and

(d) that the making of an application for a housing administration order in relation to the registered provider has not resulted in the making of a housing administration order which is in force or is still to come into force.

(5) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (4)(a) (and a copy of the accompanying documents).

(6) Paragraph 44 of Schedule B1 to the Insolvency Act 1986 (interim moratorium) does not prevent, or require the permission of the court for, the making of an application for a housing administration order at any time before the appointment takes effect.”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 18

ENFORCEMENT OF SECURITY

“(1) This section applies in relation to a private registered provider that is—

(a) a company,

(b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or

(c) a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011

(2) A person may not take any step to enforce a security over property of the registered provider unless—

(a) notice of the intention to do so as been given to the Regulator of Social Housing, and

(b) a period of at least 28 days has elapsed since the notice was given.

(3) In the case of a company which is a foreign company, the reference to the property of the company is to its property in the United Kingdom.

(4) The Regulator of Social Housing must give the Secretary of State a copy of any notice given under subsection (2)(a).”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 19

GRANTS AND LOANS WHERE HOUSING ADMINISTRATION ORDER IS MADE

“(1) If a housing administration order has been made in relation to a registered provider, the Secretary of State may make grants or loans to the registered provider of such amounts as appear to the Secretary of State appropriate for achieving the objective of the housing administration.

(2) A grant under this section may be made on any terms and conditions the Secretary of State considers appropriate (including provision for repayment, with or without interest).”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 20

INDEMNITIES WHERE HOUSING ADMINISTRATION ORDER IS MADE

“(1) If a housing administration order has been made in relation to a registered provider, the Secretary of State may agree to indemnify persons in respect of one or both of the following—

(a) liabilities incurred in connection with the carrying out of functions by the housing administrator, and

(b) loss or damage sustained in that connection.

(2) The agreement may be made in whatever manner, and on whatever terms, the Secretary of State considers appropriate.

(3) As soon as practicable after agreeing to indemnify persons under this section, the Secretary of State must lay a statement of the agreement before Parliament.

(4) For repayment of sums paid by the Secretary of State in consequence of an indemnity agreed to under this section, see section (Indemnities: repayment by registered provider etc).

(5) The power of the Secretary of State to agree to indemnify persons—

(a) is confined to a power to agree to indemnify persons in respect of liabilities, loss and damage incurred or sustained by them as relevant persons, but

(b) includes power to agree to indemnify persons (whether or not they are identified or identifiable at the time of the agreement) who subsequently become relevant persons.

(6) The following are relevant persons for the purposes of this section—

(a) the housing administrator,

(b) an employee of the housing administrator,

(c) a partner or employee of a firm of which the housing administrator is a partner,

(d) a partner or employee of a firm of which the housing administrator is an employee,

(e) a partner of a firm of which the housing administrator was an employee or partner at a time when the order was in force,

(f) a body corporate which is the employer of the housing administrator,

(g) an officer, employee or member of such a body corporate, and

(h) a Scottish firm which is the employer of the housing administrator or of which the housing administrator is a partner.

(7) For the purposes of subsection (6)—

(a) references to the housing administrator are to be read, where two or more persons are appointed as the housing administrator, as references to any one or more of them, and

(b) references to a firm of which a person was a partner or employee at a particular time include a firm which holds itself out to be the successor of a firm of which the person was a partner or employee at that time.”—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 21

INDEMNITIES: REPAYMENT BY REGISTERED PROVIDER ETC

“(1) This section applies where a sum is paid out by the Secretary of State in consequence of an indemnity agreed to under section (Indemnities where housing administration order is made) in relation to the housing administrator of a registered provider.
New Clause 22

GUARANTEES WHERE HOUSING ADMINISTRATION ORDER IS MADE

“(1) If a housing administration order has been made in relation to a registered provider the Secretary of State may give guarantees that—
(a) the repayment of any sum borrowed by the registered provider while that order is in force,
(b) the payment of interest on any sum borrowed by the registered provider while that order is in force,
(c) the discharge of any other financial obligation of the registered provider in connection with the borrowing of any sum while that order is in force.

(2) The Secretary of State may give guarantees in whatever manner, and on whatever terms, the Secretary of State considers appropriate.

(3) As soon as practicable after giving a guarantee under this section, the Secretary of State must lay a statement of the guarantee before Parliament.

(4) For repayment of sums paid by the Secretary of State under a guarantee given under this section, see section (Guarantees: repayment by registered provider etc).

See Member’s explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 23

GUARANTEES: REPAYMENT BY REGISTERED PROVIDER ETC

“(1) This section applies where a sum is paid out by the Secretary of State under a guarantee given by the Secretary of State under section (Guarantees where housing administration order is made) in relation to a registered provider.

(2) The registered provider must pay the Secretary of State—
(a) such amounts in or towards the repayment to the Secretary of State of that sum as the Secretary of State may direct, and
(b) interest on amounts outstanding under this subsection at such rates as the Secretary of State may direct.

(3) The payments must be made by the registered provider at such times and in such manner as the Secretary of State may determine.

(4) Subsection (2) does not apply in the case of a sum paid by the Secretary of State for indemnifying a person in respect of a liability to the registered provider.

(5) The Secretary of State must lay a statement relating to the sum paid out in consequence of the indemnity—
(a) as soon as practicable after the end of the financial year in which the sum is paid out, and
(b) if subsection (2) applies to the sum, as soon as practicable after the end of each subsequent financial year in relation to which the repayment condition has not been met.

(6) The repayment condition is met in relation to a financial year if—
(a) the whole of the sum has been repaid to the Secretary of State before the beginning of the year, and
(b) the registered provider was not at any time during the year liable to pay interest on amounts that became due in respect of the sum.”

See Member’s explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 24

MODIFICATION OF THIS CHAPTER UNDER THE ENTERPRISE ACT 2002

“(1) The power to modify or apply enactments conferred on the Secretary of State by each of the sections of the Enterprise Act 2002 mentioned in subsection (2) includes power to make such consequential modifications of this Chapter as the Secretary of State considers appropriate in connection with any other provision made under that section.

(2) Those sections are—
(a) sections 248 and 277 of the Enterprise Act 2002 (amendments consequential on that Act), and
(b) section 254 of the Enterprise Act 2002 (power to apply insolvency law to foreign companies).

See Member’s explanatory statement for NC8.

Brought up, read the first and second time, and added to the Bill.

New Clause 25

REGISTERED SOCIETIES: ORDINARY ADMINISTRATION PROCEDURE ETC

In section 118 of the Co-operative and Community Benefit Societies Act 2014 (power to apply provisions about company arrangements and administration to registered societies, subject to exception in subsection (3)(a) for registered providers), in subsection (3), omit paragraph (a).”

See Member’s explanatory statement for NC8.

Section 118 of the Co-operative and Community Benefit Societies Act 2014 confers an order-making power to apply legislation about company arrangements and administration in relation to registered societies other than registered providers of social housing. This new Clause removes the exclusion in relation to registered providers of social housing.

Brought up, read the First and Second time, and added to the Bill.
New Clause 26

AMENDMENTS TO HOUSING MORATORIUM AND CONSEQUENTIAL AMENDMENTS

Schedule (Amendments to housing moratorium and consequential amendments) contains amendments to do with this Chapter."—(Mr Marcus Jones.)

Brought up, read the First and Second time, and added to the Bill.

New Clause 27

INTERPRETATION OF CHAPTER

'(1) In this Chapter—In this Chapter references to the housing administrator of a registered provider—

“business”, “member”, “property” and “security” have the same meaning as in the Insolvency Act 1986;
“charitable incorporated organisation” means a charitable incorporated organisation within the meaning of Part 11 of the Charities Act 2011;
“company” means—
(a) a company registered under the Companies Act 2006, or
(b) an unregistered company;
“the court”, in relation to a company or registered society, means the court having jurisdiction to wind up the company or registered society;
“foreign company” means a company incorporated outside the United Kingdom;
“housing administration order” has the meaning given by section (Housing administration order) and is to be read in accordance with subsection (3) below;
“housing administrator” has the meaning given by section (Conduct of housing administration etc) to this Act or regulations under section (Conduct of housing administration etc) to this Act or under section (Conduct of housing administration etc) to this Act;
“housing administration rules” means rules made in accordance with section (Conduct of housing administration etc) to this Act, and
“objective of the housing administration” is to be read in accordance with section (Objective of a housing administration);
“private registered provider” means a private registered provider of social housing (see section 80 of the Housing and Regeneration Act 2008);
“registered provider” means a registered provider of social housing (see section 80 of the Housing and Regeneration Act 2008);
“registered society” has the same meaning as in the Co-operative and Community Benefit Societies Act 2014;
“Regulator of Social Housing” has the meaning given by section 92A of the Housing and Regeneration Act 2008;
“Scottish firm” means a firm constituted under the law of Scotland;
“UK affairs, business and property”, in relation to a company, means—
(a) its affairs and business so far as carried on in the United Kingdom, and
(b) its property in the United Kingdom;
“unregistered company” means a company that is not registered under the Companies Act 2006.

(a) include a person appointed under paragraph 91 or 103 of Schedule B1 to the Insolvency Act 1986, as applied by Part 1 of Schedule (Conduct of housing administration) to this Act or regulations under section (Conduct of housing administration etc), to be the housing administrator of the registered provider, and
(b) if two or more persons are appointed as the housing administrator of the registered provider, are to be read in accordance with the provision made under section (Housing administrators).

(2) References in this Chapter to a person qualified to act as an insolvency practitioner in relation to a registered provider are to be read in accordance with Part 13 of the Insolvency Act 1986, but as if references in that Part to a company included a company registered under the Companies Act 2006 in Northern Ireland.

(3) For the purposes of this Chapter an application made to the court is outstanding if it—

(a) has not yet been granted or dismissed, and
(b) has not been withdrawn.

(4) An application is not to be taken as having been dismissed if an appeal against the dismissal of the application, or a subsequent appeal, is pending.

(5) An appeal is to be treated as pending for this purpose if—

(a) an appeal has been brought and has not been determined or withdrawn,
(b) an application for permission to appeal has been made but has not been determined or withdrawn, or
(c) no appeal has been brought and the period for bringing one is still running.

(6) References in this Chapter to a provision of the Insolvency Act 1986 (except the references in subsection (2) above)—

(a) in relation to a company, are to that provision without the modifications made by Part 1 of Schedule (Conduct of housing administration etc) to this Act,
(b) in relation to a registered society, are to that provision as it applies to registered societies otherwise than by virtue of regulations under section (Conduct of housing administration etc) (if at all), and
(c) in relation to a charitable incorporated organisation, are to that provision as it applies to charitable incorporated organisations otherwise than by virtue of regulations under section (Conduct of housing administration etc) (if at all)."—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Clause 28

APPLICATION OF PART TO NORTHERN IRELAND

'(1) This section makes provision about the application of this Chapter to Northern Ireland.

(2) Any reference to any provision of the Insolvency Act 1986 is to have effect as a reference to the corresponding provision of the Insolvency (Northern Ireland) Order 1989.

(3) Section (Interpretation of Part) (3) is to have effect as if the reference to Northern Ireland were to England and Wales or Scotland."

—(Mr Marcus Jones.)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.
New Schedule 2

CONDUCT OF HOUSING ADMINISTRATION: COMPANIES

PART 1

MODIFICATIONS OF SCHEDULE B1 TO THE INSOLVENCY ACT 1981

Introducory

1 (1) The applicable provisions of Schedule B1 to the Insolvency Act 1986 are to have effect in relation to a housing administration order that applies to a company as they have effect in relation to an administration order under that Schedule applies to a company, but with the modifications set out in this Part of this Schedule.

(2) The applicable provisions of Schedule B1 to the Insolvency Act 1986 are—

(a) paragraphs 1, 40 to 49, 54, 59 to 68, 70 to 75, 79, 83 to 91, 98 to 107, 109 to 111 and 112 to 116, and

(b) paragraph 50 (until the repeal of that paragraph by Schedule 10 to the Small Business, Enterprise and Employment Act 2015 comes into force).

General modifications of the applicable provisions

2 Those paragraphs are to have effect as if—

(a) for “administration application”, in each place, there were substituted “housing administration application”,

(b) for “administration order”, in each place, there were substituted “housing administration order”,

(c) for “administrator”, in each place, there were substituted “housing administrator”,

(d) for “enters administration”, in each place, there were substituted “enters housing administration”,

(e) for “in administration”, in each place, there were substituted “in housing administration”, and

(f) for “purpose of administration”, in each place (other than in paragraph 111(1)), there were substituted “objective of the housing administration”.

Specific modifications

3 Paragraph 1 (administration) is to have effect as if—

(a) for sub-paragraph (1) there were substituted—

“(1) In this Schedule “housing administrator”, in relation to a company, means a person appointed by the court for the purposes of a housing administration order to manage its affairs, business and property.”, and

(b) in sub-paragraph (2), for “Act” there were substituted “Schedule”.

4 Paragraph 40 (dismissal of pending winding-up petition) is to have effect as if sub-paragraphs (1)(b), (2) and (3) were omitted.

5 Paragraph 42 (moratorium on insolvency proceedings) is to have effect as if sub-paragraphs (4) and (5) were omitted.

6 Paragraph 44 (interim moratorium) is to have effect as if sub-paragraphs (2) to (4), (6) and (7)(a) to (c) were omitted.

7 Paragraph 46(6) (date for notifying administrator’s appointment) is to have effect as if for paragraphs (a) to (c) there were substituted “the date on which the housing administration order comes into force”.

8 Paragraph 49 (administrator’s proposals) is to have effect as if—

(a) in sub-paragraph (2)(b) for “objective mentioned in paragraph 3(1)(a) or (b) cannot be achieved” there were substituted “objective of the housing administration should be achieved by means other than just a rescue of the company as a going concern”, and

(b) in sub-paragraph (4), after paragraph (a) there were inserted—

“(aa) to the Secretary of State and the Regulator of Social Housing.”.

9 Paragraph 54 is to have effect as if the following were substituted for it—

“(4) The housing administrator of a company may on one or more occasions revise the proposals included in the statement made under paragraph 49 in relation to the company.

(2) If the housing administrator thinks that a revision is substantial, the housing administrator must send a copy of the revised proposals—

(a) to the registrar of companies,

(b) to the Secretary of State and the Regulator of Social Housing,

(c) to every creditor of the company, other than an opted-out creditor, of whose claim and address the housing administrator is aware, and

(d) to every member of the company of whose address the housing administrator is aware.

(3) A copy sent in accordance with sub-paragraph (2) must be sent within the prescribed period.

(4) The housing administrator is to be taken to have complied with sub-paragraph (2)(d) if the housing administrator publishes, in the prescribed manner, a notice undertaking to provide a copy of the revised proposals free of charge to any member of the company who applies in writing to a specified address.

(5) A housing administrator who fails without reasonable excuse to comply with this paragraph commits an offence.”

10 Paragraph 60 (powers of an administrator) has effect as if after that sub-paragraph (2) there were inserted—

“(3) The housing administrator of a company has the power to act on behalf of the company for the purposes of provision contained in any legislation which confers a power on the company or imposes a duty on it.

(4) In sub-paragraph (2) “legislation” has the same meaning as in the Chapter 3A of Part 4 of the Housing and Planning Act 2015.”

11 Paragraph 68 (management duties of an administrator) is to have effect as if—

(a) in sub-paragraph (1), for paragraphs (a) to (c) there were substituted “the proposals as—

(a) set out in the statement made under paragraph 49 in relation to the company, and

(b) from time to time revised under paragraph 54,

for achieving the objective of the housing administration.”, and

(b) in sub-paragraph (3), for paragraphs (a) to (d) there were substituted “the directions are consistent with the achievement of the objective of the housing administration”.

12 Paragraph 73(3) (protection for secured or preferential creditor) is to have effect as if for “or modified” there were substituted “under paragraph 54”.

13 Paragraph 74 (challenge to administrator’s conduct) is to have effect as if—

(a) for sub-paragraph (2) there were substituted—

“(2) If a company is in housing administration, a person mentioned in sub-paragraph (2)(A) or (B) may apply to the court claiming that the housing administrator is acting in a manner preventing the achievement of the objective of the housing administration as quickly and efficiently as is reasonably practicable.

(2A) The persons who may apply to the court are—

(a) the Secretary of State;

(b) with the consent of the Secretary of State, the Regulator of Social Housing;

(c) a creditor or member of the company.”,
(b) in sub-paragraph (6)—
(i) at the end of paragraph (b) there were inserted “or”, and
(ii) paragraph (c) (and the “or” before it) were omitted, and
(c) after that sub-paragraph there were inserted—
“(7) In the case of a claim made otherwise than by the Secretary of State or the Regulator of Social Housing, the court may grant a remedy or relief or make an order under this paragraph only if it has given the Secretary of State or the Regulator a reasonable opportunity of making representations about the claim and the proposed remedy, relief or order.

(8) The court may grant a remedy or relief or make an order on an application under this paragraph only if it is satisfied, in relation to the matters that are the subject of the application, that the housing administrator—
(a) is acting,
(b) has acted, or
(c) is proposing to act,
in a way that is inconsistent with the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable.

(9) Before the making of an order of the kind mentioned in sub-paragraph (4)(d)—
(a) the court must notify the housing administrator of the proposed order and of a period during which the housing administrator is to have the opportunity of taking steps falling within sub-paragraphs (10) to (12), and
(b) the period notified must have expired without the taking of such of those steps as the court thinks should have been taken, and that period must be a reasonable period.

(10) In the case of a claim under sub-paragraph (1)(a), the steps referred to in sub-paragraph (9) are—
(a) ceasing to act in a manner that unfairly harms the interests to which the claim relates,
(b) remediying any harm unfairly caused to those interests, and
(c) steps for ensuring that there is no repetition of conduct unfairly causing harm to those interests.

(11) In the case of a claim under sub-paragraph (1)(b), the steps referred to in sub-paragraph (9) are steps for ensuring that the interests to which the claim relates are not unfairly harmed.

(12) In the case of a claim under sub-paragraph (2), the steps referred to in sub-paragraph (9) are—
(a) ceasing to act in a manner preventing the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable,
(b) remediying the consequences of the housing administrator having acted in such a manner, and
(c) steps for ensuring that there is no repetition of conduct preventing the achievement of the objective of the housing administration as quickly and as efficiently as is reasonably practicable.”

14 Paragraph 75(2) (misfeasance) is to have effect as if after paragraph (b) there were inserted—
“(ba) a person appointed as an administrator of the company under the provisions of this Act, as they have effect in relation to administrators other than housing administrators,”.

15 Paragraph 79 (end of administration) is to have effect as if—
(a) for sub-paragraphs (1) and (2) there were substituted—
“(1) On an application made by a person mentioned in sub-paragraph (2), the court may provide for the appointment of a housing administrator of a company to cease to have effect from a specified time.

2) An application may be made to the court under this paragraph—
(a) by the Secretary of State,
(b) with the consent of the Secretary of State, by the Regulator of Social Housing, or
(c) with the consent of the Secretary of State, by the housing administrator.”, and
(b) sub-paragraph (3) were omitted.

16 Paragraph 83(3) (notice to registrar when moving to voluntary liquidation) is to have effect as if after “may” there were inserted “, with the consent of the Secretary of State or of the Regulator of Social Housing.”.

17 Paragraph 84 (notice to registrar when moving to dissolution) is to have effect as if—
(a) in sub-paragraph (1), for “to the registrar of companies” there were substituted—
(a) to the Secretary of State and the Regulator of Social Housing, and
(b) if directed to do so by either the Secretary of State or the Regulator of Social Housing, to the registrar of companies,”,
(b) sub-paragraph (2) were omitted, and
(c) in sub-paragraphs (3) to (6), for “(1)”, in each place, there were substituted “(1)(b)”.

18 Paragraph 87(2) (resignation of administrator) is to have effect as if for paragraphs (a) to (d) there were substituted “by notice in writing to the court”.

19 Paragraph 89(2) (administrator ceasing to be qualified) is to have effect as if for paragraphs (a) to (d) there were substituted “to the court”.

20 Paragraph 90 (filling vacancy in office of administrator) is to have effect as if for “Paragraphs 91 to 95 apply” there were substituted “Paragraph 91 applies”.

21 Paragraph 91 (vacancies in court appointments) is to have effect as if—
(a) for sub-paragraph (1) there were substituted—
“(1) The court may replace the housing administrator on an application made—
(a) by the Secretary of State,
(b) with the consent of the Secretary of State, by the Regulator of Social Housing, or
(c) where more than one person was appointed to act jointly as the housing administrator, by any of those persons who remains in office.”

(b) sub-paragraph (2) were omitted.

22 Paragraph 98 (discharge from liability on vacation of office) is to have effect as if sub-paragraphs (2)(b) and (ba), (3) and (3A) were omitted.

23 Paragraph 99 (charges and liabilities upon vacation of office by administrator) is to have effect as if—
(a) in sub-paragraph (4), for the words from the beginning to “cessation”, in the first place, there were substituted “A sum falling within sub-paragraph (4A)”.

(b) after that sub-paragraph there were inserted—
“(4A) A sum falls within this sub-paragraph if it is—
(a) a sum payable in respect of a debt or other liability arising out of a contract that was entered into before cessation by the former housing administrator or a predecessor,
(b) a sum that must be repaid by the company in respect of a grant that was made under section (Grants and loans where housing administration order is made) of the Housing and Planning Act 2015 before cessation,
(c) a sum that must be repaid by the company in respect of a loan made under that section before cessation or that must be paid by the company in respect of interest payable on such a loan,
(d) a sum payable by the company under section (Indemnities: repayment by registered provider etc) of that Act in respect of an agreement to indemnify made before cessation, or
(e) a sum payable by the company under section (Guarantees: repayment by registered provider etc) of that Act in respect of a guarantee given before cessation.

24 Paragraph 100 (joint and concurrent administrators) is to have effect as if sub-paragraph (2) were omitted.

25 Paragraph 101(3) (joint administrators) is to have effect as if after “87 to” there were inserted “91, 98 and”.

26 Paragraph 103 (appointment of additional administrators) is to have effect as if—
(a) in sub-paragraph (2) the words from the beginning to “order” were omitted and for paragraph (a) there were substituted—
(1) That period is—

“company” and “court” have the same meaning as in Chapter 3A of Part 4 of the Housing and Planning Act 2015;
“housing administration application” means an application to the court for a housing administration order under Chapter 3A of Part 4 of the Housing and Planning Act 2015;
“housing administration order” has the same meaning as in Chapter 3A of Part 4 of the Housing and Planning Act 2015;
“objective”, in relation to a housing administration, is to be read in accordance with section (Objective of housing administration) of the Housing and Planning Act 2015;
“prescribed” means prescribed by housing administration rules within the meaning of Chapter 3A of Part 4 of the Housing and Planning Act 2015;
“prescribed” means prescribed by housing administration rules within the meaning of Chapter 3A of Part 4 of the Housing and Planning Act 2015;

(b) sub-paragraphs (2) to (5) were omitted.

27 Paragraph 106(2) (penalties) is to have effect as if paragraphs (a), (b), (f), (g), (i) and (l) to (n) were omitted.

28 Paragraph 109 (references to extended periods) is to have effect as if “or 108” were omitted.

29 Paragraph 111 (interpretation) is to have effect as if—
(a) in sub-paragraph (1), the definitions of “correspondence”, “holder of a qualifying floating charge”, “the purpose of administration” and “unable to pay its debts” were omitted;
(b) in that sub-paragraph, at the appropriate places were inserted—
“(4A)(a)”.

30 (1) This Part of this Schedule applies in the case of a housing administration order applying to a foreign company.

(2) The provisions of Schedule B1 to the Insolvency Act 1986 mentioned in paragraph 1 above (as modified by Part 1 of this Schedule) have effect in relation to the company with the further modifications set out in this Part of this Schedule.

31 In paragraphs 32 to 37—
(a) the provisions of Schedule B1 to the Insolvency Act 1986 that are mentioned in paragraph 1 above are referred to as the applicable provisions, and
(b) references to those provisions, or to provisions comprised in them, are references to those provisions as modified by Part 1 of this Schedule.

Modifications

32 In the case of a foreign company—
(a) paragraphs 42(2), 83 and 84 of Schedule B1 to the Insolvency Act 1986 do not apply;
(b) paragraphs 46(4), 49(4)(a), 54(2)(a), 71(5) and (6), 72(4) and (5) and 86 of that Schedule apply only if the company is subject to a requirement imposed by regulations under section 1043 or 1046 of the Companies Act 2006 (unregistered UK companies or overseas companies), and
(c) paragraph 61 of that Schedule does not apply.

33 (1) The applicable provisions and Schedule 1 to the Insolvency Act 1986 (as applied by paragraph 60(1) of Schedule B1 to that Act) are to be read by reference to the limitation imposed on the scope of the housing administration order in question as a result of section (Housing administration order) above.

(2) Sub-paragraph (1) has effect, in particular, so that—
(a) a power conferred, or duty imposed, on the housing administrator by or under the applicable provisions or Schedule 1 to the Insolvency Act 1986 is to be read as being conferred or imposed in relation to the company’s UK affairs, business and property,
(b) references to the company’s affairs, business or property are to be read as references to its UK affairs, business and property,
(c) references to goods in the company’s possession are to be read as references to goods in its possession in the United Kingdom,
(d) references to premises let to the company are to be read as references to premises let to it in the United Kingdom,
(e) references to legal process instituted or continued against the company or its property are to be read as references to such legal process relating to its UK affairs, business and property.

34 Paragraph 41 of Schedule B1 to the Insolvency Act 1986 (dismissal of receivers) is to have effect as if—
(a) for sub-paragraph (1) there were substituted—
“(1) Where a housing administration order takes effect in respect of a company—
(a) a person appointed to perform functions equivalent to those of an administrative receiver, and
(b) if the housing administrator so requires, a person appointed to perform functions equivalent to those of a receiver,
must refrain, during the period specified in sub-paragraph (1A), from performing those functions in the United Kingdom or in relation to any of the company’s property in the United Kingdom.
(1A) That period is—
(a) in the case of a person mentioned in sub-paragraph (1)(a), the period while the company is in housing administration, and
(b) in the case of a person mentioned in sub-paragraph (1)(b), during so much of that period as is after the date on which the person is required by the housing administrator to refrain from performing functions.”,

(b) sub-paragraphs (2) to (4) were omitted.
Paragraph 43(6A) of Schedule B1 to the Insolvency Act 1986 (moratorium on appointment to receiverships) is to have effect as if for “an administrative receiver” there were substituted “a person with functions equivalent to those of an administrative receiver”.

Paragraph 44(7) of Schedule B1 to the Insolvency Act 1986 (proceedings to which interim moratorium does not apply) is to have effect as if for paragraph (d) there were substituted—

(d) the carrying out of functions by a person who (whenever appointed) has functions equivalent to those of an administrative receiver of the company.”

Paragraph 64 of Schedule B1 to the Insolvency Act 1986 (general powers of administrator) is to have effect as if—

(a) in sub-paragraph (1), after “power” there were inserted “in relation to the affairs or business of the company so far as carried on in the United Kingdom or to its property in the United Kingdom”, and

(b) in sub-paragraph (2)(b), after “instrument” there were inserted “or by the law of the place where the company is incorporated”.

PART 3

OTHER MODIFICATIONS

General modifications

38 (1) References within sub-paragraph (2) which are contained—

(a) in the Insolvency Act 1986 (other than Schedule B1 to that Act), or

(b) in other legislation passed or made before this Act, include references to whatever corresponds to them for the purposes of this paragraph,

(2) The references are those (however expressed) which are or include references to—

(a) an administrator appointed by an administration order,

(b) an administration order,

(c) an application for an administration order,

(d) a company in administration,

(e) entering into administration, and

(f) Schedule B1 to the Insolvency Act 1986 or a provision of that Schedule.

(3) For the purposes of this paragraph—

(a) a housing administrator of a company corresponds to an administrator appointed by an administration order,

(b) a housing administration order in relation to a company corresponds to an administration order,

(c) an application for a housing administration order in relation to a company corresponds to an application for an administration order,

(d) a company in housing administration corresponds to a company in administration,

(e) entering into housing administration in relation to a company corresponds to entering into administration, and

(f) what corresponds to Schedule B1 to the Insolvency Act 1986 or a provision of that Schedule is that Schedule or that provision as applied by Part 1 of this Schedule.

39 (1) Paragraph 38, in its application to section 1(3) of the Insolvency Act 1986, does not entitle the housing administrator of an unregistered company to make a proposal under Part 1 of the Insolvency Act 1986 (company voluntary arrangements).

(2) Paragraph 38 does not confer any right under section 7(4) of the Insolvency Act 1986 (implementation of voluntary arrangements) for a supervisor of voluntary arrangements to apply for a housing administration order in relation to a company that is a private registered provider.

(3) Paragraph 38 does not apply to section 359 of the Financial Services and Markets Act 2000 (administration order).

Modifications of the Insolvency Act 1986

40 The following provisions of the Insolvency Act 1986 are to have effect in the case of any housing administration with the following modifications.

41 Section 5 (effect of approval of voluntary arrangements) is to have effect as if after subsection (4) there were inserted—

(4A) Where the company is in housing administration, the court must not make an order or give a direction under subsection (3) unless—

(a) the court has given the Secretary of State or the Regulator of Social Housing a reasonable opportunity of making representations to it about the proposed order or direction, and

(b) the order or direction is consistent with the objective of the housing administration.

4B) In subsection (4A) “in housing administration” and “objective of the housing administration” are to be read in accordance with Schedule B1 to this Act, as applied by Part 1 of Schedule (Conduct of housing administration: companies) to the Housing and Planning Act 2015.”

42 Section 6 (challenge of decisions in relation to voluntary arrangements) is to have effect as if—

(a) in subsection (2), for “this section” there were substituted “subsection (1)”,

(b) after that subsection there were inserted—

“(2AA) Subject to this section, where a voluntary arrangement in relation to a company in housing administration is approved at the meetings summoned under section 3, an application to the court may be made—

(a) by the Secretary of State, or

(b) with the consent of the Secretary of State, by the Regulator of Social Housing,

on the ground that the voluntary arrangement is not consistent with the achievement of the objective of the housing administration.”,

(c) in subsection (4), after “subsection (1)” there were inserted “or, in the case of an application under subsection (2AA), as to the ground mentioned in that subsection”, and

(d) after subsection (7) there were inserted—

“(7A) In this section “in housing administration” and “objective of the housing administration” are to be read in accordance with Schedule B1 to this Act, as applied by Part 1 of Schedule (Conduct of housing administration: companies) to the Housing and Planning Act 2015.”

43 In section 129(1A) (commencement of winding up), the reference to paragraph 13(1)(e) of Schedule B1 is to include section (Powers of court)(1)(c) of this Act.

Power to make further modifications

44 (1) The Secretary of State may by regulations amend this Part of this Schedule so as to add further modifications.

(2) The further modifications that may be made are confined to such modifications of—

(a) the Insolvency Act 1986, or

(b) other legislation passed or made before this Act that relate to insolvency or make provision by reference to anything that is or may be done under the Insolvency Act 1986,

as the Secretary of State considers appropriate in relation to any provision made by or under this Chapter.
Interpretation of Part 3 of Schedule

45 In this Part of this Schedule—

"administration order", "administrator", "enters administration" and "in administration" are to be read in accordance with Schedule B1 to the Insolvency Act 1986 (disregarding Part 1 of this Schedule), and

"enters housing administration" and "in housing administration" are to be read in accordance with Schedule B1 to the Insolvency Act 1986 (as applied by Part 1 of this Schedule). (Mr Marcus Jones)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

New Schedule 3

AMENDMENTS TO HOUSING MORATORIUM AND CONSEQUENTIAL AMENDMENTS

1 The Housing and Regeneration Act 2008 is amended as follows.

2 Omit section 144 (insolvency: preparatory steps notice).

3 For section 145 substitute—

"145 Moratorium

(none) A moratorium on the disposal of land by a private registered provider begins if a notice is given to the regulator under any of the following provisions of the Housing and Planning Act 2015—

(a) section (Winding-up orders)(2)(a) (notice of winding up petition);
(b) section (Voluntary winding up)(4)(a) (notice of application for permission to pass a resolution for voluntary winding up);
(c) section (Making of ordinary administration orders)(3)(a) (notice of ordinary administration application);
(d) section (Administrator appointments by creditors)(4)(a) (notice of appointment of ordinary administrator);
(e) section (Enforcement of security)(2)(a) (notice of intention to enforce security)."

4 (1) Section 146 (duration of moratorium) is amended as follows.

(2) For subsections (1) and (2) substitute—

“(1) The moratorium begins when the notice mentioned in section 145 is given.

(2) The moratorium ends when one of the following occurs—

(a) the expiry of the relevant period,
(b) the making of a housing administration order under Chapter 3A of Part 4 of the Housing and Planning Act 2015 in relation to the registered provider, or
(c) the cancellation of the moratorium (see subsection (5))."

2A The “relevant period” is—

(a) the period of 28 days beginning with the day on which the notice mentioned in section 145 is given, plus

(b) any period by which that period is extended under subsection (3)."

3 Omit subsection (6).

4 For subsection (9) substitute—

“(9) If a notice mentioned in section 145 is given during a moratorium, that does not—

(a) start a new moratorium, or
(b) alter the existing moratorium’s duration.”

5 (1) Section 147 (further moratorium) is amended as follows.

(2) In subsection (1)(b), for “step specified in section 145 is taken” substitute “notice mentioned in section 145 is given”.

(3) In subsection (2), for “step” substitute “notice”.

6 In section 154 (proposals: effect), in subsection (2), after paragraph (a) insert—

“(aa) in the case of a charitable incorporated organisation, its charity trustees (as defined by section 177 of the Charities Act 2011),”.

7 Omit section 162 (consent to company winding up).

8 Omit section 164 (consent to registered society winding up).

9 In section 275 (general interpretation), omit the definition of “working day”.

10 In section 276 (index of defined terms), omit the entry relating to “working day”. (Mr Marcus Jones)

See Member’s explanatory statement for NC8.

Brought up, read the First and Second time, and added to the Bill.

Clause 154

EXTENT

Amendment made: 7, page 77, line 4, leave out “This Part extends” and insert

“Chapter 3A of Part 4 and this Part extend” —(Mr Marcus Jones.)

This ensures that the new clauses about special administration for private registered providers etc extend throughout the United Kingdom.

New Clause 37

CONTENT OF BANNING ORDER: COMPANY INVOLVEMENT

“(1) A banning order may include provision banning the person against whom it is made from being involved in any company that carries out an activity that the person is banned by the order from carrying out.

(2) For this purpose a person is “involved” in a company if the person acts as an officer of the company or directly or indirectly takes part in or is concerned in the management of the company.”

This new Clause allows the Tribunal when making a banning order under Part 2 of the Bill to ban a person from being involved in certain companies. It is intended, in part, as an anti-avoidance measure. (Mr Marcus Jones.)

Brought up, read the First and Second time, and added to the Bill.

Clause 13

“BANNING ORDER” AND “BANNING ORDER OFFENCE”

Amendment made: 12, page 9, line 12, at end insert—

“( ) See also section (Content of banning order: company involvement) (which enables a banning order to include a ban on involvement in certain companies).” —(Mr Marcus Jones.)

See Member’s explanatory statement for NC37.

Clause 16

DURATION AND EFFECT OF BANNING ORDER

Amendments made: 13, page 10, line 24, leave out “the ban for each banned activity” and insert

“each ban imposed by the order”.

This amendment and amendment 15 ensure that the provisions of clause 16 apply to a ban on involvement in a company as envisaged by NC37.
Amendment 14, page 10, line 25, leave out “6” and insert “12”.
This amendment increases the minimum length of a ban imposed by a banning order to 12 months.
Amendment 15, page 10, line 26, leave out first “the” and insert “a”. —[Mr Marcus Jones.]
See Member’s explanatory statement for amendment 13.

Clause 21

FINANCIAL PENALTY FOR BREACH OF BANNING ORDER
Amendment made: 16, page 12, line 15, leave out “£5,000” and insert “£30,000”. —[Mr Marcus Jones.]
This increases the maximum financial penalty that may be imposed where a person has breached a banning order.

Clause 28

POWER TO INCLUDE PERSON CONVICTED OF BANNING ORDER OFFENCE
Amendment made: 17, page 14, line 16, at end insert—

'(1A) A local housing authority in England may make an entry in the database in respect of a person who has, at least twice within a period of 12 months, received a financial penalty in respect of a banning order offence committed at a time when the person was a residential landlord or a property agent.

(1B) A financial penalty is to be taken into account for the purposes of subsection (1A) only if the period for appealing the penalty has expired and any appeal has been finally determined or withdrawn.” —[Mr Marcus Jones.]
This extends the power to include people in the database of rogue landlords and property agents.

Clause 29

PROCEDURE FOR INCLUSION UNDER SECTION 28
Amendment made: 18, page 15, line 10, at end insert—

“

or

(b) received the second of the financial penalties to which the notice relates.” —[Mr Marcus Jones.]
This is consequential on amendment 17.

Clause 31

INFORMATION TO BE INCLUDED IN THE DATABASE
Amendment made: 19, page 15, line 35, at end insert—

“(f) details of financial penalties that the person has received.” —[Mr Marcus Jones.]
This relates to the power to make regulations about the information that must be included in a person’s entry in the database of rogue landlords and property agents. It provides that regulations may require details of financial penalties to be included.

Clause 34

REMOVAL OR VARIATION OF ENTRIES MADE UNDER SECTION 28
Amendments made: 20, page 16, line 31, at end insert—

'(4A) If the entry was made on the basis that the person has received two or more financial penalties and at least one year has elapsed since the entry was made, the responsible local housing authority may—

(a) remove the entry, or

(b) reduce the period for which the entry must be maintained.”
This is consequential on amendment 17.

Amendment 21, page 16, line 31, at end insert—

'(b) The power in subsection (3), (4) or (4A) may even be used—

(a) to remove an entry before the end of the two-year period mentioned in section29(2)(b), or

(b) to reduce the period for which an entry must be maintained to less than the two-year period mentioned in section29(2)(b).” —[Mr Marcus Jones.]
Where an entry in the database of rogue landlords and letting agents is made under clause 28 it must be made for a minimum period of 2 years - see clause 29(2)(b). This amendment makes it clear that the 2-year period does not constrain the power to remove or vary an entry.

Clause 37

USE OF INFORMATION IN DATABASE
Amendment made: 22, page 17, line 34, at end insert—

'( ) The Secretary of State may disclose information in the database to any person if the information is disclosed in an anonymised form.

( ) Information is disclosed in an anonymised form if no individual or other person to whom the information relates can be identified from the information.” —[Mr Marcus Jones.]
This allows the Secretary of State to disclose information in the database of rogue landlords and property agents to any person if the information is disclosed in an anonymised form. This will allow it to be used for statistical or research purposes.

Clause 38

INTRODUCTION AND KEY DEFINITIONS
Amendments made: 23, page 18, line 9, leave out “in certain cases” and insert “where a landlord has committed an offence to which this Chapter applies”.
During Public Bill Committee the Bill was amended to make it a criminal offence to breach a banning order. Changes were also made to ensure that Chapter 4 of Part 2 applies to breach of a banning order in the same way as it applies to other offences to which the Chapter applies. This amendment and amendments 24 and 25 are consequential on those changes.
Amendment 24, page 18, line 16, leave out subsection (3). —[Mr Marcus Jones.]
See Member’s explanatory statement for amendment 23.

Clause 40

NOTICE OF INTENDED PROCEEDINGS
Amendment made: 25, page 19, line 35, leave out “breached the banning order or”. —[Mr Marcus Jones.]
See Member’s explanatory statement for amendment 23.

Clause 53

GENERAL INTERPRETATION OF PART
Amendment made: 26, page 24, line 21, at end insert—

“‘financial penalty’ means a penalty that—

(a) is imposed in respect of conduct that amounts to an offence, but

(b) is imposed otherwise than following the person’s conviction for the offence;”. —[Mr Marcus Jones.]
See Member’s explanatory statement for amendment 17.
New Clause 29

**Planning applications etc: setting of fees**

‘In section 303 of the Town and Country Planning Act 1990 (fees for planning applications etc), after subsection (8) insert—

“(8A) If a draft of regulations of the Secretary of State under this section would, apart from this subsection, be treated as a hybrid instrument for the purposes of the standing orders of either House of Parliament, it is to proceed in that House as if it were not a hybrid instrument.”’—[Brandon Lewis.]

This new Clause provides that any planning fees regulations in England made under section 303 of the Town and Country Planning Act 1990 that would otherwise be subject to the hybrid procedure in Parliament will be subject to the usual affirmative procedure instead.

Brought up, and read the First time.

Brandon Lewis: I beg to move, That the clause be read a Second time.

Madam Deputy Speaker: With this it will be convenient to discuss the following:

Government new clause 30—Resolution of disputes about planning obligations.

Government new clause 31—Planning obligations and affordable housing.

Government new clause 43—Processing of planning applications by alternative providers.

Government new clause 44—Regulations under section (Processing of planning applications by alternative providers): general.

Government new clause 45—Regulations under section (Processing of planning applications by alternative providers): fees and payments.

Government new clause 46—Regulations under section (Processing of planning applications by alternative providers): information.

New clause 40—Right of appeal: local interested parties—

'(1) Where a local planning authority does not have an up-to-date and approved local development plan meeting the requirements of Part 3 of the Planning and Compulsory Purchase Act 2004 and—

(a) grant planning permission, whether or not subject to conditions, or

(b) refuse an application for planning permission,

a local interested party may by notice appeal to the Secretary of State as if the interested party was an applicant for the purposes of section 78 of the Town and Country Planning Act 1990 (“the 1990 Act”).

(2) In determining the appeal the provisions at Part III of the 1990 Act shall apply but with local Parish Council or Councils treated as the appellant and the applicant for planning permission treated as a party to the appeal with the same rights as an applicant appealing under section 78.

(3) Before determining an appeal under section 78 the Secretary of State shall, if the appellant, the applicant for planning permission or the local planning authority so wish, give each of them an opportunity of appearing before and being heard by a person appointed by the Secretary of State for the purpose.

(4) For the purposes of this section “local parish council” means a parish council—

(a) within whose boundaries all or part of the development at subsection (1) would take place,

(b) whose boundary is adjacent to the development, or

(c) would otherwise be directly and significantly affected by the development.

This new clause would give local parish councils a right of appeal in respect of developments consisting of 100 or more dwellings.

New clause 48—Neighbourhood right of appeal—

'(1) After section 78 of the Town and Country Planning Act 1990 (“the 1990 Act”) insert—

“78ZA A neighbourhood right of appeal

(1) Where—

(a) a planning authority grants an application for planning permission, and

(b) the application does not accord with policies in an emerging or made neighbourhood plan in which the land to which the application relates is situated, and

(c) the neighbourhood plan in subsection (1)(a) contains proposals for the provision of housing development, certain persons as specified in subsection (2) below may by notice appeal to the Secretary of State.

(2) Persons who may by notice appeal to the Secretary of State against the approval of planning permission in the circumstances specified in subsection (1) above are any parish council or neighbourhood forum by two thirds majority voting, as defined in Section 61F of the 1990 Act, whose made or emerging neighbourhood plan includes all or part of the area of land to which the application relates.

(3) In this section “emerging” means a neighbourhood plan that—

(a) has been examined,

(b) is being examined, or

(c) is due to be examined, having met the public consultation requirements necessary to proceed to this stage.”

(2) Section 79 of the 1990 Act is amended as follows—

“(a) in subsection (2), leave out “either” and after “planning authority”, insert “or the applicant (where different from the appellant)”; and

(b) in subsection (6), after “the determination”, insert “(except for appeals as defined in section 78ZA and where the appellant is as defined in subsection 78ZA(2)).”
This new clause would give parish councils and neighbourhood forums rights of appeal in respect of planning permission for development that did not accord with policies in an emerging or finalised neighbourhood.

New clause 50—Minimum space standards for new dwellings—

‘In Schedule 1 Part M to the Buildings Regulations 2010, after subsection M4 insert—

“Internal Space Standards

(M5) New dwellings should meet the minimum standards for internal space set out in the National Described Space Standard, 2015.”’

The new clause would incorporate the National Described Space Standard into building regulations to ensure all new dwellings are built to meet those requirements.

New clause 51—Local Authorities and Development Control Services—

‘(1) A local planning authority may set a charging regime in relation to its development control services to allow for the cost of providing the development control service to be recouped.

(2) Such a charging regime will be subject to statutory consultation.’

The amendment would allow local authorities to develop a planning fees schedule that would enable the full costs of processing planning applications to be recovered.

New clause 57—Planning obligations: local first-time buyers—

‘(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Planning obligations in respect of local first-time buyers

(1) When granting planning permission under 70(1)(a), or permission in principle under 70(1A)(a), for the construction of new dwellings for sale, the local planning authority may require that a proportion of the dwellings are marketed exclusively to local first-time buyers for a specified period.

(2) The “specified period” in subsection (1) must start no earlier than six months before the new dwellings have achieved, or are likely to, practical completion.

(3) “First-time buyer” in subsection (1) has the meaning given by section 57AA(2) of the Finance Act 2003.

(4) The Secretary of State may by regulations—

(a) define the “specified period” in subsection (1),

(b) define “local” in subsection (1), and

(c) the definition “local” may vary according to specified circumstances.

(5) The regulations in subsection (4) so far as they apply to local planning authorities in Greater London will not apply to these authorities unless the Secretary of State has consulted and received the consent of the Greater London Authority.’

This new clause would empower local planning authorities to impose a planning obligation when giving planning permission for the construction of new housing for sale requiring that a proportion of the housing is marketed exclusively to local first-time buyers.


‘(1) The Planning (Listed Buildings and Conservation Areas) Act 1990 is amended as follows—

(2) In Section 1, for subsection (3) substitute—

“(3) In considering whether to include a building, or part of a building, in a list compiled or approved under this section, the Secretary of State shall take into account—

(a) whether its exterior contributes to the architectural or historic interest of any group of buildings of which it forms part;

(b) the desirability of preserving, on the ground of its architectural or historic interest, any feature of the building consisting of a man-made object or structure fixed to the building or forming part of the land and comprised within the curtilage of the building; and

(c) the desirability of excluding specific features or structures (whether part of the building or otherwise within its curtilage) for the purposes of facilitating improvements in matters including, but not limited to, environmental performance, health and safety and cost-effective maintenance.”’

This new clause would make explicit the duties and powers of conservation and planning authorities to take account of the specific heritage priorities within a listed building’s curtilage against other considerations.


Amendment 74, page 51, line 21, leave out clause 111.

Amendment 100, in clause 111, page 51, line 25, leave out “land” and insert “brownfield land for housing”.

The amendment makes clear that “permission in principle” is limited to housing on brownfield land in England.

Amendment 101, page 51, line 33, at end insert—

‘( ) Criteria for permission in principle and technical details consent will be subject to consultation with local authorities.”

The amendment would ensure that communities continue to have a say on decisions that affect them through their local planning committees and through the local plan process.

Amendment 70, page 52, line 25, leave out “not”.

The amendment would ensure that permission in principle expires when the plan is no longer relevant or has been replaced.

Amendment 102, page 52, line 38, at end insert “, where prescribed information will be subject to consultation with local planning authorities.”

The amendment would ensure that burdens on local authorities are minimised and existing systems for collection of information are used effectively.

Amendment 71, page 53, line 1, at end insert “unless any material considerations indicate otherwise.”.

The amendment would allow local planning authorities to overturn the ‘permission in principle’ decision where important material considerations which the plan making stage did not reveal have come to light.

Amendment 72, page 53, line 18, after “period”, insert “and in any event no longer than five years”.

The amendment would create certainty for communities and developers and contributes to reducing ‘permission in principle’ by using for land speculation and land banking.

Amendment 103, in clause 112, page 54, line 27 [ ], at end insert “and in particular the achievement of sustainable development and good design;”.

The amendment would place a high level obligation on the face of the Bill to ensure brownfield land contributes to sustainable places.

Amendment 80, in clause 115, page 56, line 7, after “financial”, insert “costs and”.

This amendment would require information about costs as well as benefits to be included in certain planning reports.

Amendment 81, page 56, line 15, after “financial”, insert “costs and”.

See amendment 80.

Amendment 82, page 56, line 23, after “financial”, insert “cost and”.

See amendment 80.

Amendment 83, page 56, line 24, at end insert “cost or”.

Resolution of disputes
See amendment 80.

Amendment 84, page 56, line 26, at end insert “cost or”.

Amendment 85, page 56, line 35, after “financial”, insert “costs and”.

See amendment 80.

Amendment 86, page 56, line 36, after “the”, insert “cost or”.

See amendment 80.

Amendment 87, page 56, line 38, at end insert—

“(c) provide a description of financial costs by reference to the infrastructure requirements and environmental impacts associated with an application for planning permission, and require consideration of whether these have been addressed in the development plan for the area.”.

See amendment 80.

Amendment 78, in clause 116, page 57, line 25, at end insert—

“(7A) Guidance referred to in subsection (7) must include a requirement for the developer to pay development value for land that is compulsorily purchased for housing as part of any Nationally Significant Infrastructure Project.”.

This amendment would ensure that developers who acquire land for housing developments via compulsory purchase as part of a Nationally Significant Infrastructure Project must pay the development value as if it had been acquired on the open market.

Amendment 104, in clause 118, page 58, line 40, after subsection (3) insert—

‘(4) Section 136 of the Local Government, Planning and Land Act 1980 (Objects and General Powers) is amended as follows.

(5) After subsection (2) insert—

“(2A) Corporations under this Act must contribute to the long-term sustainable development and place making of the new community.

(2B) Under this Act sustainable development and placemaking means managing the use, development and protection of land and natural resources in a way which enables people and communities to provide for their legitimate social, economic and cultural wellbeing while sustaining the potential of future generations to meet their own needs. In achieving sustainable development and placemaking, development corporations should—

(a) positively identify suitable land for development in line with the economic, social and environmental objectives so as to improve the quality of life, wellbeing and health of people and the community;

(b) contribute to the sustainable economic development of the community;

(c) contribute to the vibrant cultural and artistic development of the community;

(d) protect and enhance the natural and historic environment;

(e) contribute to mitigation and adaptation to climate change in line with the objectives of the Climate Change Act 2008;

(f) positively promote high quality and inclusive design;

(g) ensure that decision-making is open, transparent, participative and accountable; and

(h) ensure that assets are managed for long-term interest of the community.”’


Government amendment 10.

Government amendment 75.

Government new clause 32—Engagement with public authorities in relation to proposals to dispose of land.

Government new clause 33—Duty of public authorities to prepare report of surplus land holdings.

Government new clause 34—Power to direct bodies to dispose of land.

Government new clause 35—Reports on improving efficiency and sustainability of buildings owned by local authorities.

Government new clause 36—Reports on improving efficiency and sustainability of buildings in military estate.

New clause 49—Power to direct—

‘The Secretary of State shall define in regulation powers for local planning authorities to direct the use of underused, un-used or otherwise available publicly-owned land in a local area to support redevelopment or regeneration as outlined in a local development plan.’

The clause would give councils the power of direction on publicly-owned land to enable it to be brought forward more quickly to support redevelopment or regeneration opportunities.

Government new schedule 5—Authorities specified for purposes of section (Reports on buildings owned by local authorities and others).

Government amendment 8.

Brandon Lewis: New clause 29 allows the Secretary of State to make regulations via the affirmative procedure about the fees to be paid by applicants when they make planning applications. New clause 30 and new schedule 4 set out a dispute resolution process to speed up section 106 negotiations in order to help housing starts to proceed more quickly. They provide for a person to be appointed
to help resolve outstanding issues in relation to section 106 planning obligations. The new process will also apply only in situations where the local planning authority would be likely to grant planning permission if satisfactory planning obligations were entered into, ensuring that we only target sites where prolonged negotiations could stall development.

After the appointed person issues their report on that mechanism, the parties will still be free to agree their own terms if they do not agree with the report, but only if they do so quickly. We want to encourage the parties to tie up their loose ends quickly. We are consulting on the finer detail of the process and we will bring forward regulations in due course.

New clause 31 seeks to provide the Secretary of State with a power to restrict the enforcement of planning obligations in relation to affordable housing in certain situations. We have included a definition of affordable housing that includes starter homes. These changes will support house building. We will be consulting on how to use that power, and measures will be introduced through regulations.

New clauses 32 to 36 and new schedule 5 are designed to ensure that public sector bodies make efficient use of their land and buildings as part of their duty to deliver the best value for the taxpayer. I want to thank my right hon. Friend the Minister for the Cabinet Office and Paymaster General for his excellent work on those amendments.

New clause 32 requires Ministers of the Crown, and any public bodies added through regulations, to engage with other relevant public bodies when developing proposals to dispose of land. That duty was inspired by local authorities who have experienced varying levels of engagement, ranging from excellent to none at all. It will set out clearly what local authorities and other relevant bodies should expect when the Government are disposing of land.

Clause 32 will ensure that engagement takes place on an ongoing basis from the point at which proposals for disposal are being developed. The clause requires Ministers of the Crown to engage with local authorities.

New clause 33 is a transparency measure and will require public authorities to prepare and publish a report setting out details of land that is surplus to requirements and has been retained as surplus for longer than two years or, in the case of wholly or mainly residential land, longer than six months; and why surplus assets have not been released. Regulations will make further provision about reports, and guidance will give more detail on determining whether land is surplus.

Alison Thewliss (Glasgow Central) (SNP): New clauses 32 and 33 contain references to Scotland. Will the Minister bring forward further detail on what the implications will be for Scotland and what communications he will be having with the Scottish Government on the reports that are to be produced?

Brandon Lewis: As I have just outlined, we will be making further provisions about the reports through regulation, and there will be guidance giving more detail. I will be happy to speak with the hon. Lady and her colleagues in the weeks ahead.

New clause 34 enables the Secretary of State to use the power to direct the disposal of land in specified circumstances. These will be set out in regulations. One such circumstance could be where land is listed in a body’s surplus land report under clause 33—for example, land that has been held surplus for longer than two years or, in the case of wholly or mainly residential land, longer than six months. The Local Government, Planning and Land Act 1980 provides important safeguards, and I want to be clear today that they will continue to apply to the new provisions.

New clauses 35 and 36 represent a significant step forward in the transparency of performance on the sustainability and efficiency of the public sector estate. They extend requirements contained in section 86 of the Climate Change Act 2008 to provide an annual report on progress made towards making the estate more efficient and sustainable. New clause 35 provides for similar reporting requirements to apply to local government in respect of each local authority’s estate. Schedule 5 sets out local authorities in England that are subject to this new duty. Applying reporting requirements to the local government estate will strengthen accountability to local taxpayers and support local government’s drive to be more efficient and make effective use of their assets, as the best local authorities are already doing.

New clause 36 mirrors the 2008 Act requirements in respect of the Ministry of Defence military estate. The inclusion of the military estate in the annual state of the estate report will bring greater transparency to that part of the Government estate and its performance in key areas. Government amendment 8 specifies that new clauses 32 and 33 extend to England, Wales and Scotland.

In Committee, I was invited by my hon. Friend the Member for Wimbledon (Stephen Hammond) to consider the potential for fast-track planning applications and having a more competitive planning process. Other hon. Friends backed that up and made similar comments. I can now say that the Government are bringing forward new clauses 43 to 46 and new clause 75 to test the benefits of introducing competition in the processing of planning applications. New clause 43 would give the Secretary of State the power, by regulation, to introduce pilot schemes for competition in the processing of applications for planning permission. It will also give him the power to designate who participates in a pilot scheme. Let me be clear: this is about competition for the processing of applications, not their determination. The democratic determination of planning applications by local planning authorities is a fundamental pillar of the planning system, and that will remain the case during any pilot schemes that the Secretary of State brings forward. Let me also be clear that new clause 43 would require that any pilot schemes brought forward by the Secretary of State will be for a limited period specified in regulations.

New clause 44 provides that regulations may set out how any pilot schemes should operate. New clause 45 provides that regulations may include provision for the setting, publishing and charging of fees by designated persons and planning authorities in the pilot areas, and for the refunding of fees in specific circumstances. It would also provide for the Secretary of State to intervene when he considers that excessive fees are being charged.
New clause 46 provides that regulations may provide for the sharing of information between designated persons and planning authorities in pilot areas, and with the Secretary of State. Amendment 75 provides that new clauses 43 to 46 come into force on Royal Assent. Those new clauses will allow us to test, in specific areas of the country and for a limited period, the benefits of allowing planning applicants to choose who processes their planning application. That will lead to a more efficient and effective planning system, better able to secure the development of the homes and other facilities that our communities need and want. Introducing choice for the applicant enables them to shop around for the services that best meet their needs. It will enable innovation in service provision, bringing new resources into the planning system and driving down costs while improving performance.

Helen Hayes: I am pleased to have the opportunity to speak about the planning clauses of the Bill, even at this late hour. The Bill represents a very significant rolling back of the policies of localism introduced by the last Government, who sought to give local communities more control over their planning policy and local planning decisions.

Planning is a progressive discipline. It is the mechanism we have for brokering the differences between individual interests and collective community needs, ensuring that those who profit from development contribute to meeting the needs of the communities in which they are building, and protecting the things that we hold dear—whether local heritage, natural habitats, special views or simply the character and diversity of our local high street or neighbourhood.

The Government like to blame the planning system for the failure to deliver new homes, but objective evidence suggests that it is not the right target. On planning, the Government show again and again that they have an inaccurate analysis and a long-term plan that does not work. The number of homes being granted planning permission each year is about 230,000. That does need to increase, but it is not too far off the 250,000 homes we need in order to begin to make inroads on the housing crisis.

Yet if we look at the number of homes being delivered, either by starts or completions, we see that both stand at about 130,000. Recent research by The Guardian has revealed that the nine house builders in the FTSE 100 are sitting on enough land to build 600,000 homes. Against a backdrop of increased planning consents and continued deregulation, house building starts fell by 14% between April and June of last year.

The Government’s response is to seek to deregulate back of the policies of localism introduced by the last Government, who sought to give local communities more control over both planning policy and local planning decisions.

Notwithstanding this welcome change of heart, there remain very significant concerns about the planning clauses in the Bill. The Government have introduced new clause 43 very late in the day so it has not been subject to proper scrutiny by the Public Bill Committee. The new clause introduces the outsourcing of planning applications. It is potentially very damaging. It weakens the accountability of local planning services and removes with one hand the fees that the Government are enabling local authorities to raise with the other. Fundamentally, it is a solution to a symptom of the problem of the disproportionate effect of local government cuts on planning departments. This symptom will be alleviated by the proper resourcing that a new system of fees will facilitate. I therefore urge the Government to rethink this proposal, which simply undermines local planning departments.

The Government further undermine local planning authorities with the imposition of two very strong duties in relation to starter homes. Local planning authorities will have a duty to promote starter homes and ensure that they are delivered on all reasonably sized sites, with provision for the Secretary of State to intervene via a compliance direction if the local authority fails to comply with these duties. Local authorities have no such duties in relation to any other form of housing. Their responsibilities on housing relate entirely to assessing local need and delivering a range of housing to meet that need. It is therefore an extraordinary form of centralisation to impose such strong duties in relation to one particular form of housing.

In Committee, I raised repeatedly concerns about permission in principle. In 18 years working as a town planner, I saw so often that the acceptability of the principle of development to a local authority and to a local community is dependent on aspects of the detail. Issues such as the density and height of the development, the size of the homes proposed, design quality standards, or—on everyone’s minds in the current context—flood risk mitigation are not technical details. They may be informed by technical studies, but they form part of the fine-grain set of judgments that a local planning authority makes as to whether a site is suitable for a housing development. Permission in principle, as far as we can tell, will not set any parameters other than land use and quantum of development. A developer will know that...
housing can be built on the site but not what size or type or what the design and quality standards must be, and importantly, unless they have made their own investigations, they will not necessarily know anything about the land on which they want to build. Permission in principle therefore offers very little to developers, but it also offers nothing to communities. As a consequence, it will fail to speed up the pace of development and the delivery of new homes.

Let us take, for example, a brownfield site in a historic town centre. It might be possible to judge without too much detailed information that 10 housing units could be developed on the site, and permission in principle could therefore be granted, but there may be archaeological remains below the ground, and issues such as the massing of development and the style of the architecture might be absolutely critical in determining whether development on the site is acceptable.

Another example might be a local plan approved in 2012 that identifies a site for 800 residential units on the edge of a town, based on typical local vernacular designs of two and three-storey houses. Because it is in the local plan and has been added to the brownfield register, the site will be granted permission in principle. A technical details consent is then submitted that identifies that 70% of the land cannot be built on because of subsidence issues which were not known about at the time of the local plan allocation, as a ground condition survey would not have been carried out for each site in the local plan. Since the permission in principle contains the quantum of development, the 800 units are to be crammed on to 30% of the site, creating an overly dense development entirely unsuited to its context, with heights of up to 15 storeys. Local members cannot refuse it for design, sustainability or layout reasons, as the permission in principle states that having 800 units is acceptable. Permission in principle will weaken the powers of local authorities to refuse unsustainable or poorly designed developments, and erode the power of local communities to take part in the decision-making process.

Fundamentally, this Bill has no vision for planning. It does not harness the planning system as a tool for delivering the homes and infrastructure we so desperately need. It weakens our plan-led system and erodes the ability of the planning system to deliver high-quality, beautiful, sustainable places.

We need to deliver new homes in large numbers and very fast to meet demand, but we also need to build attractive, successful and sustainable places that will become much-loved communities and a part of the heritage of the future. We cannot achieve that without a planning system that prioritises place making, design standards and sustainability, and that involves communities properly in taking decisions about the future of their areas.

Nick Herbert (Arundel and South Downs) (Con): I have tabled two sets of amendments to deal with concerns about the operation of the planning system. Those concerns are shared by a number of my right hon. and hon. Friends, who support the amendments.

New clause 48 addresses the fact that neighbourhood plans can be undermined by speculative developments that are granted planning permission but that run contrary to those plans. Neighbourhood planning has been a great achievement on the part of this Government, who have given communities power. Often neighbourhoods plan for far more houses than they originally intended or were allocated. Responsibility for the plans has been transferred to neighbourhoods and they are popular, but support for them relies on their integrity, and that support is undermined when speculative developers try to get in applications ahead of the completion of neighbourhood plans or even after they have been completed. They bang in their applications, and either they are upheld by the local authority, which is fearful of losing an appeal, or the developer makes an appeal that is upheld by the planning inspector. The development is then allowed to go ahead, which leads people, including groups of volunteers, to ask, “Why have we spent literally years working on this neighbourhood plan for where developments should go—a power that was given to us, the community—only for it to be overturned by a developer?”

Sir Oliver Heald (North East Hertfordshire) (Con): Many people in towns such as Buntingford and the villages in my constituency spend so much time surveying opinion and considering all the aspects of the heritage of their village in order to come up with a neighbourhood plan for their community. Does my right hon. Friend agree that it is wrong that that can then be trashed by an application by a speculative developer? These plans need to have a proper place and proper respect.

Nick Herbert: My hon. and learned Friend puts his point extremely well. I happen to know about the situation in Buntingford and how angry people are about speculative developments in his constituency.

Andrew Bingham (High Peak) (Con): That echoes what is happening in Chapel-en-le-Frith in my constituency. Does my right hon. Friend agree that when people’s faith in the neighbourhood plan on which they have worked long and hard is undermined, that breaks their faith in the planning system from top to bottom, because that is what they focus on at the start?

Nick Herbert: I strongly agree with my hon. Friend. The whole point of the policy of localism and neighbourhood planning is that people are told explicitly that they will have control and be able to determine where development goes and protect land that they do not allocate for development for a period of, say, 15 years of the life of the plan. If that is overturned very quickly, or even as they complete their plan or just before it is passed by a referendum, that undermines confidence in the whole policy of localism. That is bad for the policy of neighbourhood planning and for the Government’s policy of localism. It means a return to a system of planning by appeal and a developer-led system, which undermines support for new housing, when what we want is a plan-led system. For all of those reasons, the policy that allows speculative developers to creep in at the last moment and undermine plans is wrong. That loophole needs to be closed.

Developers have the right to appeal against planning permission that is refused, but the community has no right of appeal, which is part of the problem. The only recourse is to invite the Secretary of State to call in an application that appears to run contrary to national policy, but that is very much a last resort. Many of us have been grateful to the Secretary of State when he has
been willing to do that because something appears to have gone wrong in a local area, but that is not a process on which we necessarily want to rely.

Before the election, I and others proposed a community right to appeal, which commanded a lot of support in this House. We are now proposing a more limited, neighbourhood right of appeal. That would give communities or defined people in a community, such as a parish council, the ability to mount appeals against speculative planning applications that are granted if they run contrary to a neighbourhood plan or an emerging neighbourhood plan that is very close to being completed. That would allow a form of redress and introduce a check into the system. It would send a clear signal to developers that the abuse of the neighbourhood planning process is no longer allowed.

A number of organisations, including the Campaign to Protect Rural England and Civic Voice, support the proposed neighbourhood right of appeal, which I think would create a sensible balance in the planning system and strengthen the very good policy of neighbourhood planning.

The second set of amendments contains amendments 80 to 87 to clause 115, which places a new duty on local authorities to report on the financial benefits of proposed developments. The problem with the clause is that it is not balanced by any duty to assess the costs of proposed developments. It undermines public support for new housing when people see that inadequate infrastructure is provided to support it. If people are already concerned about access to the local school of their choice, the congestion on local roads, the waiting times at their local GP surgery or even more immediate and profound things such as the ability of the sewerage system to cope with increased development, which has been an issue in my constituency, and additional infrastructure is not provided when new housing is built, thereby exacerbating those problems, it undermines the support for new housing. If we address the infrastructure deficit more effectively, it will build support for the new housing that is so desperately needed to give people the chance to get a foot on the housing ladder.

This set of amendments would simply require local authorities, as well as assessing the benefits of proposed developments, to assess the costs. Those costs would include the infrastructure costs. This proposal would not prevent development, but it would require a proper assessment of the costs, which is not otherwise being done. There is a problem in that local authorities have a shared responsibility in this area. The local authorities that are granting planning permissions or making plans are not always the same authorities that are responsible for providing the elements of infrastructure, which are often county councils. Policy is not joined up in that respect. There have been repeated attempts through guidance and assurances to address infrastructure concerns, but they have not been adequate to meet local concerns. These amendments would again provide a reasonable balance in the system.

I hope that the Minister will consider my amendments favourably. If he is unable to accept them, I hope that he will at least say what he proposes to do to address the very legitimate concern on the part of local communities that if development must come, it should first be in accordance with neighbourhood plans and secondly be matched with suitable infrastructure to support it.

Mr Betts: I signed the amendments tabled by the right hon. Member for Arundel and South Downs (Nick Herbert) on the necessity of demonstrating to communities how the infrastructure requirements of any development will be completed and carried out. I agree with him that the greatest concerns that people have about developments, whether they be in small villages, city centres or suburban areas, is what the impact will be on local traffic arrangements, whether local public transport will be provided, whether there will be sufficient capacity in doctors’ surgeries and schools, and whether the water and sewerage systems will be capable of dealing with the demands of the developments. All those things are extremely important. Currently, there seems to be no automatic way in which a planning authority has to reassure communities that those issues will be taken into account when it approves a planning application.

I draw the House’s attention to a report that the Communities and Local Government Committee produced in the last Parliament, in which we looked at the operation of the national planning policy framework during its first two or three years. Recommendation 11 stated: “In setting out the reasons for approving development, decision-makers should fully explain the consideration they have given to its impact on infrastructure and explain how and where they expect the infrastructure to be provided, and to what timetable.”

In other words, if an application is to be approved, it should be clearly laid out that a planning authority has considered how the infrastructure associated with, needed and required by that development will be provided, who will pay for it, and to what timetable it will be produced.

12.45 am

The Committee’s recommendation seems entirely consistent with the amendment and the need to ensure that infrastructure is put in place. Planners should demonstrate—as should a planning committee when taking a decision—that those costs will be identified and the infrastructure provided, to allay the fears that many communities rightly have. In practice that infrastructure does not follow—a planning application is agreed, but that community will have problems because of the lack of infrastructure associated with the development. It would be good if the Minister would at least take on board the spirit of the amendment and see how it can be reflected. Everyone agrees that infrastructure requirements from planning permission should be followed through, but the real question is how that should be done.

New clause 31 deals with the definition of affordable housing. The Minister will say that £450,000 in London and £250,000 outside London is a top limit, but houses up to that limit will be regarded as affordable. Interestingly, subsection (5) states: “The Secretary of State may by regulations amend this section so as to modify the definition of “affordable housing.””

In other words, “affordable housing” is no longer what people can afford, but what the Government say people can afford. If the Government do not find themselves producing enough affordable housing under the current definition, they do not have to build more houses; they simply have to change the definition so that more
houses are covered by it. The Minister is getting into a bit of a fantasy world, but unfortunately the Government are operating in the real world.

The current planning system is essentially this Government’s system. They completely revised the NPPF, and when the Select Committee considered that issue there was general support for the overall intention, but concern about some of the details. The Government have announced their intention to make further amendments to the NPPF, which the Committee will consider, and I am pleased that the Government have extended the consultation period for that. They have changed rules on permitted developments and given themselves extra powers to ensure that planning applications are dealt with in a certain period. Now, however, without any real consultation, and with a short period of notice as the new clause was produced just before Christmas, new clause 43 is effectively about the privatisation of the planning service. That is what it potentially amounts to after pilots have been brought in.

Let me explore what that might mean. Does it mean that an individual or organisation that submits a planning application will be free to shop around for whichever alternative provider they think can give them the best chance of getting a planning application accepted? Will they be able to look at the track record of providers around the country?

Chris Philp: I believe the new clause makes it clear that the third-party providers will handle the processing but not the determination. The new providers will provide speed and efficiency, but decision making will remain where it currently is—with elected members and officers.

Mr Betts: If the hon. Gentleman thinks that the process and discussions between an applicant and an officer dealing with that application will have no impact at all on whether permission is given, he is mistaken. Process is important, and how an applicant engages with a planning officer can lead to an eventual decision on the application. Just because a committee may make an eventual decision is fundamentally wrong.

Ruth Cadbury (Brentford and Isleworth) (Lab): Does my hon. Friend consider that the third-party providers will handle the processing but not the determination. The new providers will provide speed and efficiency, but decision making will remain where it currently is—with elected members and officers.

Mr Betts: It is extremely worrying. The second point I was going to make is that we can all have views on occasions when the planning system does not work as well as it should, but nevertheless planning officers in a local authority have some understanding of their community—how it operates, what its needs are, who should be consulted and who should be involved in the process. My experience is that while there may be a minute on whether permission for consultation, very often, as an application is considered, extra consultation is undertaken beyond that which is actually required to ensure that the views of communities and different interested parties are taken into account. My worry here is that someone parachuted in from outside, with no knowledge of an area but a track record of dealing with applications quickly, may not be as sensitive to the needs of a local community. If I was a local MP in an area with particular planning pressures and had concerns about getting those decisions right, I would be very worried about the scenario that is developing.

The point has been made that in the end decisions will be left to the planning authority. What does that mean? Many authorities now delegate a lot of less important decisions about schemes that are not major—individual extensions to an individual property, for example—to officers. Will decisions be delegated to an alternative provider, or will the alternative provider have to make a recommendation to a planning officer to take the delegated decision? The proposal is very unclear. What is the situation? If the delegated decision is taken by an alternative provider, the decision is not taken with any local democratic input whatever. Or, if a delegated decision is passed on to a council officer, who pays for the time of that officer? The fee will have all gone to the alternative provider.

Let us come on to the decision that goes to a committee. Who writes the committee report? Will the alternative provider write the report and put the pros and cons of the application for councillors to decide, or will it be a council officer? If it is a council officer who pays for the council officer’s time? To what extent will there be liaison between the officer and the alternative provider? If it is not the council officer, an alternative provider is going to be appointed by the applicant to write the report for members of the planning committee. Does anyone think this might not affect the decision-making process? Of course it could.

Christian Matheson: Does my hon. Friend consider the possibility that the alternative provider might also be liable for costs if a planning decision was overturned based on a recommendation it had given to the council committee that was incorrect in the first place?

Mr Betts: That would be a very interesting decision. When recommendations are made to councillors, very often reasons are given as part of the officer's report. If councillors follow those reasons, they would expect them to have a defensible case if an appeal were lodged. If the advice to councillors was wrong, however, it may be the council that incurs costs. Who is liable for those costs? I am not sure that that is spelled out either.

As I understand it, there is a requirement to share information between an alternative provider and the council. Presumably, the council is taking no fee—all the fee goes to the alternative provider—so who provides the council’s costs? We have already heard that planning departments have had just about the largest cuts of any section of local government in the past five years. This is a service that has had major cuts. It will now have to continue to do some of the work on these schemes with no benefit at all from the fee, which means less resources for the planning department.

This matter ought to have been given a great deal more consideration. It has come in on Report with very little time to consider it. I have just raised some concerns about who, ultimately, will be responsible for extra costs, recommendations to the committee, writing reports
and getting involved in delegated decisions. None of that appears to be covered by the clauses before us. I hope the Minister can give us some answers, because this is a worrying proposal that could undermine the accountability of the planning process to local communities.

**Bill Wiggin** (North Herefordshire) (Con): I rise to support new clause 58, which is a brilliant amendment designed to fulfil our ambition to be the greenest Government ever. It would apply to only 345,191 grade II listed buildings in England, which would be freed to add insulation and solar panels and make other environmentally important improvements without needing to go through the listed building consent process currently required for any alteration to a listed building or within the curtilage of that building. It would free up hard-working conservation officers and reduce costs and red tape, while ensuring that all the historical features protected by the listing remain protected and under the current restrictions.

The new clause would also remove the curtilage catch-all and deter homeowners who can afford to turn up the heating but must not. Instead, they could do better things to help fight climate change and reduce our reliance on fossil fuels. It is only a tiny amendment, so, not surprisingly, it is opposed by Historic England, which fears that the odd feature it has forgotten to list might be, what—insulated? It knows that things have to change and that we need to follow the success of the climate talks in Paris with practical changes. If the Government have a better way of delivering the curtilage removal, I will gladly withdraw the amendment and thank them on behalf of all our children and grandchildren.

**Caroline Lucas** (Brighton, Pavilion) (Green): I rise to support my amendment 74. One of the many reasons I oppose the Bill is that it takes power away from local communities and places it in the hands of private sector developers and central Government. It is a profoundly undemocratic Bill, and nowhere is that clearer than in the plans for planning authorities.

Essentially, the Bill will mean that local people have no say over developments in their neighbourhoods. The introduction of permission in principle will allow automatic planning permission on sites allocated for development without any scrutiny of the fine detail. Neither local authorities nor the public could object to development on these sites. It is the very opposite of the kind of democratically accountable local planning essential for sustainable development and the delivery of economic, environmental and social benefits. If I hear the Government say again that they are champions of localism, I will scream, because I cannot see how that is remotely consistent with a Bill that is all about taking power away from local planning authorities, local people and local scrutiny and placing it in private hands and the hands of Ministers. For that reason, my amendment would delete clause 111 altogether, getting rid of permission in principle.

I believe that local communities are best placed to understand the particular needs and detailed characteristics of their local area, but if such oversight is sidelined, we risk significantly compromising community resilience. I support the position set out by the hon. Member for Dulwich and West Norwood (Helen Hayes), who spoke eloquently on this issue, pointing out the poor timing of this debate: we are discussing removing local knowledge from the planning system at a time when we are all deeply concerned about flooding and when the past month alone has shown us the importance of flood-risk appraisals when granting permission for development. It would be particularly foolish to remove those now.

Moreover, nothing in the Bill will limit permission in principle to brownfield sites alone or prevent it from being applied to any development on any land allocated in a so-called qualifying document. The consequences are far reaching. As the Town and Country Planning Association has pointed out, fracking could easily be given permission in principle as part of a minerals plan, which would be completely unacceptable. I am glad that Labour Members share my concern about permission in principle and the extent to which it undermines local democracy. I support their proposed measures to mitigate the associated damage, but I hope they will go further and support my amendment, which would delete the clause completely. I am pleased to see the amendments that are designed to create a right of appeal for locally interested parties and neighbourhood planning bodies against decisions to grant planning permission.

I am

Once again we see a Government who are not facing up to where the real problems are. When it comes to building much needed and truly affordable housing, it is not our planning process that is to blame for delays in delivery. We have heard from others in this Chamber about the size of land banks currently held by some of the biggest developers. It is simply not the case that the problem lies with the planning authorities. Instead of real problems being tackled, what we are seeing is essentially a power grab by central Government, which will not fix the housing crisis.

Finally, let me simply say that I share the concerns raised about new clause 43. Let us fund planning departments properly rather than undermine them still further. What we are seeing, as others have said, is essentially the privatisation of the planning system, destroying the last shreds of the democratic process that safeguards how our communities are made, putting power instead in the hands of developers. Dr Colenutt, a planning expert at the University of Northampton, has clearly said that this will replace a public sector ethos with a developer-led ethos. He points out that the designated persons are likely to be consultants who also work for the private sector. That introduces probable bias, reduces the public scrutiny trail still further and is likely to reduce the right of the public to comment on planning applications.

Local planning authorities are starved of funds. If the problem that the Government are trying to solve is that planning authorities are too slow, let us give them the funds to operate properly, not strip away their capacity. If we are serious about localism, let us ensure that control over our planning system remains with local authorities and local people.

**Martin Vickers** (Cleethorpes) (Con): I shall speak to new clauses 40 and 41, which stand in my name and those of some of my hon. Friends. To some extent, the proposals follow on from the ten-minute rule Bill that I
introduced last January and are designed to bring a greater element of fairness to the planning system, while giving our local communities a greater say in their future. It could indeed be described as localism in action. Many of the proposals are in line with those advocated a few minutes ago by my right hon. Friend the Member for Arundel and South Downs (Nick Herbert).

Our constituents often and in very large numbers oppose planning applications that they feel would change the character of their village or the part of town in which they live and to which they feel very attached. Campaigns build up and residents groups are formed, but at the conclusion many people rightly feel aggrieved—they know that the decision would not have gone against them had they been the applicant, who of course has the right of appeal. For the objectors, it is the end of the line. How can it be fair for only one party to have the right of appeal?

This feeling is particularly evident when the local planning authority has no adopted local plans in place. In reality, this means that the democratic process has let people down. The local council might well have turned down an application, but without a local plan in place, it would then find it almost impossible to defend the decision in front of a planning inspector, particularly when the applicant appeared with lawyers, expert witnesses and all the resources needed to ensure a successful outcome.

I do not suggest that every planning application that has attracted objections should automatically have the right of appeal. It is possible to argue that case, but in reality an application to extend a home by building a conservatory, for example, might irritate a neighbour, but it will not change the whole character of an area. If, however, the development of a new housing estate is approved, that could change a semi-rural, edge-of-town parish into an extension of the town itself. Strategic gaps between town and country are vitally important.

In my ten-minute rule Bill, I suggested that a hard-copy petition from local residents should be able to trigger an appeal to the planning inspector. What should the threshold be? I suggested 10% at that time, but I am not hanging up on the mechanics; I would like to hear the Government concede to the principle.

Something must be done to protect residents when they have been let down by their local authority. Such a situation exists in the part of my constituency where North East Lincolnshire Council is the planning authority. Residents have suffered for many years because there is no up-to-date local plan and it will be at least another year before such a plan exists. That is unacceptable and leaves villages such as Humberston, New Waltham, Waltham, Laceby and Habrough open to a stream of applications. Some of those applications might be speculative, but they cause endless discontent among local people.

It is not necessarily the quality of the proposals that is in question, but the fact that local services and infrastructure are inadequate—school places, GP services and so on. There is a point at which the whole character of an area can be changed and strategic gaps between town and country may disappear. It is only right that local residents should have an opportunity to appeal.

If the Government reject a wider right for objectors to go to appeal, the very least they could do is allow parish councils the opportunity to lodge an objection with the inspectorate for significant-sized developments. Too often their opinions are squeezed out. I do not seek to stop development. We all appreciate that we need new homes, but we need them in locations that carry the full blessing of local people.

Of course there must be a balance. The system must not stifle development or become a tool to promote nimbyism. My new clauses are designed not to prevent building, but merely to allow development in locations that carry a broad measure of public support. As I said at the beginning of my remarks, it is a matter of fairness. Of course the appeal may be lost, but both sides will have had the same opportunities to argue their case.

The new clauses are an opportunity to extend the claim that we are the real party of localism. We must do more to involve local people in shaping their communities—indeed, some local people know better than the planners. We need only consider some of the properties built in high-risk flood areas: had more notice been taken of those who serve on internal drainage boards or as flood wardens, or members of the farming community, and had they had a second opportunity to contribute, we might have had better decision making.

The Government have done and are doing a great deal to help. They are ensuring that in future local plans are delivered in a more timely way and they offer support for producing neighbourhood plans, but that only goes so far. Parish councils and neighbourhood groups find that their resources are limited. It is not just financial support that can help them produce such plans—they need the expertise of an experienced official. What I want to hear from the Minister when he sums up—always assuming that he is not going to congratulate me on a far-sighted, well-crafted new clause that the Government feel obliged to accept—is that through existing structures, within the context of the Bill and with appropriate guidance to planning authorities and inspectors, the same result can be achieved.

Dr Blackman-Woods: I am going to speak in support of a number of new clauses and amendments and speak briefly to the Government’s new clauses.

New clause 50 would incorporate minimum space standards in building regulations for new dwellings in England. It seeks to ensure that new homes are of a high standard and are built with the realities of day-to-day life in mind.

In October 2015, the Government introduced a new housing standard called the national described space standard. That was supposed to improve the quality of new-build housing by ensuring that it was built to an adequate size. Unfortunately, it is voluntary and too complicated for most authorities to introduce.

Royal Institute of British Architects research shows that more than half of new homes being built today are not big enough to meet the needs of the people who buy them. The squeeze on the size of our houses is depriving thousands of families of the space needed for them to live comfortably. Moreover, establishing the standard within building regulations could minimise the bureaucracy at a local level and mean that councils had a ready-made measure that they could adopt. It is a straightforward proposal and I hope that even at this late hour the Minister will tell us that he is going to adopt it.
New clause 51 would allow local authorities to develop a planning fees schedule that would enable the full costs of processing planning applications to be recovered. Since 2010, local authorities’ spending on planning has almost halved, falling from £2.2 billion to £1.2 billion this year. That decline is second only to the decline in spending on cultural services. We heard from the Royal Town Planning Institute, which gave oral evidence to the Select Committee, that it believed that councils should be allowed to recoup the full costs of providing planning services. The point has rightly been made that good, well-run planning departments contribute to economic growth and development, and that they should be supported in that role.

The issue of overstretched local authorities was raised several times on Second Reading and in Committee. Local planning departments are experiencing reduced resources and greater pressure, as well as increasing insecurity, because people do not know when the next round of Government cuts will cause them to lose their jobs. The only way in which to address that is to ensure that planning departments have the resources that will enable them to work effectively.

I am pleased to note that what we said during all that time in Committee did not fall on completely deaf ears. Ministers appear to agree with us, in theory, that planning needs additional resources. However, new clause 45 is such a poor execution of that notion that it might as well not be there. We must ask why the Government have acknowledged the need for the full recovery of planning fee costs, but will allow that to happen only when the service is contracted out. Why have they not considered allowing local planning departments to do the same? What can they possibly mean by increased devolution if they do not even trust local planning authorities to set their own fees? I hope that the Minister will do something about that tonight.

New clause 57 would empower local planning authorities to impose a planning obligation when giving permission for the construction of new housing for sale by requiring a proportion of the housing to be marketed exclusively for local first-time buyers.

Sadiq Khan (Tooting) (Lab): My hon. Friend will know how fed up Londoners are with the current record low level of home building and what a con the record level of home building and what a con the Londoners are with the current record low level of home building and what a con the Londoners are with the current record low level of home building and what a con the Government’s £450,000 starter homes are, but is she aware of the scale of the problem caused by developers selling homes in London to investors in Asia and the Middle East before they have been completed and made available for purchase by Londoners? Will the new clause go some way towards ending that scandal?

Dr Blackman-Woods: My right hon. Friend has made an excellent point. We are, of course, entirely aware of that issue, which affects those in London and elsewhere. New clause 57 would enable a proportion of new homes to be held back exclusively for Londoners, or local people elsewhere, who wanted to buy their first homes. Anyone who supports the ability of Londoners to buy their own homes must surely support the new clause. I am sure that my right hon. Friend will want to ask the hon. Member for Richmond Park (Zac Goldsmith) whether he will support it, given that it seeks to ensure that a number of new properties in London and elsewhere go to local first-time buyers. We know that this is a particular issue in London, because so many of the new properties are sold off plan to overseas investors before local people have a chance to enter the housing market.

Sadiq Khan: May I just make clear that I have nothing against foreigners? Some of my best friends and the families whom I know are foreigners. However, this is about fairness, and about giving first dibs to Londoners.

Dr Blackman-Woods: Absolutely, and that is what new clause 57 seeks to do, for Londoners and for a percentage of local people in all areas of the country where there is acute housing pressure. We want to ensure that some new housing is reserved, at least for a period, so that local people have a chance to get on to the housing ladder.

Amendment 100 would ensure permission in principle is limited to housing on brownfield land in England. We know that the Government’s productivity plan indicated that the proposals for permission in principle would relate specifically to brownfield land, but the Bill itself places no such limitations upon it.

1.15 am

In Committee the Minister said:

“We intend to limit the type of development that can be granted permission in principle to housing-led development”—[Official Report, Housing and Planning Public Bill Committee, 3 December 2015; c. 545.]

but we cannot see those limits in the Bill as it stands. As the Bill proposes such a major change to the planning system, and as permission in principle brings about a bypassing of the way in which local people can have their say in planning decisions, it is very important that we hear more from the Minister tonight about how permission in principle will act in practice. We know that there are now a number of different ways in which planning applications can be assessed and planning permission can be given. It has become very complicated and it is increasingly difficult for local people to be able to participate in the planning system because of these various routes. It is also a problem for developers and we would like to hear a bit more from the Minister this evening about how it is going to operate in practice.

Amendments 101 and 102 would ensure that communities continue to have a say on decisions that affect them through their local planning committees and local plan process. It asks that permission in principle and technical details consent will be subject to consultation with local authorities and their communities. Again, this is a straightforward amendment to ensure more say is given to local people in planning applications that affect them.

Amendment 70 would ensure that permission in principle would expire when the plan that relates to that permission is no longer relevant if the development has not already taken place. Clause 111 appears to confirm that permission in principle can outlast the plan that created the permission, and this raises questions about how, in the absence of a plan, the technical details stage can be determined. Again, this is a straightforward amendment. It simply removes one word from clause 111, but has far-reaching consequences in ensuring there is a time limit, at least to some extent, for permission in principle.
Amendment 71 suggests that material considerations should be able to overturn permission in principle where those material considerations could not have been foreseen beforehand. We had an interesting discussion in Committee about this, and the Minister’s response was that the permission in principle should give upfront certainty on the core matters underpinning the suitability of the site, namely its use, location and the amount of development, and allow matters of detail to be agreed subsequently. Our point in the amendment is that if something emerges that could not have been known at that material consideration technical detail stage, how will permission in principle be overturned when the legislation simply does not allow that to happen?

Amendment 72 seeks to ensure that there is some certainty for communities and developers. Permission in principle would last only for a period of five years to ensure it does not contribute to land-banking.

Amendment 103 would insert an explicit duty in clause 112 so that it considers sustainable development and place-making when sites are included on a local register of land. We think that that is very important, and that is why we wanted to ensure that amendment 70 was discussed this evening. Land that is on the register should conform to place-making and sustainable development obligations, because we know that too often place-making objectors fall off the agenda. In Committee, the Minister suggested that the national planning policy framework covered all those issues. Well, if it does, there will be no harm in putting them into the Bill as well, because they will already conform to Government policy.

Amendment 104 seeks to ensure that when urban development corporations introduce new garden cities, as in the case of Ebbsfleet, those cities should conform to garden city principles. We believe that this is really important. A place cannot simply be turned into a garden city by calling it a garden city. If it is going to be a garden city, it should conform to the principles of having a strong vision, community engagement, community ownership of land, mixed tenure of homes, employment opportunities, beautiful and imaginatively designed homes, green spaces, opportunities for residents to grow their own food, strong communities and so on. If that is what the Government intend for their new garden cities, will they please put some detail about what those cities should be like into the Bill?

New clause 49 will give councils the power of direction in relation to publicly owned land, to enable it to be brought forward more quickly to support redevelopment or regeneration opportunities. We all know that, in certain circumstances, there is a need to speed up the process of the assembly of surplus land.

We have a real issue with a number of the Government’s new clauses, and I want to reiterate some of the points that other Members have made about them. The new clauses relating to planning were tabled extremely late, over the Christmas period. There was no opportunity to discuss any of them in Committee, yet they will introduce fundamental and systemic changes to our planning system. It is not us on the Opposition Benches who have been incompetent in the management of this Bill. The Government simply should not be producing so many important, far-reaching clauses at this stage of the Bill.

Government new clause 31 introduces a new definition of affordable housing that includes starter homes. We object strongly to starter homes being included in that definition of affordable housing. In fact, many Opposition Members have said that it will render the term “affordable housing” useless. It is also a travesty that there can be no real scrutiny of these new clauses, and that we will have to leave it to the other place to carry out that role.

We take a similar view of Government new clauses 43 to 45, which is how I understand the Member for Sheffield South East (Mr Betts) has said amount to a privatisation of the planning process. That is what we think they will do. They will require local authorities to contract out at least some of the processing of their planning applications in order to give developers some ability to choose who processes their planning application. I cannot believe that the Government are serious about this. I know that they tend to carry out pilots, but they must realise that the potential for this mechanism to generate a degree of corruption and totally inappropriate conflicts of interest is probably endless. These new clauses need to be subjected to a degree of scrutiny that will not be possible this evening. It has not been possible for the planning agencies that will be affected by the changes to have a say or to have any input into the process. That is quite frankly disgraceful, because these will be huge changes to the planning system.

Although we can see that new clauses 32 to 36 attempt to ensure that more land comes forward for development, we think they are draconian. They force a range of public bodies to give up land for development, whether or not it seems to be appropriate, because there will be a requirement for them to reduce the amount of estate they hold. Again, it would have been useful to have had these clauses tabled earlier, so that we could have examined them in more detail in Committee. That job will again have to be left to the other place.

Finally, in addition to Opposition Members having real problems about the direction of the Government’s planning policies, some Government Members clearly have issues with the way in which local communities will have very little say in planning decisions that affect them. The hon. Member for Cleethorpes (Martin Vickers) and the right hon. Member for Arundel and South Downs (Nick Herbert) have tabled interesting new clauses that seek to ensure that local authorities, through parish councils or neighbourhood plans, have a greater right of appeal on planning decisions. We would seek to support those new clauses, and I hope the Minister takes them on board this evening. With that, I shall conclude my comments, after merely saying to the Minister that the planning system that he is putting in place will be his planning system, and we will judge him on it in the coming years.

Stephen Hammond (Wimbledon) (Con): I was lucky enough to be chosen by the Whips to serve on the Bill Committee, and one great chink of light in the tunnel of that seemingly interminable yet fascinating debate was that one knew that we had Ministers who were listening to us on the Back Benches. I therefore say to the Chairman of the Select Committee and to the hon. Member for City of Durham (Dr Blackman-Woods) that it is quite right to say that Government new clauses 43 to 46 were suddenly dropped in today. This idea was spoken about several times in Committee, but most notably in the stand part debate on clause 102.
I want to address some of the issues that the hon. Member for Sheffield South East (Mr Betts) raised in a moment, but the reason why I particularly asked the Minister to think about this—he promised to do so and has therefore brought these clauses back today—was in direct contradiction to what the hon. Member for Brighton, Pavilion (Caroline Lucas) said. She may be right that the planning system is not the only problem with generating new housing, but I cannot be the only Member of this House who has met local architects and local small developers, and forced the chief executive of the local council to come to a meeting because the failure of the planning department was stopping economic development and stopping housing being built. I am not talking about building by large developers or people sitting on land banks, but about building by small developers. That point was raised absolutely in Committee, when I, along with several of its members, asked the Minister to think about it.

I accept that this is a pilot and that there may or may not be some problems, but the Minister has clearly set out in these new clauses what he is aiming to do, which is to have no privatisation but competition between some planning authorities—and it is likely to be local planning authorities. As a London borough Member, I have encountered a development on a piece of land that is split between two local authorities, one of which is dragging its heels with the planning process. The application is now therefore going to the other local planning authority for it to move the process forward. If we want to generate the building of more housing, and we do, for it is a stated aim of this Government, it is not unreasonable to get some competition into the process, not the decision.

This Government and the Minister’s proposals are in no way undermining localism and the trust that is being put in local planning committees or local planning officers, who will make the final decision under delegated powers. We are seeking to allow small-scale developers to make applications and to get those processed more quickly. Opposition Members may have a number of reservations about that, but Government Members will be thanking the Minister for listening and introducing new clauses, because they will give substantial help in reaching the target that we want small-scale developers to achieve. I urge the Minister to continue to reject the arguments made by the hon. Member for City of Durham.

I would have spoken to new clauses 32 and 36 but, having looked at the time, I think the House will probably benefit from my sitting down.

1.30 am

Robert Neill (Bromley and Chislehurst) (Con): I hope that I can trespass on the House’s time for a little while to offer perhaps a starter and a bonus as far as the Bill is concerned. I am talking about the discrete issue of nationally significant infrastructure projects, and in particular about clause 116 and amendment 78, which stands in my name. The bonus is that it deals with fairness in relation to land compensation, which is something that we have talked about on a number of occasions.

The particular issue is that under clause 116, the development consent orders, which are part of the nationally significant infrastructure project regime, are extended beyond the infrastructure, that is then linked to related housing development. It can be housing development that is adjacent or linked to the scheme. Equally, it can be housing development that is physically very close to the scheme. I do not have a problem with that, and there will be a number of instances where the creation of a piece of infrastructure either opens up land sensibly for access to development for housing or may sever land that might be farmland or similar from the rest of the agricultural holding. In that case, it is more sensible then to use it for housing as it is not viable as an agricultural unit or some other type of business unit. There is no problem there.

The unique feature of development consent orders is that they combine both the granting of planning permission and the making of a compulsory purchase order for the acquisition of the land. The issue that amendment 78 seeks to deal with is that under current compulsory purchase law, land acquired compulsorily—be it for this purpose or whatever—is compensated at current use value. In the majority of cases, that is likely to be agricultural value. Under certain circumstances, it might be a business value, but it is highly unlikely ever to be housing value. If the land had permission for housing, it would be dealt with by private treaty and there would not be the need to seek a compulsory purchase order anyway. What we are seeking to deal with is the anomaly that, for perhaps perfectly good reasons, an acquiring authority—it could be a public authority or it could equally be a private developer bringing forward a scheme either on their own or in partnership with a public agency—could, by getting a development consent order, acquire land from a small business at agricultural value and immediately get a significant uplift to housing value.

Under current arrangements, there is no means for the landowner or the business person, who may have seen their holding or business disrupted, to acquire by way of compensation any of the uplift in that value that comes from the granting of housing permission. That seems to me and to many to be unfair, which is why it has been raised by the Country Land and Business Association. The amendment seeks to address that by requiring the guidance, which clause 116 already says must be put in place, to include specifically the payment of the proper land value compensation at housing value.

The Minister may say that there are other means of dealing with that matter other than by primary legislation, but I hope he will accept that this is a real issue. In fairness to many small businesses and landowners who are affected by these important proposals, which are broadly for the public good, there should be some means of enabling them not to lose out on the uplift in value, which will, in effect, be a windfall to the acquiring authority.

I would welcome it if the Minister looked favourably on this amendment. If he does not, I hope that he will at least be prepared to talk to those who are concerned about this matter and see whether there is some other way, short of primary legislation, to take it forward and seek to resolve it.

John Howell (Henley) (Con): I understand completely where my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) and my hon. Friend
the Member for Cleethorpes (Martin Vickers) are coming from, but I take a slightly different view. Let me start with finalised neighbourhood plans. I have some sympathy with their argument that there should be a community right of appeal in these circumstances, but when we looked at this in the context of the Localism Act 2015, we originally did not include it to avoid the situation where part of a community would appeal against something that the rest of the community had just voted on. I urge Ministers to look at the issue again in the context of the Bill to see whether that problem can be worked out.

On emerging plans, I take a completely different view. First, such plans already have protection. The closer they get to finalisation, the stronger that becomes. Secondly, if communities undertaking neighbourhood plans start off at the end point rather than at the beginning, they are likely to have lots of help along the way, including at appeals.

Kit Malthouse (North West Hampshire) (Con) rose—

John Howell: I will not take interventions at this late stage.

The end point is not the inspection, but the referendum. Many communities in my own constituency have started the process of producing a neighbourhood plan and for one reason or another have abandoned it along the way, in some cases fairly close to the referendum. There is many a slip before the referendum takes place and votes are counted. To take the view that emerging plans should have a greater degree of protection would sterilise a whole area from development while that neighbourhood plan was theoretically an option. Plans have a proper place and they are being followed at appeal. There are examples of front-runners in my constituency where development has been proposed that was not in accordance with the neighbourhood plan and it was rejected at appeal.

Neighbourhood plans share responsibility with the district or borough council for the development of the planning system for their location. It is not just a matter of protecting a village. It is a view of the development of the village for the future, and in my experience the planning inspectorate is fully prepared to back those plans as they proceed.

Brandon Lewis: This has been a worthwhile and an interesting debate. The comments of the hon. Member for City of Durham (Dr Blackman-Woods) about the amendments were a bit rich, given that we had made changes and allowed extra time in Committee for her and her colleagues, and bearing in mind that we tabled the amendments back in December. Her comments on Opposition amendments repeated conversations that we had in Committee, so I do not intend to rehearse those and detain the House further on issues that we have already discussed.

On Opposition new clause 57, I made it clear in Committee that we need a radical shift in the way the housing market supports young first-time buyers so that we do not condemn a whole generation to uncertainty and insecurity. That is why we want to see 200,000 new starter homes built over this Parliament exclusively for young first-time buyers at a minimum of a 20% discount on open market value to help them into low cost home ownership. I thank my hon. Friend the Member for North Herefordshire (Bill Wiggin) for his contribution. I understand the points that he made and I will take them on board and review them along with my ministerial colleague, the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton), who I know will be willing to meet him and interested bodies to discuss how we can take matters forward in an appropriate way.

I listened carefully to the arguments put forward by my hon. Friend the Member for Bromley and Chislehurst (Robert Neill). He is a respected former Minister in my Department with a wealth of experience and expertise. I believe that his concerns are addressed by provisions in existing legislation, but I am very willing to meet him and interested bodies, such as the CLA, to discuss making sure that the provisions in place are adequate.

I also welcome the comments from my hon. Friend the Member for Cleethorpes (Martin Vickers) and my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) on ensuring that communities have a strong voice in planning. My right hon. Friend focused, in particular, on infrastructure. He is quite right to draw attention to the cost of development, so I thank him for doing so. It is right that new development should be supported by an appropriate level of infrastructure and that developers should provide support to put that in place. That is what the negotiations on section 106 and the community infrastructure levy are for. We would expect any significant infrastructure that would be needed to support a proposed new development to be a material consideration for the planning decision, and therefore covered in detail in planning reports for a local authority. We would therefore expect the costs associated with putting the necessary infrastructure in place to be covered.

I believe that the concerns expressed by my right hon. Friend the Member for Arundel and South Downs about neighbourhood plans are a clear indication of the strength of feeling that people have about ensuring that their voices are heard. I very much appreciate the intention of the amendment, as the Government place great importance on neighbourhood plans. However, I hope that I can convince him and other colleagues that these amendments are not necessary at this stage.

Neighbourhood plans give communities the power to shape the development of their area. When a neighbourhood plan is made, it becomes part of the development plan and attains the same weight in law as a local plan, as it forms the basis for decisions on planning applications. The law is clear: decisions should be made in accordance with the development plan, with material considerations taken into account. The national planning policy framework is also very clear. It states: "Where a planning application conflicts with a neighbourhood plan that has been brought into force, planning permission should not normally be granted."

That is well understood by local planning authorities.

I want to be clear that a “made” neighbourhood plan is a clear indication of a community’s vision for its local area, as my hon. Friend the Member for Henley (John Howell) has outlined, and it should be respected as such. I would expect local authorities and the Planning Inspectorate to give due weight to neighbourhood plans as they progress towards adoption. The NPPF itself is...
clear that the more advanced the plan, the greater the weight that may be given to it. Communities have their say throughout the local and neighbourhood plan-making process. Indeed, neighbourhoods have the ultimate say with their referendum. Their views must be considered when decisions are taken on applications. The Bill speeds up and simplifies that neighbourhood planning process, which underlined the importance we place on it.

The system is therefore already geared towards ensuring that communities’ views are taken into account, and local authorities must respect that. If communities are concerned that their plans are not being respected as they should be, the Secretary of State has powers to intervene. I can confirm that the Secretary of State will continue to consider intervention to recover certain appeals where there is a made or submitted neighbourhood plan. I can further confirm that I intend shortly to lay a revised ministerial statement extending and confirming the current recovery criterion for a further six months. During that period, we will continue to review the measures. I hope that my hon. Friends who have spoken tonight and others who are interested will work with us and feed into that period.

The improvements that we are proposing in the Bill will strengthen and revitalise the planning system. They are a real shot in the arm, which will get new homes built with fewer quarrels and less delay. The changes that we are making will assist those who run into difficulties, for example when negotiating section 106 agreements, giving people clarity and security that homes given planning permission will actually be built, and built in good time.

We are continuing to set the bar as high as possible on how public land will be used. As the Prime Minister said on Monday, we will ensure that we get Britain building.

Mr Betts: Will the Minister give way?

Brandon Lewis: Not at this stage.

These amendment will allow us to capitalise on our progress and ensure that public sector land and the planning system is fit for the future. I hope that colleagues will reflect on these comments and not feel the need to press their amendments to a vote. I commend our new clauses to the House.

Question put and agreed to.

New clause 29 accordingly read a Second time, and added to the Bill.

New Clause 30

RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS

‘(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Resolution of disputes about planning obligations Schedule 9A (resolution of disputes about planning obligations) has effect.”

(2) After Schedule 9 to that Act insert, as Schedule 9A, the Schedule set out in Schedule (Resolution of disputes about planning obligations: Schedule to be inserted in the Town and Country Planning Act 1990) to this Act.

(3) In section 106 of that Act, in subsection (1), for “and sections 106A to 106C” substitute “sections 106A to 106C and Schedule 9A”. — (Brandon Lewis.)

This new clause inserts a new section 106ZA in the Town and Country Planning Act 1990, which gives effect to new Schedule 9A to that Act. Schedule 9A is set out in new Schedule NS4. The new Clause also makes a consequential amendment.

Brought up, read the First and Second time, and added to the Bill.

New Clause 31

PLANNING OBLIGATIONS AND AFFORDABLE HOUSING

‘(1) After section 106ZA of the Town and Country Planning Act 1990 (inserted by section (Resolution of disputes about planning obligations) above) insert—

“106ZB Enforceability of planning obligations regarding affordable housing

(1) Regulations made by the Secretary of State may impose restrictions or conditions on the enforceability of planning obligations entered into with regard to the provision of—

(a) affordable housing, or
(b) prescribed descriptions of affordable housing.

(2) Regulations under this section—

(a) may make consequential, supplementary, incidental, transitional or saving provision;
(b) may impose different restrictions or conditions (or none) depending on the size, scale or nature of the site or the proposed development to which any planning obligations would relate.

(3) In this section “affordable housing” means new dwellings in England that—

(a) are to be made available for people whose needs are not adequately served by the commercial housing market, or
(b) are starter homes within the meaning of Chapter 1 of Part 1 of the Housing and Planning Act 2016 (see section 2 of that Act).

(4) “New dwelling” here means a building or part of a building that—

(a) has been constructed for use as a dwelling and has not previously been occupied, or
(b) has been adapted for use as a dwelling and has not been occupied since its adaptation.

(5) The Secretary of State may by regulations amend this section so as to modify the definition of “affordable housing.”

(2) In section 333 of that Act (regulations and orders), after subsection (3) insert—

“(3ZA) No regulations may be made under section 106ZB unless a draft of the instrument containing the regulations has been laid before, and approved by a resolution of, each House of Parliament.”” — (Brandon Lewis.)

The section inserted in the Town and Country Planning Act 1990 by this new clause confers power to make affirmative-resolution regulations about obligations entered into under section 106 of that Act with regard to affordable housing, and defines “affordable housing” so as to include starter homes (see Chapter 1 of Part 1 of the Bill).

Brought up, read the First and Second time, and added to the Bill.
New Clause 43

PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS

(1) The Secretary of State may by regulations make provision for a planning application that fails to be determined by a specified local planning authority in England to be processed, if the applicant so chooses, not by that authority but by a designated person.

(2) The regulations must provide that the option to have a planning application processed by a designated person—

(a) does not affect a local planning authority's responsibility for determining planning applications, and

(b) applies only until a specified date.

(3) The regulations may provide that—

(a) they apply only to planning applications for development of a specified description;

(b) designations of persons by the Secretary of State (see subsection (7)) may be made so as to apply only in relation to planning applications for development of a specified description.

(4) The regulations may—

(a) apply or disapply, in relation to England, any enactment about planning;

(b) modify the effect of any such enactment in relation to England.

(5) Sections (Regulations under section (Processing of planning applications by alternative providers): general) to (Regulations under section (Processing of planning applications by alternative providers): information), which set out matters that may be included in regulations under this section, do not limit the power in section 142(5) (to make supplementary provision etc).

(6) For the purposes of this group of sections (that is, this section and sections (Regulations under section (Processing of planning applications by alternative providers): general) to (Regulations under section (Processing of planning applications by alternative providers): information)), processing a planning application means taking any action in relation to the application (other than determining it) of a kind that—

(a) might otherwise be taken by or for the responsible planning authority, and

(b) is specified in the regulations.

(7) In this group of sections “designated person” means a person—

(a) who is designated by the Secretary of State in accordance with the regulations, and

(b) whose designation has not been withdrawn in accordance with the regulations.

The Secretary of State may designate a local planning authority.

(8) In this group of sections—

“local planning authority” has the same meaning as in the Town and Country Planning Act 1990;

“planning application” means an application for planning permission under Part 3 of that Act;

“responsible planning authority”, in relation to a planning application, means the local planning authority responsible for determining the application;

“specified” means specified in regulations under this section.”—[Brandon Lewis.]

This new clause would give the Secretary of State the power, by regulations, to introduce pilot schemes for competition in the processing (but not the determining) of applications for planning permission.

Brought up, read the First and Second time, and added to the Bill.

New Clause 44

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): GENERAL

(1) Regulations under section (Processing of planning applications by alternative providers) may make provision—

(a) requiring a designated person to process a planning application, except in specified circumstances, if chosen to do so by an applicant;

(b) allowing a responsible planning authority to take over the processing of a planning application from a designated person in specified circumstances.

(2) The regulations may make provision about—

(a) eligibility to act as a designated person;

(b) the capacity of a local planning authority to act as a designated person;

(c) actions to be taken or procedures to be followed—

(i) by persons making planning applications,

(ii) by designated persons, or

(iii) by responsible planning authorities, and

and periods within which the actions or procedures are to be taken or followed;

(d) matters to be considered by designated persons or responsible planning authorities;

(e) performance standards for designated persons;

(f) the investigation of complaints or concerns about designated persons;

(g) the circumstances in which, and the extent to which, any advice provided by a designated person to a person making a planning application is binding—

(i) on the responsible planning authority, or

(ii) on designated persons other than the one providing the advice;

(h) cases where a person ceases to be a designated person or where a designated person is unable to continue processing a planning application.

(3) The provision that may be made under subsection (2)(c) includes provision requiring a designated person to provide assistance to the responsible planning authority in connection with—

(a) any appeal against the authority’s determination of the application;

(b) any application to the court made in relation to that determination.

(4) The provision that may be made under subsection (2)(f) includes—

(a) provision about the payment of compensation;

(b) provision for a designated person to be required to indemnify the responsible authority for any compensation that the authority is required to pay;

(c) provision applying anything in Part 3 of the Local Government Act 1974 (local government administration) with or without modifications.

(5) The regulations may confer powers on the Mayor of London or the Secretary of State in cases where a direction is given under section 2A or 77 of the Town and Country Planning Act 1990 (“call-in” directions).”—[Brandon Lewis.]

This new clause provides that regulations under NC43 may provide for various matters including the actions and procedures to be followed during the pilot schemes, the eligibility of persons to act as designated persons, the setting of performance standards, and how conflicts of interest and the investigation of complaints are dealt with.

Brought up, read the First and Second time, and added to the Bill.
New Clause 45

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): FEES AND PAYMENTS

'(1) Regulations under section (Processing of planning applications by alternative providers) may make provision about—

(a) the setting, publication and charging of fees by designated persons or responsible planning authorities;
(b) the refunding of fees, by designated persons or responsible planning authorities, in specified circumstances.

(2) The provision that may be made under subsection (1)(a) includes provision giving power to the Secretary of State to prevent the charging of fees that he or she considers excessive.

(3) The provision that may be made under subsection (1)(b) includes provision requiring a designated person or a responsible planning authority to refund to an applicant some or all of a fee paid by the applicant to a designated person where the person or the authority fails to do a particular thing within a specified period.

(4) The regulations may authorise the making of payments by the Secretary of State to local planning authorities or designated persons.” —(Brandon Lewis.)

This new clause provides that regulations under NC43 may include provision giving power to the Secretary of State to prevent the charging of fees that he or she considers excessive.

Brought up, read the First and Second time, and added to the Bill.

New Clause 46

REGULATIONS UNDER SECTION (PROCESSING OF PLANNING APPLICATIONS BY ALTERNATIVE PROVIDERS): INFORMATION

'(1) Regulations under section (Processing of planning applications by alternative providers) may make provision—

(a) requiring responsible planning authorities to disclose information to designated persons;
(b) requiring designated persons to disclose information to responsible planning authorities or to other designated persons;
(c) restricting the uses to which information disclosed by virtue of paragraph (a) or (b) may be put;
(d) restricting further disclosure of such information.

(2) The regulations may make provision for designated persons or responsible planning authorities to be required to provide information to the Secretary of State.” —(Brandon Lewis.)

This new clause provides that regulations under NC43 may provide for information-sharing (about, for example, the planning history for land to which an application relates), may restrict uses to which shared information may be put, and may require information to be provided to the Secretary of State.

Brought up, read the First and Second time, and added to the Bill.

New Clause 57

PLANNING OBLIGATIONS: LOCAL FIRST-TIME BUYERS

'(1) After section 106 of the Town and Country Planning Act 1990 (planning obligations) insert—

“106ZA Planning obligations in respect of local first-time buyers

(1) When granting planning permission under 70(1)(a), or permission in principle under 70(1A)(a), for the construction of new dwellings for sale, the local planning authority may require that a proportion of the dwellings are marketed exclusively to local first-time buyers for a specified period.

(2) The “specified period” in subsection (1) must start no earlier than six months before the new dwellings have achieved, or are likely to, practical completion.

(3) “First-time buyer” in subsection (1) has the meaning given by section 57AA(2) of the Finance Act 2003.

(4) The Secretary of State may by regulations—

(a) define the “specified period” in subsection (1),
(b) define “local” in subsection (1), and
(c) the definition “local” may vary according to specified circumstances.

(5) The regulations in subsection (4) so far as they apply to local planning authorities in Greater London will not apply to these authorities unless the Secretary of State has consulted and received the consent of the Greater London Authority.”’ —(Dr Blackman-Woods.)

This new clause would empower local planning authorities to impose a planning obligation when giving planning permission for the construction of new housing for sale requiring that a proportion of the housing is marketed exclusively to local first-time buyers.

Brought up, and read the First time.

Question put. That the clause be read a Second time:—

The Committee divided: Ayes 72, Noes 277.

Division No. 156

AYES

Abbott, Ms Diane
Bailey, Mr Adrian
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Cadbury, Ruth
Campbell, rh Mr Alan
Coyle, Neil
Creasy, Stella
Danczuk, Simon
Dowd, Peter
Edwards, Jonathan
Elford, Clive
Elliott, Tom
Farrell, Paul
Fitzpatrick, Jim
Green, Kate
Griffith, Nia
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hussain, Imran
Jarvis, Dan
Jones, Gerald
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Khan, rh Sadiq
Kinahan, Danny
Kyle, Peter
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Madders, Justin
Maskell, Rachael
Matheson, Christian
McGinn, Conor
McInnes, Liz
McMahon, Jim
Morden, Jessica
Morris, Grahame
M.
Mulholland, Greg
Murray, Ian
Omn, Melanie
Osamor, Kate
Owen, Albert
Pennycook, Matthew
Phillips, Jess
Rayner, Angela
Rimmer, Marie
Saville Roberts, Liz
Skinner, Mr Dennis
Smeeth, Ruth
Smith, Cat
Starmer, Keir
Stevens, Jo
Streeting, Wes
Tami, Mark
Thomas-Symonds, Nick
Turley, Anna
West, Catherine
Williams, Mr Mark
Winnick, Mr David
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes: Sue Hayman and Jeff Smith

NOES

Adams, Nigel
Afriyie, Adam

Allan, Lucy
Amess, Sir David
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Ghani, Nusrat
Gibb, Mr Nick
Gillian, rh Mrs Cheryl
Glen, John
Goodwill, rh Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gymn, rh Mr Sam
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Nick
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hurd, Mr Nick
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkins, Mr Bernard
Jenkins, Andrew
Jennick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, rh Mr Marcus
Kawczynski, Daniel
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grange, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCARTHY, Jason
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Philips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Purseglove, Tom
Quin, Jeremy
Quince, Will
Redwood, rh John
Rees-Mogg, rh Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
 Smyth, Karin
Solloway, Amanda
Soubry, rh Anna
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syma, Mr Robert
Thomas, Derek
Throup, Maggie
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Turner, rh Mr Andrew
Vaizey, rh Mr Edward
Vara, rh Mr Shai lesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, rh Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Noes:
Sarah Newton and Simon Kirby

Question accordingly negatived.
New Schedule 4

“SCHEDULE

RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS; SCHEDULE TO BE INSERTED IN THE TOWN AND COUNTRY PLANNING ACT 1990

“SCHEDULE 9A

Section 106ZA

RESOLUTION OF DISPUTES ABOUT PLANNING OBLIGATIONS

Appointment of person to help resolve disputes

1 (1) This paragraph applies where—
   (a) a person (“the applicant”) has made an application for planning permission or an application of a prescribed description (“the application”) to a local planning authority in England,
   (b) there are unresolved issues regarding what should be the terms of any section 106 instrument, and
   (c) any prescribed conditions are met.

(2) The Secretary of State must (subject to sub-paragraphs (6) to (8)) appoint a person to help with the resolution of the unresolved issues if—
   (a) the Secretary of State thinks that the local planning authority would be likely to grant the application if satisfactory planning obligations were entered into, but not otherwise, and
   (b) sub-paragraph (3), (4) or (5) applies.

(3) This sub-paragraph applies where the applicant or the authority requests the Secretary of State to make an appointment.

(4) This sub-paragraph applies where—
   (a) a person of a prescribed description requests the Secretary of State to make an appointment, and
   (b) any prescribed requirements as to the consent of the applicant or the authority are satisfied.

(5) This sub-paragraph applies where—
   (a) regulations require an appointment to be made, in prescribed circumstances, if the unresolved issues have not been resolved by the end of a prescribed period,
   (b) the circumstances are as prescribed, and
   (c) the unresolved issues have not been resolved by the end of that period.

(6) The Secretary of State may decline to make an appointment in prescribed circumstances.

(7) Regulations must provide that—
   (a) no appointment is to be made under this paragraph before the end of a prescribed period;
   (b) no appointment is to be made in response to a request under sub-paragraph (3) or (4) if the request is withdrawn before the end of that period.

(8) No request may be made under sub-paragraph (3) or (4), and sub-paragraph (5) does not apply—
   (a) if the application has been referred to the Secretary of State under section 77;
   (b) if the applicant has appealed to the Secretary of State under section 78(2) in respect of the application;
   (c) if the applicant has made an application to the court, which has not been disposed of, in respect of it;
   (d) in such other circumstances as may be prescribed.

Co-operation etc with person appointed under paragraph 1

2 Where a person is appointed under paragraph 1 the parties must—
   (a) co-operate with the person;
   (b) comply with any reasonable requests by the person to provide information or documents or to take part in meetings.

Report by appointed person

3 (1) A person appointed under paragraph 1 must prepare a report and send it to the parties.

(2) The report must—
   (a) identify the unresolved issues;
   (b) indicate the steps taken since the person’s appointment to try to resolve those issues.

(3) If—
   (a) agreement is reached between the local planning authority and those who are proposing to enter into planning obligations, before the report is sent to the parties, on what are to be the terms of the section 106 instrument, and
   (b) the appointed person is aware of the agreement, the report must set out the terms agreed.

(4) Where sub-paragraph (3) does not apply, the report must set out the appointed person’s recommendations as to what terms would be appropriate.

(5) In deciding what recommendations to make under sub-paragraph (4), the appointed person must have regard to any template or model for section 106 instruments that is published by the Secretary of State.

(6) The local planning authority must publish the report in accordance with any provision made by regulations about the manner and time of publication.

Temporary prohibition on refusal or appeal

4 (1) Where paragraph 1(3), (4) or (5) applies, the applicant may not appeal to the Secretary of State under section 78(2) in relation to the application before—
   (a) the resolution process has come to an end, and
   (b) the applicant has paid any fees or costs that the applicant is required to pay by virtue of paragraph 10(3) or (4)(c).

(2) Where paragraph 1(3), (4) or (5) applies and the local planning authority are minded to refuse the application, they may not do so before—
   (a) the resolution process has come to an end, and
   (b) the authority have paid any fees or costs that they are required to pay by virtue of paragraph 10(3) or (4)(c).

(3) For the purposes of this paragraph, the resolution process comes to an end—
   (a) on the expiry of the period prescribed under paragraph 1(7), if paragraph 1(5) does not apply and the request under paragraph 1(3) or (4) is withdrawn (or, where more than one such request has been made, they are all withdrawn) before the end of that period;
   (b) when the Secretary of State declines to appoint a person under paragraph 1, if the Secretary of State declines make an appointment;
   (c) when the parties agree that the process has come to an end, if they agree that it has;
   (d) when the local planning authority publish the appointed person’s report, if paragraph (a), (b) or (c) does not apply.

Effect of appointed person’s report: planning obligations entered into

5 (1) This paragraph applies where—
   (a) a local planning authority are determining an application in connection with which—
      (i) a report has been prepared under paragraph 3, and
      (ii) planning obligations have been entered into, and
   (b) the section 106 instrument satisfies the requirements of sub-paragraph (2).
(2) A section 106 instrument satisfies the requirements of this sub-paragraph if—
(a) the instrument is in accordance with the terms or recommendations reported under paragraph 3(3) or (4), or
(b) the instrument is executed before the end of a prescribed period and the local planning authority—
(i) are a party to it, or
(ii) notify the applicant, before the end of that period, that they are content with the terms of it.

(3) The local planning authority must not refuse the application on a ground that relates to the appropriateness of the terms of the section 106 instrument.

(4) If the local authority grant the application, the authority’s power to make the grant conditional on a person undertaking—
(a) a planning obligation other than one entered into by the section 106 instrument, or
(b) an obligation of some other kind, is subject to any limitations specified in regulations.

Effect of appointed person’s report: no planning obligations entered into

6 Where—
(a) a local planning authority are determining an application in connection with which a report has been prepared under paragraph 3,
(b) the report records (under paragraph 3(3)) an agreement that planning obligations are to be entered into, or recommends (under paragraph 3(4)) that planning obligations are entered into, and
(c) no section 106 instrument is executed before the end of a prescribed period,

The local planning authority must refuse the application.

Effect of appointed person’s report: further provision

7 (1) Where a report is prepared under paragraph 3 in connection with an application—
(a) the local planning authority determining the application must have regard to the report, to the extent that this requirement is consistent with the restrictions in paragraphs 5 and 6;
(b) a person determining an appeal against the authority’s decision on the application, or an appeal under section 78(2) in respect of the application, must have regard to the report but is not subject to those restrictions.

(2) Regulations may prescribe cases or circumstances in which a restriction in paragraph 5 or 6 does not apply.

Appointment in connection with two or more applications

8 (1) A person may be appointed under paragraph 1 in connection with two or more applications if the same or similar issues arise on both or all of them.

(2) In such cases—
(a) the provisions of this Schedule apply separately in relation to each application, but
(b) a single report may be made under paragraph 3 in relation to both or all of the applications.

Exercise of functions on behalf of the Secretary of State

9 (1) The Secretary of State may arrange for a function of the Secretary of State under paragraph 1 (other than a function of making regulations) to be exercised by any body or person on behalf of the Secretary of State.

(2) A reference in this Schedule to the Secretary of State is to be read, appropriate, as including a reference to a body or person exercising functions under any such arrangements.

(3) Arrangements under this paragraph—
(a) do not affect the responsibility of the Secretary of State for the exercise of the function;
(b) may include provision for payments to be made to the body or person exercising the function under the arrangements.

Regulations

10 (1) Regulations may make provision about requests under paragraph 1(3) or (4), including in particular—
(a) provision about when requests may be made;
(b) provision about the form of requests;
(c) provision requiring requests to be served on prescribed persons;
(d) provision requiring prescribed information or documents to be provided;
(e) provision about withdrawal of requests.

(2) Regulations may make provision requiring the applicant or the local planning authority to notify the Secretary of State where paragraph 1(5) applies.

(3) Regulations may make provision for the payment by the parties of fees in cases where a person is appointed under paragraph 1, including in particular provision about—
(a) calculating the amount of the fees;
(b) the proportion of the fees that each party is to bear;
(c) when fees are to be payable.

(4) Regulations may make further provision supplementing that made by paragraphs 1 to 9, and may in particular—
(a) make provision about the qualifications or experience that an appointed person must have;
(b) require an appointed person—
(i) to consider or take into account prescribed matters;
(ii) not to consider or take into account prescribed matters;
(iii) to make prescribed assumptions;
(c) provide for a party that is in breach of paragraph 2, or otherwise behaves unreasonably, to be required by an appointed person to pay some or all of the costs incurred by another party in connection with that breach or behaviour;
(d) make provision for corrections or other revisions to be made to a report under paragraph 3;
(e) require particular steps to be taken by an appointed person or the parties for the purposes of, or otherwise in connection with, a report under paragraph 3;
(f) requiring the application to be determined no earlier than a specified period following the time when a report under paragraph 3 is sent to the parties, or no later than a specified period following that time.

Interpretation

11 In this Schedule—
“the applicant” and “the application” have the meaning given by paragraph 1(1);
“appointed person” means a person appointed under paragraph 1;
“parties” means the applicant and the local planning authority;
“prescribed period” means a period prescribed by, or determined in accordance with, regulations;
“section 106 instrument” means an instrument by which planning obligations are entered into.”

Section 106 of the Town and Country Planning Act 1990 enables someone with an interest in land to enter into planning obligations enforceable by the local planning authority. The negotiation of such obligations can become protracted. New Schedule 9A introduces new procedures aimed at resolving issues connected with the negotiation of such obligations.—(Brandon Lewis.)

Brought up, read the First and Second time, and added to the Bill.
Clause 155

COMMENCEMENT

Amendments made: 10, in clause 155, page 77, line 13, leave out “and (113(1)) and insert “, 113(1) and (Planning applications etc: setting of fees)”

This amendment provides for new clause NC29 to come into force on Royal Assent.

Amendment 75, page 77, line 13, at end insert—

“( ) sections (Processing of planning applications by alternative providers) to (Regulations under section (Processing of planning applications by alternative providers))”—(Brandon Lewis.)

This amendment provides for the new clauses NC43 to NC46 to come into force on Royal Assent.

New Clause 32

ENGAGEMENT WITH PUBLIC AUTHORITIES IN RELATION TO PROPOSALS TO DISPOSE OF LAND

(1) A Minister of the Crown must, in developing proposals for the disposal of the Minister’s interest in any land, engage on an ongoing basis with—

(a) each local authority in whose area the land is situated, and
(b) each public authority that is specified, or of a description specified, in regulations.

(2) A relevant public authority must, in developing proposals for the disposal of the authority’s interest in any land, engage on an ongoing basis with other relevant public authorities.

(3) In subsection (2), “relevant public authority” means a public authority that is specified, or of a description specified, in regulations.

(4) A person who is subject to a duty under subsection (1) or (2) must have regard to any guidance given by the Minister for the Cabinet Office about how the duty is to be complied with.

(5) Subsections (1) and (2) do not apply in relation to proposals in respect of land that is specified, or of a description specified, in regulations.

(6) Regulations under subsection (3) may not be made so as to require a public authority to carry out engagement under subsection (2)—

(a) in relation to proposals for the disposal of an interest in land in Scotland, unless the authority is—

(i) a body to which paragraph 3 of Part 3 of Schedule 5 to the Scotland Act 1998 applies, or
(ii) Her Majesty’s Revenue and Customs, or
(b) if the authority has functions that are exercisable only in or as regards Wales and are wholly or mainly functions relating to—

(i) a matter in respect of which functions are exercisable by the Welsh Ministers, the First Minister for Wales or the Counsel General to the Welsh Government, or
(ii) a matter within the legislative competence of the National Assembly for Wales.

(7) In this section—

“interest” means a freehold or leasehold interest;
“local authority” means—

(a) a county council,
(b) a county borough council,
(c) a district council,
(d) a London borough council,
(e) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009,
(f) the Common Council of the City of London (in its capacity as a local authority),
(g) the Council of the Isles of Scilly, or
(h) the council for a local government area in Scotland;
“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975 (see section 8(1) of that Act);
“public authority” means a person with functions of a public nature;
“regulations” means regulations made by the Minister for the Cabinet Office.”—(Brandon Lewis.)

This new Clause requires Ministers of the Crown, when developing proposals for the disposal of land, to engage on an ongoing basis with local and other authorities. The new Clause also confers a power to require specified public authorities to engage with other such authorities when developing proposals for the disposal of land.

Brought up, read the First and Second time, and added to the Bill.

New Clause 33

DUTY OF PUBLIC AUTHORITIES TO PREPARE REPORT OF SURPLUS LAND HOLDINGS

(1) A relevant public authority must, in respect of each reporting period, prepare and publish a report containing details of surplus land in England and Wales.

(2) A relevant public authority must, in respect of each reporting period, prepare and publish a report containing details of surplus land in Scotland.

(3) For the purposes of this section, land is “surplus land” in relation to a relevant public authority if—

(a) the authority owns an interest in the land,
(b) the authority has determined that the land is surplus to its requirements, and
(c) the authority first determined that the land was surplus to its requirements—

(i) in the case of land used wholly or mainly for residential purposes, at any time before the beginning of the period of 6 months ending with the last day of the reporting period, and
(ii) in the case of other land, at any time before the beginning of the period of two years ending with that day.

(4) In this section, “relevant public authority” means a public authority that is specified, or of a description specified, in regulations.

(5) In determining whether land is surplus to its requirements, and in carrying out its other functions under this section, a relevant public authority must have regard to guidance given by the Secretary of State.

(6) A report prepared by a relevant public authority must explain why the authority has not disposed of surplus land.

(7) Regulations may provide that the definition of “surplus land” in subsection (3) applies in relation to public authorities that are specified, or of a description specified, in the regulations as if subsection (3)(c) were omitted.

(8) Regulations may provide that the duty under subsection (1) or (2) does not apply in respect of specified land or descriptions of land.

(9) Regulations may make further provision about reports under this section, including—

(a) provision about their form and timing,
(b) provision specifying information to be included in reports, and
(c) provision about their publication.

(10) Regulations may not specify a public authority for the purposes of subsection (1) if the authority has functions—

(a) that are exercisable only in or as regards Wales, and
(b) that are wholly or mainly functions relating to—
  (i) a matter in respect of which functions are exercisable
      by the Welsh Ministers, the First Minister for Wales or the Counsel General to the Welsh Government, or
  (ii) a matter within the legislative competence of the National Assembly for Wales.

(11) Regulations may not specify a public authority for the purposes of subsection (2) unless it is—
  (a) a body to which paragraph 3 of Part 3 of Schedule 5 to the Scotland Act 1998 applies, or
  (b) Her Majesty’s Revenue and Customs.

(12) In this section—
  “interest” means a freehold or leasehold interest;
  “public authority” means a person with functions of a public nature;
  “regulations” means regulations made by the Secretary of State;
  “reporting period” means the period (not exceeding 12 months) specified by or determined in accordance with regulations.”—(Brandon Lewis.)

This new Clause requires public authorities to prepare and publish reports containing details of surplus land.

Brought up, read the First and Second time, and added to the Bill.

New Clause 34

POWER TO DIRECT BODIES TO DISPOSE OF LAND

(1) Section 98 of the Local Government, Planning and Land Act 1980 (disposal of land at direction of Secretary of State) is amended as follows.

(2) Before subsection (1) insert—

“(A1) Where a body to which this Part applies is a relevant public authority, the Secretary of State may in specified circumstances direct the body to take steps for the disposal of the body’s freehold or leasehold interest in any land or any lesser interest in the land.

(B1) In subsection (A1)—
  (a) “relevant public authority” has the same meaning as in section (Duty of public authorities to prepare report of surplus land holdings) of the Housing and Planning Act 2015;
  (b) “specified” means specified by the Secretary of State in regulations made by statutory instrument;
  (c) the reference to steps for the disposal of an interest in land is a reference to steps which it is necessary to take to dispose of the interest and which it is in the body’s power to take.”

(3) After subsection (9) insert—

“(10) A statutory instrument containing regulations made by virtue of subsection (A1) is subject to annulment in pursuance of a resolution of either House of Parliament.”—(Brandon Lewis.)

This new Clause requires each authority listed in NS5 to prepare an annual report on, amongst other things, the efficiency and contribution to sustainability of buildings in which the authority has an interest and the progress made in each year towards reducing the size of the authority’s overall buildings estate.

Brought up, read the First and Second time, and added to the Bill.

New Clause 36

REPORTS ON IMPROVING EFFICIENCY AND SUSTAINABILITY OF BUILDINGS IN MILITARY ESTATE

(1) Section 86 of the Climate Change Act 2008 (report on the civil estate) is amended as follows.

(2) In subsection (1)—
  (a) the text from “buildings” to the end becomes paragraph (a), and
  (b) after that paragraph insert “, and
  (b) buildings that are part of the military estate.”

(3) In subsection (2)—
  (a) in paragraph (a), after “estate” insert “and the military estate”, and
  (b) in paragraph (b), after “estate” insert “or the military estate”.

(4) In subsection (3)—
  (a) after “estate”, in the first place it occurs, insert “or the military estate”, and
  (b) for “civil estate”, in the second place it occurs, insert “the estate in question”.

(5) After subsection (7) insert—

“(7A) For the purposes of this section, a building is part of the military estate if—
  (a) it is not part of the civil estate,
  (b) the Secretary of State has a freehold or leasehold interest in the building, and

(2) A “buildings efficiency and sustainability assessment” is an assessment of the progress made by the authority, in the year to which the report relates, towards improving the efficiency and contribution to sustainability of buildings that are part of the authority’s estate.

(3) A report must, in particular, include an assessment of the progress made by the authority, in the year to which the report relates, towards—
  (a) reducing the size of the authority’s estate, and
  (b) ensuring that buildings that become part of the authority’s estate fall within the top quartile of energy performance.

(4) If a building that does not fall within the top quartile of energy performance becomes part of the authority’s estate in the year to which the report relates, the report must explain why the building has nevertheless become part of the authority’s estate.

(5) A report under this section must be published not later than 1 June in the year following the year to which it relates.

(6) In carrying out its functions under this section, an authority must have regard to guidance given by the Minister for the Cabinet Office.

(7) For the purposes of this section, a building is part of an authority’s estate if—
  (a) the building is situated in the authority’s area, and
  (b) the authority has a freehold or leasehold interest in the building.

(8) The Minister for the Cabinet Office may by regulations provide for buildings of a specified description to be treated as being, or as not being, part of an authority’s estate for the purposes of this section.

(9) In this section, “building” means a building that uses energy for heating or cooling the whole or any part of its interior.”—(Brandon Lewis.)

This new Clause requires each authority listed in NS5 to prepare an annual report on, amongst other things, the efficiency and contribution to sustainability of buildings in which the authority has an interest and the progress made in each year towards reducing the size of the authority’s overall buildings estate.

Brought up, read the First and Second time, and added to the Bill.
(c) it is used by or for the purposes of Her Majesty’s armed forces.

(7B) The Minister for the Cabinet Office may by order provide for buildings of a specified description to be treated as being, or as not being, part of the military estate for the purposes of this section.”

(6) In subsection (8), for “Any such order” substitute “An order under subsection (7) or (7B)”.

(7) In the heading, after “estate” insert “and the military estate”.

This new Clause requires the annual report prepared by the Minister for the Cabinet Office under section 86 of the Climate Change Act 2008 to cover buildings used for military purposes (as well as buildings that are part of the civil estate). One effect is to require the report to assess the progress made in each year towards reducing the size of the military estate.

Brought up, read the First and Second time, and added to the Bill.

New Schedule 5

“Autorities specified for purposes of section (Reports on buildings owned by local authorities and others)

1 A county council in England.
2 A district council.
3 A London borough council.
4 The Greater London Authority.
7 The London Fire and Emergency Planning Authority.
8 Transport for London.
9 A sub-national transport body established under section 102E of the Local Transport Act 2008.
10 A fire and rescue authority in England constituted by—
   (a) a scheme under section 2 of the Fire and Rescue Services Act 2004, or
   (b) a scheme to which section 4 of that Act applies.
11 An authority established under section 10 of the Local Government Act 1985 (joint authority for waste disposal functions).
13 The Common Council of the City of London (in its capacity as a local authority).
14 A National Park authority for a National Park in England.
15 The Broads Authority.
16 The Council of the Isles of Scilly.”—(Brandon Lewis.)

This new Schedule lists the authorities subject to the duty to prepare a report under NC35.

Brought up, read the First and Second time, and added to the Bill.

Clause 154

Extent

Amendment made: 8, in clause 154, page 77, line 7, at end insert—

‘( ) Sections (Engagement with public authorities in relation to proposals to dispose of land) and (Duty of public authorities to prepare report of surplus land holdings) extend to—
   (a) England and Wales, and
   (b) Scotland.”—(Brandon Lewis.)

This amendment provides that NC32 and NC33 form part of the law of England and Wales and Scotland.

Bill to be further considered tomorrow.

Business without Debate

ADJOURNMENT (EASTER)

Motion made, and Question put forthwith (Standing Order No. 25),

That this House, at its rising on Thursday 24 March 2016, do adjourn till Monday 11 April 2016.—(Alun Cairns.)

Question agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

MODERN SLAVERY

That the draft Modern Slavery Act 2015 (Consequential Amendments) (No.2) Regulations 2015, which were laid before this House on 18 November, be approved.—(Alun Cairns.)

Question agreed to.

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Education (Student Support) (Amendment) Regulations 2015 (S.I., 2015, No. 1951) be referred to a Delegated Legislation Committee.—(Alun Cairns.)
Future Funding for S4C

Motion made, and Question proposed, That this House do now adjourn.—(Alun Cairns.)

1.59 am

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I thank the many colleagues who have stayed so late for this debate. I hope that it conveys to the Minister the importance of this topic, although the real reason is probably that most of us do not have homes to go to. The Minister strikes me as someone who has a sumptuous home to go to, so it is in our interests not to keep him waiting too long.

There will be people, I have no doubt, who will wonder why an English-speaking, English-sounding Conservative MP for an area of Wales that contains a patch that has been described as “little England beyond Wales” is talking about S4C at all. After all, most people’s daily intake of news and drama these days often happens online and is almost exclusively in English. People will say, “What is so special about the Welsh language these days? Shouldn’t we be equally concerned about Mandarin, French and German?” Other cynics will say, “Hardly anybody watches this channel anyway, so what’s the big fuss about? What’s wrong with EastEnders with Welsh subtitles?” My point is that those people miss the point.

Half of my constituency—the South Pembrokeshire part—is principally and historically English speaking, but the people are as passionately Welsh as the people in any other part of the country. The village names give a bit of a clue: Manorbier, St Florence, Lamphey. They do not sound particularly Welsh because they are of Flemish origin, but goodness me, those places are as patriotic and supportive of the Welsh nation when it comes to sport or culture as anywhere else. The other half of the constituency—the Carmarthenshire bit—has a more obvious visible and historical connection to the Welsh language. One can travel through places such as Llanboidy, Trelech and Talog. There is a much more visible air of the Welsh language about those places.

It is because of that contrast that I feel modestly qualified to comment on this matter, even if the only three words of Welsh that I know and use regularly are “gwin coch mawr”. To share the secret with you, Mr Speaker, and the Minister, those words mean “large red wine”. In my 13 years of living and working in Wales, that phrase has got me into and out of most of the situations in which I have found myself. I therefore come at this topic from a modest but enthusiastic position.

Nick Thomas-Symonds (Torfaen) (Lab): I agree entirely with what the hon. Gentleman says about the patriotic argument for S4C. Does he agree that there is a strong economic argument too, particularly given the percentage of S4C funding that goes to independent production companies?

Simon Hart: The hon. Gentleman makes a very good point that I will come to later. Every pound that is invested in the creative arts by S4C produces £2 for the wider economy, so it makes a valuable contribution.

I like to think that I understand a little about the importance of culture in our part of the United Kingdom. I know how easy and tempting it sometimes is to dismiss it as irrelevant, but I know the cost of disregarding or ignoring the cultural significance of communities and how impossible it is to get that back once it has been lost.

Carolyn Harris (Swansea East) (Lab): Does the hon. Gentleman agree that despite the proposed cuts to the S4C budget being only a fraction of the total Department for Culture, Media and Sport budget, the impact on S4C will be devastating? Is that not an indication that, on this occasion, the Government have got their priorities wrong?

Simon Hart: I am grateful to the hon. Lady for her contribution. I hope she will not mind if I do not answer her directly now because I will come to the points that she raises later in my speech. I hope that I will cover them adequately when I get there.

Nothing epitomises or describes culture more eloquently than the language of the country in question. It binds communities and creates a sense of identity. It means something that is difficult to describe in a few short sentences.

Mr Mark Williams (Ceredigion) (LD): May I be first to say bore da, Mr Speaker? I congratulate the hon. Gentleman—indeed, he is my hon. Friend—on introducing this debate. Will he go further in speaking about culture and talk about the significance for education? We must consider the broader remit of S4C in supporting the language among young people and children and helping to grow the language. My background is not particularly different from his, but I am proud that my children all speak Welsh. They do so partly because of an excellent education system, but also because of S4C.

Simon Hart: I was going to describe the hon. Gentleman as my former hon. Friend, but I think I can do better than that. He is absolutely right. I do not think that anybody would dispute that. One of the expressions that I will use in a few moments is that S4C is more than just a TV channel. I use that expression because it has done so much to educate people about the cultural importance and heritage of the country that we are lucky enough to represent.

Jessica Morden (Newport East) (Lab): Will the hon. Gentleman give way?

Simon Hart: We will never get through at this rate, but of course I will.

Jessica Morden: There has been a huge increase in demand for Welsh medium education, and for families in my constituency and surrounding areas where Welsh is not the family language in the home, S4C’s excellent children’s programming is a vital educational resource. Should the Minister bear that in mind when considering future funding?

Simon Hart: I am sure that the Minister will have heard the hon. Lady’s contribution, and I think I am right in saying that S4C is the second biggest investor in children’s television in the UK—not a lot of people know that, as the saying goes, but now is a good opportunity to bring it to the Minister’s attention.
When speaking about the cultural and educational importance of a language, there must be a means and a vehicle by which we can bring it to a wider audience. That is why we are talking about S4C and why I am here to champion that channel and its work. In some respects it is disappointing that when we mention S4C to colleagues, the most we get is a nod and a reference to “Pobol y Cwm” or something like that. After that people’s knowledge of the channel largely dries up. S4C is the only Welsh language channel in the world and, as I said, it is more than just a TV station.

Glyn Davies (Montgomeryshire) (Con): I thank my hon. Friend for allowing me to associate myself with his excellent speech, and through my past interventions and questions the Minister will know how much I agree with every point being made. Does my hon. Friend agree that the Welsh language, and S4C’s link to it, is what makes Wales distinctive? It should not be just seen as a Welsh cultural icon; it should be seen as a British cultural icon, and that is massively important.

Simon Hart: As ever, my hon. Friend puts his finger right on it.

Between 1901 and 1981 the number of Welsh speakers reduced from 900,000 to 500,000, but the fact that that number has stabilised and is going back up in certain areas is largely thanks to the work of S4C, and others, in stabilising and broadcasting to around 700,000 people. The channel was the birth child of the Thatcher Government—not a lot of people know that either, and I hope I will not offend my nationalist friends by saying, before they claim ownership of the channel, that that Government were proud to be associated with it. It is the fifth oldest TV channel and was first broadcast back in November 1982. It launched the careers of Bryn Terfel, Rhys Ifans and Matthew Rees, and exported the hit show, “Hinterland” to more than 30 countries. It is a cultural icon, and that is massively important.

Jo Stevens (Cardiff Central) (Lab): Around 81% of S4C funding goes directly into the independent production sector, and many jobs in my constituency flow from that. Does the hon. Gentleman share my concern about any cut in funding impacting on the sustainability of those jobs?

Simon Hart: The hon. Lady took the words out of my mouth, because I am delighted that S4C is moving its headquarters from Cardiff to Carmarthen in my constituency. That will be a massive boost for the local economy, and interestingly, 30 satellite companies are expressing an interest in co-locating with S4C in the town itself.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) rose—

Simon Hart: I must give way to my hon. Friend. 

Jonathan Edwards: As a fellow Carmarthenshire MP, does the hon. Gentleman share my concern that the excellent news about S4C’s relocation to Carmarthenshire will not achieve its full benefit if funding continues to fall as has happened over successive comprehensive spending review periods?

Simon Hart: The hon. Gentleman, and my neighbour, is right to raise that point. S4C has been emphatic that whatever the funding settlement, it will not have an impact on their relocation plans. Inevitably, however, there is bound to be a consequence of some sort, but the move from Cardiff to Carmarthen is not in jeopardy and is going ahead on time and as planned.

Moving on to the budget element, we are all guilty in this House of approving of other people’s budgets being cut and other people’s Departments being slimmed down while putting up a robust case for why our particular areas of interest should somehow be exempt or shown special treatment. This is not the case with S4C. It has made significant inroads already as far as its overheads are concerned, with a reduction of 36% since 2010 compared with 20% at the BBC. Let us not forget that 90% of its money comes from the licence fee, while the rest comes direct from a contribution by the Department for Culture, Media and Sport.

I conclude, as we always do in these kinds of debates, with a list of simple observations and questions for the Minister. First, I can find no argument not to defer cuts pending an independent review of the specific and unique role of the channel. The review should include the impact of the channel on the society, culture and economy of Wales.

Craig Williams (Cardiff North) (Con): I do not share wholeheartedly in the congratulations on the channel moving from my constituency to my hon. Friend’s constituency, but before he embarks on his argument about budgets and cash let me say that the issue is not just about cash. The cultural importance of the channel to Wales cannot be overstated. I just wanted to say that, as the channel moves from Cardiff to Carmarthen.

Simon Hart: That seems to be the view of the House. I hope the Minister takes on board that we have Liberal Democrat, Plaid Cymru, Labour, Conservatives and even Scottish National party Members here—a pretty wide representation—making that very important cultural point.

Chris Davies (Brecon and Radnorshire) (Con): I, too, thank my hon. Friend for securing this very important Adjournment debate. S4C is the only Welsh language TV station in the world. We are very proud of that in Wales and we will struggle if the funding is cut.

Simon Hart: My hon. Friend makes a useful contribution, which helps me to sum up my list of modest and deliverable requests to the Government. I start simply by reminding the Minister that the manifesto commitment is critical:

“we would safeguard the funding and editorial independence of S4C.”

Everything I have discussed hinges on that commitment: a promise is a promise.
Mr David Jones (Clwyd West) (Con): Just to reiterate my hon. Friend’s point on funding, does he consider it fair that in the recent comprehensive spending review DCMS bodies across the board saw reductions of some 5%, whereas S4C saw a reduction of some 24%?

Simon Hart: To me, that is slightly mystifying. The DCMS announcement, as contained in the autumn statement, seems to default on the manifesto commitment. We have talked about a reduction from £6.7 million to £5 million. Those figures might not sound enormous in the general scheme of things, but the reduction does send a rather negative message to the BBC, which is yet to determine its own contribution to the channel.

Guto Bebb (Aberconwy) (Con): I am grateful to my hon. Friend for giving way on that specific point. In view of the fact that there was a clear manifesto commitment from the Welsh Conservative party, the message we are sending to the other main funder of the channel is very negative. The negotiations between S4C and the BBC are crucial to the future of the channel. If the cut by DCMS, which is well above the cuts by the Department to other arts institutions in England, is permitted, the message to the BBC is extremely negative and very regrettable in view of the promises made to the people of Wales.

Simon Hart: My hon. Friend makes a very good point. One reason for securing the debate is that I want the BBC to be in no doubt at all about our strength of feeling and commitment to the channel. We are all joining forces to try to ensure that we preserve it and its excellent work it is clearly doing in Wales to promote Welsh culture and the Welsh language. BBC Alba lost 100% of its funding from DCMS, so we have absolute solidarity with what Members are doing.

Simon Hart: The hon. Lady makes a good point. We have not gone into media plurality—we probably do not have time—but the fact that the SNP is here showing its support for the debate sends an important message.

Alison Thewliss (Glasgow Central) (SNP): I am here to express solidarity and support for S4C and the excellent work it is clearly doing in Wales to promote Welsh culture and the Welsh language. BBC Alba lost 100% of its funding from DCMS, so we have absolute solidarity with what Members are doing.

Simon Hart: The hon. Lady makes a good point. We have not gone into media plurality—we probably do not have time—but the fact that the SNP is here showing its support for the debate sends an important message.

My right hon. Friend the Member for Clwyd West (Mr Jones) mentioned that the departmental cut was a mere 5%, compared with which the cut to S4C seems disproportionate. Bizarrely, the provision for Persian, Russian, Arabic and Korean is now enhanced, yet the money spent on our native language in Wales seems to be under threat. I hope the Minister will explain the logic behind that conclusion. A manifesto promise is exactly that—a promise—and we would need to come up with a pretty good reason why it was no longer a promise. To retain the Government’s credibility in Wales, we have to do more than just say nice things about culture and language; we have to do good things, mean what we say, deliver on our promises and make sure that people know we will deliver on our manifesto commitments, not default on them a few weeks later.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Does the hon. Gentleman agree that now is the time for an independent review of broadcasting in Welsh and of S4C, including the departmental cuts and the cuts to the BBC and the challenges of the new digital platforms? With so many issues now on the cards, we need an independent review to take them in hand.

Simon Hart: The hon. Lady makes a good point, although I think that Ministers, at a fairly senior level, have not been particularly averse to the proposal. In other words, I think she is pushing at a semi-open door. Certainly, Conservative colleagues would welcome such a review, so long as it was independent and as wide-ranging as possible.

Not that many weeks ago, the Chancellor managed to magic up about 4 billion quid in remarkable circumstances in the weeks and days before the autumn statement. We are talking about a tiny fraction of that. All we seek from the Minister is the funding protection promised in our manifesto and a commitment to keeping the promise we made. I do not think that is too much to ask of the Government on a subject that is clearly of such importance, not only to Members representing Welsh constituencies but to Welsh education, Welsh culture, Welsh heritage and the Welsh economy.

2.17 am

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am grateful for the opportunity to respond to this important debate. Nobody could overestimate its importance, considering that at least 20 hon. Members are in the Chamber at this early hour of the morning—and quite right too, because we are debating an important issue: the future of S4C. As my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) reminded the House, S4C was a creation of a Conservative Government and has continued to thrive over the past 30-odd years. It is abundantly clear that the House cares deeply about S4C, that hon. Members tonight consider it an integral part of the national fabric of Wales, that its independence is one of its biggest strengths and that the House wishes to safeguard its future. I firmly share that conviction, having looked after it for the last five years, and so do the Government.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Will the Minister give way?

Mr Vaizey: Of course. I am surprised it has taken the hon. Gentleman so long to intervene.

Gerald Jones: S4C had already had a 36% cut since 2010, even before the most recent cuts were announced. Will the Minister assure us that it will not face further cuts as part of the charter review process, and will he confirm that if the Government fail to keep their promise, they will be clearly breaking a Conservative party manifesto pledge?

Mr Vaizey: It is worth considering the funding issue facing S4C. When we made the change after entering government, the overall funding for S4C did not fall significantly, but a lot of the funding was transferred to the BBC. I remember having extensive discussions then with Welsh Members, obviously with the S4C management and with Members of the other House who had held senior positions in previous Governments.
[Mr Vaizey]

Unless my maths is askew—it might well be: I claim no great credit for it—the overall funding was at around £100 million for S4C then, and it is in the region of £80 million now. It is worth reminding the House of how that funding works. S4C gets roughly £6.8 million directly from DCMS, but gets something like £74 million from the BBC. It is important to stress that that funding is still independent: the BBC has no say in how the money is spent by S4C. It is also worth remembering that the BBC has an obligation to provide S4C with some 10 hours of free programming every week, which in equivalent cash terms amounts to something like £20 million. We are talking about an organisation that receives about £100 million in total in annual funding.

The cuts that we are talking about, although headlined as being 25%, amount to just £1.5 million within that overall budget. It is an overall cut of less than 2%. Although I understand the strong feelings about S4C—I share them, as I have worked to preserve its future for the last five years, continuing the good work carried out by previous Conservative Governments—to characterise this as somehow a devastating cut is quite wrong. Having said that, it is certainly the case that we will continue to listen to all hon. Members on this important issue.

Albert Owen (Ynys Môn) (Lab): I do not know whether the Minister is a statistician, but I do know he is a cultured man. Does he understand the cultural importance of S4C to the Welsh nation? If he does, will he consider having an independent review so that we can have out in the open all the arguments called for on both sides of the House, so that rather than having a mishmash of figures we could have an independent review with a recommendation?

Mr Vaizey: I always enjoy the contributions of the hon. Gentleman, who is a great advocate for his constituency, particularly on the issue of broadband, about which we have had many discussions. It does not surprise me that he makes pertinent points about S4C. On those points, we will continue to listen to hon. Members about the funding, as I said. It is incredibly important to hear the arguments put both by my hon. Friends and Opposition Members. Secondly, we are sympathetic to the point about having an independent review of S4C and Welsh language broadcasting. That is certainly something that we will look at with the utmost seriousness. Thirdly, we have heard about the contribution of S4C to Welsh culture and Wales in general—again, a view that we strongly share.

In calling this important debate, my hon. Friend the Member for Carmarthen West and South Pembrokeshire argued effectively about S4C’s contributions to Wales. Let us start with the Welsh economy, for example, and its support for independent production. We should also note the international recognition that S4C has brought to Welsh broadcasting. I hope hon. Members will not regard me as facetious if I praise the fact that a Welsh hill farmer is now presenting a French television programme. Members might be interested to know that Gareth Wyn Jones, a farmer from Conwy, stars in “The Hill Farm”, which incidentally won a BAFTA award, as a result of which he was asked to front a travel show on Wales for a major French television channel.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) rose—

Mr Vaizey: I will go on to praise other Welsh programmes after I have taken this important intervention.

Jonathan Edwards: The hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) hit this issue on the head in his comments to the press today when he said that this was a clear election promise broken. The Conservative party promised to protect the funding of S4C. With broken promises on rail electrification in Swansea to be taken into account and with an election coming up in May for the National Assembly, why should anyone take seriously anything that the Conservative party says?

Mr Vaizey: It is important to remind Members of an earlier intervention by my right hon. Friend the Member for Clwyd West (Mr Jones) about comparing the reduction in funding for S4C from the DCMS grant with the reduction in funding in other parts of the DCMS portfolio. It is worth remembering that the funding for S4C was safeguarded two years ago. We worked very hard to safeguard and protect that funding at a time when we were having to make quite deep cuts to other national organisations. It has always been our intention—we said it in the manifesto—to safeguard S4C’s funding. I would argue that that is what we have done. Nevertheless, as I have said time and again, we will listen to hon. Members on both sides of the House when they make their representations in this important debate and in other forums. We will listen to them on the issue of funding and the impact that may have. We will listen to them as well on the point about whether there should be an independent review. However, I want to continue to emphasise how much I am enjoying the contributions by Members in all these debates, which is why I want to take another intervention.

Byron Davies (Gower) (Con): Does the Minister agree, then, that the independent review should be carried out separately from any other review process?

Mr Vaizey: As I have said, despite my hon. Friend’s being, I think, the first Conservative representative for Gower ever, on which I congratulate him, I am not going to be tempted to make Government policy this early in the morning. We have always said that we will look at S4C as part of the charter review, but I have also made it clear that we are very sympathetic to calls for a more wide-ranging independent review as well because we want to continue to safeguard S4C and to see its success. We want to see, for example, programmes such as “Fferrm Ffactor”, which is licensed and produced in Denmark, Sweden and the China hinterland.

My hon. Friend who secured this important debate does not need to remind me that S4C is the second biggest investor in the UK in children’s programming, because my two children grew up with Fireman Sam and I am well aware of S4C’s great expertise in this area. It sells successful formats overseas and we have all enjoyed “Hinterland”. Some of us enjoyed the English-language version; others have enjoyed the Welsh-language version. It cannot be a coincidence that, thanks to S4C’s success, we now see in Wales 50 television and animation companies generating around £1 billion for the Welsh
economy. S4C alone contributed £117 million to the Welsh economy. In Wales, 50,000 people are employed in the creative industries, a 10% increase since 2011, and 80,000 in the wider creative economy.

Susan Elan Jones (Clwyd South) (Lab): Will the Minister give way?

Mr Vaizey: I always give way to the hon. Lady.

Susan Elan Jones: We really have not come here for a bedtime story with examples of what S4C does. Will the Minister please tell us why he is not listening to his colleagues and other Members? Why will he not sort out the real issue, which is the funding?

Mr Vaizey: I have missed the hon. lady’s contributions and it is good to hear her again. I prefer to think that this is not a bedtime story but an early morning wake-up call to all of us who care about S4C and want to preserve its future. It serves a base of Welsh-language speakers, which, according to the last census, is forecast to grow, as my hon. Friend the Member for Carmarthen West and South Pembrokeshire said, by more than half a million people. It is also important to note that, although S4C’s viewing figures have gone down in Wales, its overall viewing figures have increased if we take into account the whole of the UK.

Liz Saville Roberts rose—

Mr Vaizey: I will always give way to the hon. Lady.

Liz Saville Roberts: Does the Minister agree that the means by which we measure the viewing figures for S4C are not appropriate? It involves 300 television sets across Wales, 173 in Welsh-speaking homes. Children under four are not included in the figures, nor are people who watch on digital platforms. It really is not fit and that is writ large in the case of the small viewing figures for S4C.

Mr Vaizey: I was pointing out that the viewing figures as a whole had gone up, but that is exactly the point that may have to be considered in any forthcoming review, whether it is an independent review or part of the charter review. We will continue to engage on that important issue. I hope that I have impressed upon you, Mr Speaker, the importance of S4C.

2.29 am

House adjourned without Question put (Standing Order No. 9(7)).
The Secretary of State was asked—

Fiscal Framework

1. Mike Weir (Angus) (SNP): What recent discussions he has had with the Scottish Government on Scotland’s fiscal framework.

2. Marion Fellows (Motherwell and Wishaw) (SNP): What recent discussions he has had with the Scottish Government on Scotland’s fiscal framework.

5. Dr Eilidh Whiteford (Banff and Buchan) (SNP): What recent discussions he has had with the Scottish Government on Scotland’s fiscal framework.

10. Ronnie Cowan (Inverclyde) (SNP): What recent discussions he has had with the Scottish Government on Scotland’s fiscal framework.

The Secretary of State for Scotland (David Mundell):

May I begin by wishing you a very happy new year, Mr Speaker?

In the light of the recent flooding in Scotland, may I pay tribute to all those in the emergency services and in local authorities, and the volunteers, who have dealt with the challenging circumstances? The thoughts of the whole House will be with those whose homes and businesses have been flooded.

The UK and Scottish Governments are discussing the fiscal framework through the Joint Exchequer Committee, and there have been five meetings between the Deputy First Minister and the Chief Secretary to the Treasury to discuss it. The next meeting is due to take place on Friday.

Mike Weir: I thank the Secretary of State for his answer and associate myself with what he said about the flooding, which has affected my constituency and those of many of my colleagues. We appreciate the work the emergency services are doing.

The block grant will need to be adjusted to take account of the revenue-raising powers that are being devolved, but, as agreed by the Smith commission, the Scottish Government should not be financially disadvantaged by the transfer of the new powers. What is the Secretary of State’s view of what a fair indexation for the block grant adjustment would be?

David Mundell: My understanding is that the Deputy First Minister of Scotland, John Swinney, with whom I had a productive meeting just before Christmas, is conducting the negotiations on behalf of the Scottish Government. At our meeting, Mr Swinney assured me that his objective was exactly the same as that of the United Kingdom Government—a settlement that is fair to Scotland and fair to the whole United Kingdom.

Marion Fellows: A fair model of block grant adjustment would ensure that Scotland is no worse off financially as a result of the transfer of new powers. Does the Secretary of State agree with the cross-party view, and that of Anton Muscatelli, Jim Cuthbert and the Scottish Trades Union Congress, that only the model of indexed deduction per capita would adequately deliver the principle of no detriment?

David Mundell: As I said, we are involved in an ongoing negotiation, which Mr Swinney is conducting. I have tremendous respect for his ability to reach a fair settlement for Scotland, and for the Chief Secretary’s ability to reach a fair settlement for the rest of the United Kingdom. On the basis of the discussions that took place between the First Minister and the Prime Minister, my own discussions with the Deputy First Minister and the meeting that is due to take place on Friday, I am confident that we will be able to achieve a fair settlement.

Dr Eilidh Whiteford: A good new year to you, Mr Speaker. Many people will find it bizarre, and frankly unacceptable, that the Secretary of State for Scotland is not even attending the negotiations on Scotland’s fiscal framework. Can he explain why his office of Secretary of State seems to have been deemed irrelevant to those critical negotiations? Given that he is not directly involved in the negotiations, will he share his personal view on whether he agrees with the learned professors and the STUC on the preferred model?

David Mundell: I think what many people in Scotland will find bizarre is that at a session in Parliament that is called Scottish questions, the Scottish National party could come up with only one question, which all its Members were clearly told to ask.

I know that it may impinge on the importance that some SNP MPs attribute to themselves, but it is the Deputy First Minister of Scotland, John Swinney, who is negotiating the agreement, not them.

Ronnie Cowan: The model of indexed adjustment for the adjustment of the block grant may result in the Scottish block grant falling substantially without consideration of the different rates of population growth north and south of the border. Does the Secretary of State agree that that or any other model of block grant adjustment that results in a diminished Scottish budget year on year will not fulfil the Smith commission’s principle of no detriment?
David Mundell: I am disappointed with the hon. Gentleman’s analysis because the new powers that are being delivered by the Scotland Bill create the opportunity for Scotland’s economic growth to increase and for Scotland’s population to increase. I am very surprised that he has such a negative view of the use of those powers that it would be impossible to increase population or economic growth in Scotland and therefore increase tax take.

Alberto Costa (South Leicestershire) (Con): Does my right hon. Friend agree that the transfer of the new extensive powers that he has agreed will be given to the Scottish Parliament will for once make the SNP Government truly accountable to the Scottish people, and that the talk of a second referendum is just a smokescreen to take away their accountability to the Scottish people?

David Mundell: I absolutely agree that the impression created again today by SNP Members is that they are entirely driven by process arguments, and not by getting on and getting an agreement on the fiscal framework, getting the new powers in place and then doing something positive for the people of Scotland with those powers.

Maggie Throup (Erewash) (Con): Will my right hon. Friend confirm that, once the fiscal framework has been agreed, the devolution of tax powers to the Scottish Parliament can begin quickly?

David Mundell: I am absolutely committed to delivering the powers set out in the Scotland Bill when it becomes an Act as quickly as possible. We want that Act on the statute book ahead of the Scottish Parliament elections so that it can shape those elections, and so that the parties can set out what they intend to do with the powers. I would like the tax powers in place by April 2017.

John Stevenson (Carlisle) (Con): The success of the fiscal framework is vital to the future success of the tax powers that have been devolved. Confidence in the framework is vital for individuals and businesses, particularly in the border region. Does the Secretary of State believe that the Scottish Government are approaching the discussions in good faith, which will be fair to people on both sides of the border?

David Mundell: I absolutely do, because, from the discussions that Nicola Sturgeon, the First Minister of Scotland, has had with the Prime Minister, and from the discussions I have had with the Deputy First Minister—we have to remember that they are determining what will be agreed in relation to the fiscal framework—their view is clear. I take it as sincere that they want to achieve a fiscal framework agreement in the near future. We can then move forward with enacting the Bill and transferring those powers, which could make such a difference to the people of Scotland.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): The Smith commission recommended that the cost of establishing the infrastructure for the collection of the newly devolved taxes would be borne by the UK Government. Will the Secretary of State for Scotland, and not the Deputy First Minister of Scotland, confirm that the UK Government accept that recommendation?

David Mundell: I can confirm to the hon. Gentleman that that is one of the items that is part of the discussion between the UK Government and the Scottish Government. It is so surprising that SNP MPs have such little confidence in Mr Swinney and the Scottish Government in the negotiation to hold out for positions that would be beneficial to Scotland—I find it staggering.

Kirsten Oswald (East Renfrewshire) (SNP): Does the Secretary of State agree that the First Minister, Professor Muscatelli and the STUC that more powers for Scotland cannot come at any price, but that the fiscal framework settlement must deliver fairness for Scotland? Will the Secretary of State commit to a date before the Scottish elections by which an agreement must be reached?

David Mundell: I absolutely agree that the arrangements must be fair—fair to Scotland and fair to the rest of the United Kingdom. That is perfectly achievable. I do not want to provide a running commentary, but the negotiations and discussions that have taken place have been productive. For example, I absolutely agree with the comments of Mr Swinney to the Scottish Parliament Finance Committee—he clearly said that the Scottish Government should benefit from the positive decisions they take but accept the consequences of bad policy decisions. That should also apply to the UK Government in relation to our responsibilities.

Ian Murray (Edinburgh South) (Lab): May I take this opportunity, Mr Speaker, to wish you and all the staff of the House, as well as the Secretary of State and his office, a happy new year? Mr Speaker, you would have thought that the pantomime season was over, but judging by today’s questions, it clearly is not—[Interruption.] Oh, yes, it certainly is. I was expecting that, from someone who has no jokes whatsoever. We could be questioning the Government on no shortage of things, but the Secretary of State has created this sham by keeping the fiscal framework secret. What is ludicrous is that the SNP Finance Secretary, who is negotiating the very fiscal framework that we are discussing, could be asked what is in it. It is clear that it is the people of Scotland who are being kept in the dark. I have asked the Secretary of State this before, but will he put an end to this pantomime of manufactured grievance and be completely transparent about the fiscal framework?

David Mundell: The Government are completely transparent about our position on the fiscal framework. We want it agreed as soon as possible and we want it to be scrutinised by both Parliaments. When I was in the Scottish Parliament recently I had the opportunity to meet Bruce Crawford, convener of the Devolution (Further Powers) Committee. He assured me that he is satisfied that in conjunction with the Finance Committee in the Scottish Parliament there will be adequate opportunity to scrutinise the fiscal framework. I am clear that there will be an opportunity in the other place to scrutinise it, and the Select Committee on Scottish Affairs is currently conducting an inquiry. I do not think that the people of
Scotland will be in the dark in any way about the fiscal framework. It will achieve what we want it to achieve but it will also be subject to proper scrutiny.

Ian Murray: I do not think that the Secretary of State understands the process and how important this is. The Scotland Bill constitutes the biggest transfer of powers to Scotland ever, but the underpinning financial provisions are being hidden from the Scottish people. I have written to both Governments and questions have been asked in both Parliaments to try to get transparency, but the response from both Governments has been “no”. Meanwhile, the Scottish Government are threatening to veto the Bill. The danger is that while these negotiations are being conducted in secret, both Governments can blame each other with manufactured grievance, and it is the people of Scotland who will lose out. Will the Secretary of State at least assure us that in future negotiations as important as this on Scotland’s finances will be conducted with greater transparency and democratic scrutiny?

David Mundell: I have no grievance, manufactured or otherwise. I am confident that the Scottish Government want to achieve an agreement. The UK Government want to achieve an agreement based on fairness to Scotland and fairness to the rest of the United Kingdom. I give the hon. Gentleman an absolute commitment that the fiscal framework, as agreed, will be subject to full parliamentary scrutiny here in Westminster and in the Scottish Parliament.

Mr Speaker: Question 3—I call Sir Henry Bellingham.

Defence Installations

3. Sir Henry Bellingham (North West Norfolk) (Con): What plans has he to meet Ministers of the Scottish Government to discuss defence installations in Scotland.

Angus Robertson: What plans he has to meet Ministers of the Scottish Government to discuss defence installations in Scotland.

The Minister for Defence Procurement (Mr Philip Dunne): May I start by adding to your comment in introducing question 3, Mr Speaker? I congratulate my hon. Friend on the recognition he received last week for some 30 years’ service to this House and the people of Norfolk. It is a great pleasure that he received that recognition.

In response to his question, the Ministry of Defence engages with the Scottish Government about defence establishments and other defence matters at many levels, both official and ministerial. The Under-Secretary of State for Scotland and I met the Scottish Government Cabinet Secretary for Infrastructure, Investment and Cities on 17 November to discuss the strategic defence and security review. The Defence Minister responsible for reserves has met the Scottish Government Cabinet Secretary twice previously, and the Defence Secretary has agreed to meet the Scottish Government Cabinet Secretary soon.

Sir Henry Bellingham: I thank the Minister for his generosity. Given that the decision on Faslane will sustain the largest employment site in Scotland for decades to come, is it not clear that Scotland is the biggest beneficiary of the recent SDSR? Surely that makes the stance on Trident of both the Leader of the Opposition and the SNP even more perverse and damaging.

Mr Dunne: My hon. Friend is right that this Government are investing significantly in defence in Scotland. Following the SDSR, not only will we spend some £500 million at Faslane—one of the Royal Navy’s three operating bases and one of the largest employment sites in Scotland with 6,800 military and civilian jobs, which will increase to more than 8,000 as we move all our submarines to be based there by 2022—but Scotland will be home to our new maritime patrol aircraft, with some 400 extra personnel stationed to man the squadron at RAF Lossiemouth.

Angus Robertson (Moray) (SNP): Scotland is in a vital geopolitical location, with the Iceland gap to our north, the Atlantic to our west and the North sea to our east. As the Scottish National party has been pointing out for a long time, it has been negligent and dangerous for a maritime state such as the UK not to have maritime patrol aircraft. We therefore welcome the Government’s recent U-turn on the procurement of P-8 maritime patrol aircraft. Can the Minister tell us when the entire fleet will be operational?

Mr Dunne: We made it clear in the SDSR that we would be procuring nine P-8 maritime patrol aircraft, and that the fleet would be procured through a foreign military sales procurement contract, the letter for which has already been submitted to the United States. The first aircraft will be operational in 2019.

Angus Robertson: The House will note that the Minister was unable to answer my question on when the entire fleet would be operational. Perhaps when he responds to my second question, he will be able to answer the first one. The RAF is currently maintaining its skill base by training on maritime patrol aircraft with the United States, Canada, Australia and New Zealand. Does the Minister acknowledge the importance of the maritime patrol aircraft training that was scheduled to be based at RAF Kinloss before the scrapping of the Nimrod fleet? Will the Government ensure that training on the P-8 maritime patrol aircraft is based at RAF Lossiemouth, as the training for Tornados and Typhoon aircraft is now?

Mr Dunne: As we are currently in contractual negotiations for the procurement, it would be quite wrong for me to pre-empt the precise nature of those negotiations, so I cannot answer the right hon. Gentleman’s initial question on how many aircraft will be available, and when, until such time as the contract has been concluded. On the question of training, he is right to say that we have crews in service on this platform with other users in the United States. The training basing will be established as part of the procurement process in the coming months.

Strategic Defence and Security Review

4. Nick Smith (Blaenau Gwent) (Lab): What recent discussions he has had with (a) the Secretary of State for Defence and (b) Ministers of the Scottish Government on the effect on Scotland of the strategic defence and security review.

The Minister for Defence Procurement (Mr Philip Dunne): While defence and national security remain reserved to the UK Parliament, we recognise the importance of
engaging with the devolved Administrations. As I said in my answer to the previous question, Lord Dunlop, the Under-Secretary of State for Scotland, and I have had meetings with the Scottish Government to discuss these matters.

**Nick Smith:** UK defence contracts are a major source of jobs in Scotland, with 2,500 people employed on Clydeside. Can the Minister explain why his Government reduced defence spending by 14% in the last Parliament?

**Mr Dunne:** I am sorry that the hon. Gentleman seeks to hark back, rather than to look forward. At the end of November we published the SDSR, in which the Government committed to increase defence spending in real terms for each year of this Parliament, and that is what we are looking forward to. Much of that investment will be spent in Scotland, and indeed in south Wales, as we procure the Ajax vehicle.

### Economic Growth

6. **Karen Lumley** (Redditch) (Con): What assessment he has made of the level of growth in the economy in Scotland. [902848]

**The Secretary of State for Scotland (David Mundell):** The Government’s long-term economic plan has laid the foundations for a stronger economy. The Scottish economy has been growing for 11 quarters in a row. Scotland continues to benefit from being part of the UK, which was the fastest growing G7 economy in 2014 and is forecast to be the joint fastest in 2015.

**Karen Lumley:** My constituency has a number of manufacturing companies that do a great deal of business in Scotland, contributing to the growth of the local economy of Redditch as well as to the economy of Scotland. Does my right hon. Friend agree that that is just one element that makes the Union so successful?

**David Mundell:** I do agree with my hon. Friend. It is a fundamental part of the growth in Scotland’s economy that we are part of a single market within our United Kingdom. I recently had the pleasure of visiting Alexander Dennis, the bus manufacturer in Falkirk, and I am sure that they would agree that the rest of the United Kingdom was one of their most important markets.

**George Kerevan** (East Lothian) (SNP): Given that employment in Scotland is now 53,000 higher than it was before the crisis, and that output in Scotland is now 3% higher than at the pre-crisis point, does the Secretary of State concur with Scottish business leaders who oppose the Treasury’s savage cuts to the UK’s trade export agency in the autumn statement?

**David Mundell:** I very much welcome the figures the hon. Gentleman set out on the positive economic position of Scotland. What I do not subscribe to is the frequently voiced Scottish National party and Scottish Government position that anything good that happens in Scotland is in relation to the Scottish Government and anything bad is in relation to the UK Government. We have two Governments working together for the benefit of Scotland’s economy.

### Household Incomes

7. **Robert Flello** (Stoke-on-Trent South) (Lab): What assessment he has made of the effect on household incomes in Scotland of the changes to welfare announced in the summer budget 2015 and the spending review and autumn statement 2015. [902849]

**The Financial Secretary to the Treasury (Mr David Gauke):** The analysis published at spending review 2015 shows that more than half of all spending on welfare and public services goes to the poorest 40% of households in the UK. That has not changed as a result of the Government’s policies since 2010.

**Robert Flello:** The Institute for Fiscal Studies estimates that by 2020 more than 2.5 million working families on universal credit will, on average, be £1,600 a year worse off owing to the cuts to the work allowance in universal credit. My constituents know how that is going to damage them, but do the Secretary of State and the Minister have the first clue as to how many of those families will be in Scotland and what the scale of the impact will be on them?

**Mr Gauke:** The best way to help working households in this country is to ensure that we have a job-creating economy; that wages go up; that we introduce a national living wage that will help millions of people; and that we have a secure and stable economy. That is what this Government are delivering. [Interruption.]

**Mr Speaker:** Order. Household incomes in Scotland will be of intense interest, not least to people living in Scotland. We must hear the questions and the answers.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): In a recent written parliamentary question to the Secretary of State, I asked: “what discussions he has had with the Secretary of State for Work and Pensions on the introduction of the Work and Health Programme in Scotland.” His response was a masterful example of how not to answer, which is what we have seen again today. Will he now take the opportunity to tell the House whether...
he has bothered to discuss with the Department for Work and Pensions how this new programme will affect my constituents?

Mr Gauke: This Government are making reforms to the welfare system—we are making sure that work always pays. We do have to ensure that the system is affordable, but may I remind the hon. Lady that the Scotland Bill gives the Scottish Government the powers to top up benefits and introduce new benefits?

Undergraduates

8. Mr Christopher Chope (Christchurch) (Con): What discussions he has had with the Scottish Government on increasing the number of undergraduates attending Scottish universities.

[902850]

The Secretary of State for Scotland (David Mundell): I regularly discuss a range of matters with the Scottish Government. Although higher education is a devolved matter, the available figures show that application rates for those aged 18 in 2014 and 19 in 2015 were 37% in Scotland compared with 44% in England. [Interruption.]

Mr Speaker: Order. I also wish to hear the voice of Christchurch on the matter of Scottish universities.

Mr Chope: How can it be in the United Kingdom national interest that school leavers from Scotland are being denied access to their own universities because of the arbitrary cap on numbers imposed by the Scottish Government, when school leavers with lower qualifications from the rest of the UK are able to gain such access?

David Mundell: My hon. Friend makes an important point. Students from my constituency have been refused entry to Scottish universities because of the cap imposed by the Scottish Government; we hear a lot about free tuition in Scotland but that is one of the consequences, and I am sure it will be part of the debate in the forthcoming Scottish Parliament elections.

Pete Wishart (Perth and North Perthshire) (SNP): As the hon. Member for Christchurch (Mr Chope) knows, the Scottish Affairs Committee has been looking into higher education, specifically into a post-study work scheme for Scotland. What the Secretary of State will find is that everybody—the universities, the trade unions, and the employers’ association—wants that scheme for Scotland. Will he now be a Secretary of State for Scotland and put that case to the Home Office?

David Mundell: We always listen with interest and take forward in a positive way anything that is forthcoming from the Scottish Affairs Committee, and I look forward to reading the hon. Gentleman’s report.

Mr Speaker: Last but not least Mr Philip Hollobone.

Departmental Running Costs

9. Mr Philip Hollobone (Kettering) (Con): What the administrative cost of running his Department was in 2010; and what he expects that cost to be in 2020.

[902851]

The Secretary of State for Scotland (David Mundell): The administrative cost of running the Scotland Office and Office of the Advocate General for Scotland in the financial year 2010-11 was £7.688 million. The administrative provision for both offices in 2019-20, agreed at the recent spending review, is £9.240 million.

Mr Hollobone: Will the Secretary of State confirm to the House what percentage of his Department’s administrative costs is met by Scottish taxpayers?

David Mundell: My hon. Friend knows that the funding arrangements within the United Kingdom do not work on that basis. He also knows that this Government are committed to retaining the Barnett formula, which delivers a fair allocation of funding to Scotland.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [902803] Karen Lumley (Redditch) (Con): If he will list his official engagements for Wednesday 6 January.

The Prime Minister (Mr David Cameron): This morning, I had meetings with ministerial colleagues and others, and, in addition to my duties in this House, I shall have further such meetings later today.

Karen Lumley: Will my right hon. Friend confirm that, while he is Prime Minister of this country, condemning terrorist attacks will not be a bar to holding high office?

The Prime Minister: Condemning terrorist attacks is an essential component of aspiring to high office in this country, and that should be the case whether one is a shadow Minister or a Minister of the Crown. It is worth recalling what the right hon. Member for Wolverhampton South East (Mr McFadden) said, which was that “terrorists are entirely responsible for their actions, that no one forces anyone to kill innocent people in Paris, blow up the London Underground, to behead innocent aid workers in Syria”.

He was absolutely right to say that, and it speaks volumes that he cannot sit in the shadow Cabinet with the Leader of the Opposition.

Jeremy Corbyn (Islington North) (Lab): I would like to thank the firefighters, mountain rescue services, police, armed services, engineers, workers at the Environment Agency, local government workers, and all the volunteers for all the work they did in keeping safe thousands of people from the floods that have affected this country. Two years ago, in January 2014, following devastating floods, the Prime Minister said:

“There are always lessons to be learned and I will make sure they are learned.”

Were they?
areas that were flooded. May I thank the military for all the work that they did? As he says, we saw communities coming together and volunteers carrying out extraordinary work.

Let me deal directly with the issue of lessons learned. Have we seen many of our constituencies very badly flooded in 2007 and having had floods while being Prime Minister, a number of lessons have been learned. This time, the military came in far faster than ever before. The Bellwin scheme was funded at 100%, not 85%, and more money was got to communities more quickly. A lot of lessons have been learned. Are there more to learn? I am sure there are; there always are, which is why I will review everything that has been done. Let us be clear that, as we do that, we will make money available because we have a strong economy to build flood resilience in our country.

Jeremy Corbyn: In 2011, a £190 million flood defence project on the River Aire in Leeds was cancelled by the Government on cost grounds. One thousand homes and businesses in Leeds were flooded in recent weeks, and the Government are still committed only to a scaled-down version of the project, worth a fraction of its total cost. This from a Prime Minister who claimed that “money was no object” when it came to flood relief. When he or his Secretary of State meets the Leeds MPs and Judith Blake, the leader of Leeds City Council, in the near future, will he guarantee that the full scheme will go ahead to protect Leeds from future flooding?

The Prime Minister: First of all, let me make one point before answering the right hon. Gentleman’s points in detail. It is worth putting on record before we get on to flood defence investment—and I will cover it in full—that this was the wettest December for over 100 years, and actually in Leeds and in Yorkshire it was the wettest December ever on record. That is why rivers in Yorkshire flooded, including the Aire in Leeds, which was a metre higher than it has ever been in its history.

No flood defence schemes have been cancelled since 2010. The investment in flood defences was £1.5 billion in the last Labour Government, £1.7 billion in the Government I led as a coalition Government, and will be over £2 billion in this Parliament. It has gone up and up and up. It has gone up because we run an economy where we are able to invest in the things that our country needs. And one more point—let us not forget this. We inherited the Darling plan for our economy. That was a plan for a 50% cut in capital spending, and DEFRA was not a protected Department. We protected the country need. And one more point—let us not forget this. We inherited the Darling plan for our economy. That was a plan for a 50% cut in capital spending, and DEFRA was not a protected Department. We protected that flood spending and we increased it—something Labour would not have done.

Jeremy Corbyn: Of course the rainfall was excessive, of course the river levels were high, but the Prime Minister has still not answered the question on the Leeds flood protection scheme—I will give him an opportunity to do so in a moment. In 2014, Cumbria County Council applied for funding for new schemes in Keswick and Kendal—both were turned down and both areas flooded again in the last few weeks. Does the Prime Minister believe that turning down those schemes was also a mistake?

The Prime Minister: We are spending more on flood defence schemes and stacking up a whole series of schemes that we will spend more on. Let me make this point to the right hon. Gentleman: if he is going to spend £10 billion on renationalising our railways, where is he going to find the money for flood defences? The idea that this individual would be faster in responding to floods when it takes him three days to carry out a reshuffle is frankly laughable. Since I walked into the Chamber this morning, his shadow Foreign Minister resigned and his shadow Defence Minister resigned—he could not run anything.

Jeremy Corbyn: It is very strange that when I have asked a question about Leeds flood defence, then on Cumbria flood defence, the Prime Minister still seems unable to answer. Can he now tell us if there is going to be funding for those schemes?

In October, Professor Colin Mellors, the head of the Yorkshire regional flood and coastal committee, warned the Government about funding cuts leading to flood defences in Yorkshire being “formally discontinued” in the future. Would that also be a mistake? Can the Prime Minister now tell us: is he going to reverse the cuts in the defences that have taken place to make sure that those cities and areas are protected in the next round of floods which will no doubt come?

The Prime Minister: As I have told the right hon. Gentleman, we have increased and continued to increase the spending on flood defences. We are spending more in this Parliament, and for the first time it is a six-year spending perspective, which is £2.3 billion extra on flood defences—money that would not be available if we thashed the economy in the way that he proposes. Of course, after every incident of flooding, you go back and look at what you have spent and what you have built, you look at what you are planning to spend and what you are planning to build, and you see what more can be done. The head of the Environment Agency was absolutely clear that he had the money necessary to take the action that was necessary, but we can only do that with a strong economy—an economy that is growing, where more people are in work and more people are paying taxes. We have got the strength to solve this problem of floods, and we will do it in a proper way.

Jeremy Corbyn: The Prime Minister has not answered on Leeds, he has not answered on Cumbria, and he has not answered on the warning from Professor Mellors. Like the Prime Minister, last week I met people in York who had been affected by flooding. I met a young couple, Chris and Victoria, whose home had been flooded over Christmas—[Interruption.] It was not very funny for them. This young couple lost many of their possessions, including photos and children’s toys and school work, and they have the foul stench of floodwater in their home, as have many families all over this country. They are asking all of us wholly legitimate questions. Why was the insufficient pump capacity at the Foss barrier— which, again, we were alerted to in 2013 by a Government report—not dealt with or the pumps upgraded? That meant that people in York were flooded and their possessions and homes severely damaged. Those people want answers from all of us, and in particular from the Prime Minister.

The Prime Minister: I have the greatest sympathy with anyone who has been flooded. We have to do what it takes to get people and communities back on their feet. That is why we have put record sums in more
quickly to help communities in Cumbria, in Lancashire and now in Yorkshire. We will continue to do that. Specifically on the question of the Foss pumps, that was about to be tendered for extra investment, and that investment will now go ahead, because the money is there.

I say to the right hon. Gentleman that we are putting in the money and doing so more quickly, and the military got involved more quickly. For that couple who got flooded, we are also doing something that previous Governments have talked about but never achieved, which is to have an insurance scheme—Flood Re—so that every single household can get insured. That has not been done before.

Have lessons been learned? Yes, they have. Are there more lessons to learn? There always are, but frankly we do not need a lecture from Malta from the right hon. Gentleman.

Jeremy Corbyn: The reality is that flood defence scheme after flood defence scheme has been cancelled, postponed or cut, many more homes have been flooded and too many lessons have been ignored. Why cannot the Prime Minister support our calls for a co-ordinated, cross-party approach to flooding that looks at everything, including upland management, making people's homes more flood resilient, and more properly funded protection schemes?

Does the Prime Minister at least agree that the fire and rescue service, which has done such a great job over the past few weeks in all parts of this country, should now be given a statutory duty to deal with floods, to help us through any crisis that might occur in the future?

The Prime Minister: I think the best I can say is that when the right hon. Gentleman has worked out how to co-ordinate his own party, perhaps he could come and have a word with me.

On the issue of a statutory duty, everybody knows what they have to do when floods take place. That is why there was such a magnificent response from the emergency services, the fire services and the emergency rescue services. They have our backing to do the vital work. We will go on investing in flood defences. We will increase the money we are spending on flood defences, because we have got a strong economy and a strong country that can back the action that is needed.

Q6. [902808] Nadhim Zahawi (Stratford-on-Avon) (Con): In 2016 we will mark the 400th anniversary of William Shakespeare’s passing away. Does my right hon. Friend agree that our country should unite to commemorate his works?

The Prime Minister rose—

Nadhim Zahawi: There are special events at the Royal Shakespeare Company; the Shakespeare Birthplace Trust is renovating the site of his home, New Place; and King Edward’s School is opening his original classroom. May I invite my right hon. Friend, the whole House and the world to come and celebrate our greatest bard?

The Prime Minister: My apologies for almost interrupting my hon. Friend’s soliloquy—I am very sorry about that. The 400th anniversary of the death of Shakespeare is a very good moment for us to celebrate everything he has given to our language and our culture and, indeed, to the world. It is going to be a fantastic moment for people to visit Britain and come to see Stratford and all the other places that have such a great association with Shakespeare.

I find that Shakespeare provides language for every moment. Let us consider what we are thinking about at the moment. There was a moment when it looked like this reshuffle could go into its twelfth night. It was a revenge reshuffle, so it was going to be as you like it. I think, though, we can conclude that it has turned into something of a comedy of errors—perhaps much ado about nothing. There will be those who worry that love’s Labour’s lost.

Angus Robertson (Moray) (SNP): Thank you very much for the warm welcome. The health service is devolved, but junior doctors in Scotland are not planning to strike next week. Why does the Prime Minister think the Scottish Government have good relations with junior doctors and his Government do not?

The Prime Minister: And now for the Scottish play! The right hon. Gentleman raises an important question. We have taken a different approach from the Government in Scotland. We have increased spending on the NHS by more than the Government in Scotland, which I think is the right approach. We are determined to have a genuine seven-day NHS. Everybody knows—doctors know it, patients know it, the management of the NHS know it, the BMA knows it—that there is a problem with the NHS at the weekend.

One way to correct that is to make sure that we have new contracts, including with junior doctors. That is not to make them work longer hours. In fact, under our plans, many will work many fewer hours. It is not to reduce doctors’ pay. No one who works legal hours will see a cut in their pay. Indeed, 75% of doctors will see a pay rise. We think that this is a good deal for a good advance in the NHS. I am sure that Scotland will be looking at it too.

Angus Robertson: The Scottish Government have been investing record levels of funding in the NHS in Scotland and they work very hard to have the best possible relations with doctors, nurses and all NHS staff. Will the English Health Secretary speak to his Scottish colleague, Shona Robison, to learn how to resolve the situation in England and stave off strike action that no one wants, least of all junior doctors?

The Prime Minister: There should always be good relations and discussions between the Health Secretary in the United Kingdom Government and Health Ministers in the devolved Administrations. Importantly, when we make a decision to increase funding in the NHS, as we have done with the £19 billion more in this Parliament, it has consequences for Wales, Scotland and Northern Ireland under the Barnett formula. Of course, I find it very depressing that the Welsh have decided, under Labour, to spend less than we are planning to spend, and that Scotland has done the same thing.
Q9. [902811] Chris Green (Bolton West) (Con): The local economy in my constituency of Bolton West continues to strengthen, with great businesses such as Eventura and Llaborate both relocating to and growing in Westhoughton; Heritage Trade Frames investing £1 million in equipping a new factory in Lostock; and Trojan Utilities winning new contracts and recruiting more staff in Horwich.—[Interruption.] Does the Prime Minister agree that the northern powerhouse is about not just our great northern cities, but our great northern towns?

The Prime Minister: My hon. Friend is absolutely right. It is instructive that Opposition Members do not want to hear good news about the businesses, jobs and investment in our economy. Sometimes, it can sound as if the plan for a northern powerhouse is all about the cities of the north of England. Our view is that by linking up the cities, we will help the towns in the north-west and across our country. It will also help rural areas because we are rebalancing the economy and increasing opportunity in the north of our country.

Q2. [902804] Anna Turley (Redcar) (Lab/Co-op): In 2014, in response to the flooding of the Thames valley, the Prime Minister said that money would be “no object”. In the light of his cuts to the flood defences, his cuts to the fire and rescue service and his cuts to the Environment Agency, can he say the same to the people of Leeds, Rochdale, York, Whitby and Teesside, or is it one rule for his constituents and another for ours in the north?

The Prime Minister: The hon. Lady is completely wrong about the funding figures. As I have explained in great detail, they have gone from £1.5 billion to £1.7 billion to £2 billion. What this Government have put in place is funding under Bellwin of not 85% of what a council spends, but 100%, so what I said absolutely stands good.

Q10. [902812] Simon Hart (Carmarthen West and South Pembrokeshire) (Con): The Prime Minister has always been a staunch supporter of the Welsh TV channel S4C, which was set up under the Thatcher Government. Will he use this opportunity to reinforce his support for the channel and the commitment that we made to safeguard its funding?

The Prime Minister: I am very happy to do that. S4C is a very important part of our broadcasting structure. It is very popular and well-liked in Wales. I want to ensure that we meet both the wording and the spirit of our manifesto promise to make sure that it continues to be a very strong channel.

Q3. [902805] Clive Efford (Eltham) (Lab): With home ownership down to its lowest level in a generation, and down every year since the right hon. Gentleman became Prime Minister, why did Tory MPs vote against Labour’s amendment to the Housing and Planning Bill last night, which would have protected the publicly funded discount for new starter homes for future buyers? Is that not better value for money for first-time buyers and for the taxpayer, yes or no?

The Prime Minister: The proposal for starter homes is a Conservative party proposal put into our manifesto and opposed throughout by the Labour party. This is only happening because we won a majority and put a housing Bill through the House of Commons. We are taking every step we can to help more people to get on the housing ladder. In London, part of which the hon. Gentleman represents, we are seeing Help to Buy now funding 40% of the homes people want to buy, rather than 20%. We are going to see 200,000 starter homes built during this Parliament. We are managing our economy properly so interest rates are low and it is now easier for people to get a mortgage. With our help to save scheme, there is now every opportunity for people to put aside money to help them with their deposit. We are absolutely on the side of the homeowner, but above all those people who want to get on the housing ladder. We are helping with jobs, helping with tax cuts, helping with Help to Buy, helping with help to save and, crucially, helping by building more homes.

Q13. [902815] Seema Kennedy (South Ribble) (Con): On Boxing Day, the village of Croston in my constituency suffered the worst floods in living memory, with damage to schools, homes and businesses. Will my right hon. Friend join me in praising the efforts of everybody in Croston who pulled together to protect their community? Will he ask the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart) to review the decision by the Environment Agency to switch off the pumps at Alt Crossens?

The Prime Minister: First, let me pay tribute to my hon. Friend’s constituents, who worked around the clock to help each other in appalling floods and an incredibly high level of rainfall. Let me join her in thanking the emergency services again for all the work they did.

After floods like this, there are always questions about which pumps were used, which floodgates were opened and what decisions were made by the experts on the ground. It is very important, having seen many communities flooded in my own constituency, to hold meetings with community after community; to go through those decisions, to work out what lessons can be learned and to work out whether the right decisions were made. I absolutely pledge that that should be done. We have announced £40 million for the work across Lancashire and Cumbria to help people out, and we will ensure that the flood alleviation money for households and businesses, the schemes we set up after 2013, is paid out as quickly as it can be.

Q4. [902806] Caroline Lucas (Brighton, Pavilion) (Green): In the light of last month’s Paris climate agreement, at which all countries agreed to progressively increase their ambition and to keep global warming well below 2°, does the Prime Minister agree that we must now urgently begin the process of strengthening the EU’s 2030 greenhouse gas reduction target to 50% below 1990 levels at the very least, a position he argued for, I am glad to say, at the European Council?

The Prime Minister: First, let me join the hon. Lady in again recognising that Paris was a very big step forward. Previous agreements, such as at Kyoto, did not include action by China or America. Now we have all the big countries and big emitters as part of the deal. We argued that the EU should go further. We achieved,
I think, a very aggressive package for the EU, but that was the best we could do in the circumstances. I think the EU agreement helped to bring about the general agreement. No one should be in any doubt that Britain is playing a very major role in bringing that about. Let me give the House one statistic. I know there is a great deal of interest in the House about solar panels. The other day I asked what percentage of solar panels had been installed in Britain since this Government took office in 2010. I expected the answer to be 50% or 60%; the answer is 98%.

Ben Howlett (Bath) (Con): Yesterday, it was announced that the Foxhill housing zone in Bath would receive £313,000 of Government funding to help to kick-start work to build thousands of new homes in the city. Does the Prime Minister agree that that funding will help to reverse the lack of housebuilding under the Labour party and enable struggling families to get on to the property ladder?

The Prime Minister: I am delighted to hear about the development in my hon. Friend’s constituency. The fact is that we have built 700,000 houses since the Government came to office in 2010, but a lot more needs to be done. Sometimes it is specific bits of transport infrastructure, specific planning permissions or disagreements between district councils and county councils that need to be sorted out. We should not forget the fact, however, that the developers and housebuilders will go ahead with housebuilding only if they believe that there is a benign economic environment with a strong and growing economy and stable interest rates, and all the things we need. That is the key to the success in housing.

Q5. [902807] Kevin Brennan (Cardiff West) (Lab): The Prime Minister promised to cut the number of Government special advisers, and the Chancellor wants to limit pay increases for public sector employees to 1%. How does he square that with his now having 26 more special advisers than in 2010 and the 42% pay increase for the Chancellor’s own personal image consultant?

The Prime Minister: There are fewer special advisers under this Government than there were under the last Government.

Mr Stewart Jackson (Peterborough) (Con): Does my right hon. Friend agree that it is more than a matter of regret that the new shadow Defence Secretary has seen fit to take a donation from the immoral, thieving and ambulance-chasing lawyers Leigh Day, who, together with public interest lawyers, specialise in hounding our brave service personnel in Iraq with spurious claims? Is it not time we removed the latter from the pernicious clutches of the Human Rights Act and honoured our manifesto commitment to a British Bill of Rights?

The Prime Minister: Yes, we should honour our commitment to a British Bill of Rights, on which I look forward to making progress. I do think that this organisation, Leigh Day, has questions to answer, not least because it was deeply involved in the al-Sweady inquiry, where a lot of claims completely fell apart and there was, it seems, evidence that could have shown that those claims were false. It is instructive that we have lost a shadow Defence Secretary who believed in strong defence and our nuclear deterrent, and instead we have someone who apparently takes funds from Leigh Day. I think that that raises serious questions. Frankly, it goes to a bigger truth: one day, I suppose this reshuffle will be over, and we will be left with a collection of politicians—be in no doubt about this—who have signed up to unilateral nuclear disarmament, racking up taxes, debt and spending and one of the most left-wing programmes in living memory. This is a collective act in which they have taken part. We should not be asking, “Is the Leader of the Opposition happy to have the right hon. Member for Leeds Central (Hilary Benn) in his shadow Cabinet?”; we know he is not. The question is: “What on earth are the right hon. Member for Leeds Central and others doing in this Labour party shadow Cabinet?”

Q7. [902809] Mr George Howarth (Knowsley) (Lab): The Prime Minister might know that Knowsley also has a Shakespeare connection? For example, “A Midsummer Night’s Dream”, among other plays, was written there. Will he lend his support to the proposal for a Shakespearean theatre of the north to complete the triangle—the Globe theatre, Stratford-on-Avon and Knowsley—in a celebration of Shakespeare’s work?

The Prime Minister: That sounds like an excellent proposal. We should not try to constrain Shakespeare to Stratford, but make sure that this is a national—indeed, international—celebration, so I shall look carefully at the right hon. Gentleman’s proposal.

Maggie Throup (Erewash) (Con): In Derbyshire, the county council has announced plans to cut four care homes, including Hillcrest in my constituency, as well as to axe sheltered housing wardens from March. This is clearly an attack on the elderly and vulnerable of Derbyshire by an authority with a proven track record of wasting taxpayers’ money. Will my right hon. Friend look into this dismal situation to ensure that all Derbyshire residents have access to good levels of care?

The Prime Minister: I am very happy to look at the problem my hon. Friend raises. Obviously, it is a Labour-controlled council taking these decisions. I urge it to consider our proposals in the spending review and the fact that councils can now use a surcharge on council tax to fund additional social care, and then recognise that its job, instead of playing politics, should be to serve local people?

Q8. [902810] Debbie Abrahams (Oldham East and Saddleworth) (Lab): Last year, the International Monetary Fund warned that income inequality was “the most defining challenge of our time”, was getting worse and slowed economic growth. By last night, FTSE 100 chief executives had been paid more for five days’ work than the average UK worker will be paid for the whole of 2016. They got a pay rise of nearly 50% last year, while the average worker got one of less than 2%. Will the Prime Minister support the High Pay Centre’s recommendations for organisations to publish data on the ratio of top pay to average pay?

The Prime Minister: I am a great supporter of transparency in these things, as we have proved in government. Let us be clear that since I have become...
Prime Minister income inequality has fallen whereas it went up under Labour. Those are the facts. One of the biggest things we are doing to help with income inequality is, for the first time ever, to bring in a national living wage. This is the year in which we will see people paying no tax until they have earned £11,000. This is the year in which we will see a national living wage at £7.20. Those are big advances in helping the low paid in our country.

Mr Nigel Evans (Ribble Valley) (Con): I, too, would like to pay tribute to the countless number of people and organisations that helped out during the recent floods. Yesterday, I spoke with the chairman of the new Flood Re insurance scheme. I know that people who have been hammered by the floods will welcome the fact that their premiums will be quashed and that they will not meet eye-watering excesses. The chairman told me, however, that the scheme will not cover any houses built since 2009 or any businesses. Will the Prime Minister look again at the scheme to ensure that it is properly comprehensive?

The Prime Minister: We are looking very carefully at the scheme, particularly on the issue of businesses. What we have heard so far is a number of anecdotal stories, with small businesses saying that it will be difficult to get insurance. Meanwhile, the insurance companies are telling us that they will not turn down any small businesses, so we need to get to the bottom of this. That is absolutely key before we get to the final introduction of Flood Re in April this year.

Q11. [902813] Mike Kane (Wythenshawe and Sale East) (Lab): It was good to welcome the Prime Minister and his excellency the President of China to Manchester airport in my constituency recently to talk about investment. What is in the north’s interest and the nation’s interest is extra runway capacity in the south-east. Why does the Prime Minister continue to procrastinate?

The Prime Minister: Let me first thank the hon. Gentleman and everyone in Greater Manchester who helped to welcome President Xi at the excellent lunch held in Manchester and then at the very good visit to Manchester airport. Let me respond to the hon. Gentleman’s question. The Environmental Audit Committee and the author of the original report, Sir Howard Davies, have both said that the problems of air quality raise new questions that the Government have to answer, and I am in favour of answering those questions and then making a decision.

Several hon. Members rose—

Mr Speaker: Order. Two years ago tomorrow, I believe, the House lost a superb parliamentarian and a colleague much loved in all parts of the House. I refer to the predecessor of the hon. Member for Wythenshawe and Sale East (Mike Kane), Paul Goggins. We remember him with affection and respect, and we also remember and think fondly of his widow, Wyn, and their children Matthew, Theresa and Dominic. They are all wonderful human beings, and we wish them well for the future.

Philip Davies (Shipley) (Con): As the Prime Minister knows, my constituency was decimated by the recent floods. It was reported in the Bradford Telegraph and Argus earlier this week that the Bradford district would not receive any of the extra funding that the Prime Minister announced for flood defences in Yorkshire. Will he take this opportunity to confirm that that is not the case, that whatever money is necessary to protect my constituency from future flooding will be spent—and if he is struggling to find the money, perhaps he could use funds from the overseas aid budget, because I am sure he believes that victims of flooding in Shipley should not be discriminated against when it comes to victims of flooding in other parts of the world?

The Prime Minister: We will do what it takes to make sure that families, communities and businesses can get back on their feet. That is why we have invested record sums more quickly into the affected areas. We have learned the lessons of previous floods, where sometimes the schemes were too bureaucratic and too much time was taken. Whether it comes to building new bridges, repairing roads, building the flood defences, examining where the water went this time or what more can be done, we will make sure that that work is carried out—in Bradford, as everywhere else.

Q12. [902814] Jim Dowd (Lewisham West and Penge) (Lab): Is the Prime Minister aware of the valuable work done by the National Wildlife Crime Unit in enforcing the law, promoting animal welfare and contributing to the international effort against the trade in endangered species? Is he further aware that the funding for the unit expires in just a couple of months’ time and that the Department for Environment, Food and Rural Affairs and the Home Office are yet to make a decision to continue it? Will the Prime Minister prevail on his right hon. Friends to ensure that this extremely important and valuable work is continued?

The Prime Minister: My understanding is that we have kept the funding for this organisation, which does important work both domestically and overseas, but I will look very carefully at what the hon. Gentleman suggests. I think that there is a decision still to be made about the future, although up to now we have backed the organisation very fully.

Simon Hoare (North Dorset) (Con): My right hon. Friend knows that the legacy of thalidomide still hangs over more than 500 people in our country today. In the last Parliament, he signalled strong support for the securing of a fair and just solution to their problems. May I invite him to renew that pledge in this Parliament, and to work with the all-party parliamentary group on thalidomide to bring about a just outcome?

The Prime Minister: I am very happy to make that clear. In the last Parliament, I met some of my own constituents who had been affected by thalidomide. There were a number of things that they wanted parliamentarians to do, and I think that a lot of people got behind their campaign. I shall be happy to continue to work with them in this Parliament.
Motion for leave to bring in a Bill (Standing Order No. 23)

12.36 pm

Norman Lamb (North Norfolk) (LD): I beg to move, That leave be given to bring in a Bill to establish an independent commission to examine the future of the National Health Service and the social care system; to take evidence; to report its conclusions to Parliament; and for connected purposes.

Two former Secretaries of State for Health—one Labour, one Conservative—and other Members on both sides of the House have joined me in calling for the Government to establish a commission of this kind. We have also been joined by an organisation called NHS Survival, a group of progressive junior doctors, patients and others which now has 8,000 members, and by Care England, which represents social care providers. The purpose of the commission would be to engage with the public, staff in the NHS, care services and civic society to tackle the massive challenge faced by the NHS and care services, with the objective of establishing a long-term new settlement for the NHS and care.

Why is this needed? The NHS and social care face an existential crisis. In the post-war period, demand has risen by about 4% every year. We all understand the reasons for that. We are all living longer. The number of people surviving cancer has increased dramatically. According to Cancer Research UK, half those diagnosed with cancer now survive their disease for 10 years or more, compared with only a quarter 40 years ago. The number of people living with three or more chronic conditions is expected to have risen by more than 50% during the 10-year period up to 2019. New medicines are invented that enable the underlying cause of some genetic diseases to be tackled for the first time, and we are seeing remarkable advances in surgical procedures. All that is a triumph of modern medicine and of our NHS, and it is something that we should celebrate.

For the last five years, the coalition Government ensured that spending on the NHS was protected, but real-terms increases have been marginal. With demand continuing to rise, this has been the toughest financial settlement in the history of the NHS. Meanwhile, social care has been cut in real terms, despite significant increases in demand. A widely accepted assessment is that there will be a gap of £30 billion in the NHS by 2020. The Government have committed to finding £10 billion, including the increase in this financial year, but few experts in the NHS believe that that will be enough. The Health Foundation has estimated a gap of £2 billion in 2020 on top of the £10 billion commitment and many others believe that the gap will be much larger.

A reflection of the rapidly deteriorating financial position is shown in the accounts of NHS and foundation trusts. They are facing a projected £2.2 billion deficit by the end of this financial year. Pension changes announced by the Chancellor of the Exchequer are likely to add another £1 billion to costs. Pressures across the system are very evident. Today’s news that at least 100 GP surgeries applied to stop accepting patients because of shortages of doctors is the latest example.

The position in social care is perhaps more serious. The respected Health Foundation has estimated that there will be a £6 billion funding gap by 2020, without taking into account the increase in the minimum wage; the Local Government Association has estimated that that alone will add £1 billion to costs by 2020. It also does not take into account the planned introduction of the cap on care costs, which the Government have said they are committed to introducing in 2020.

The spending review provision for councils to increase council tax by 2% will narrow that gap by an estimated £1.7 billion by 2020 according to the LGA, but only if every council takes advantage of the new power. The plan for an increase in the better care fund will add £1.5 billion, but only in 2019-20. So a substantial shortfall remains. That means that further cuts to social care are inevitable.

Simon Stevens, the head of NHS England, has made it clear that, if we cut social care, it will have an impact on the NHS and, in effect, create a larger funding gap in the NHS by 2020 than the projected £30 billion. So the situation based on planned spending over this Parliament looks unsustainable and, beyond 2020, it just keeps on getting more challenging.

It is worth looking at how we compare with other European countries. In 2000, the then Prime Minister, Tony Blair, set the objective of the UK hitting average EU spending on health by 2006. We now risk drifting further away from the EU average. An analysis shows that of the 21 OECD countries in the EU in 2013 only Slovakia, Hungary, the Czech Republic, Poland and Estonia spent a lower proportion of GDP on health than the UK.

Looking ahead, the picture is just as disturbing. Projected health spending in England as a proportion of UK GDP up to 2020-21 shows a declining share of GDP spent on the NHS. According to the Office for Budget Responsibility, based on the Government’s spending review, funding for the Department of Health declines as a percentage of GDP from 6.1% in 2015-16 to just 5.4% by 2020-21. The position for social care is more dramatic. Given what we know about the inexorable rise in demand, can it make any sense at all to commit a reducing share of GDP to health and care? I fear that the consequences of failing to address that funding situation could be very serious.

The Government argue that substantial further efficiency savings can be achieved. Yet, however much we hope that the necessary “efficiency savings” will be achieved through smart re-engineering of the system to deliver better value and better care, the reality is that around the country anecdotal evidence suggests that too often preventive services are cut as clinical commissioning groups indulge in crisis management.

The financial incentives in the system do not help. We have payment for activity for acute hospital care but block contracts for community care and mental health. That ensures that rational allocation of resources is distorted. Acute hospitals continue to see increases in income, but demand for their services also increases, in part because of a failure to invest in preventive care, so their financial position becomes more perilous despite that increase in income. It is a vicious circle that has to be broken.

In social care, the anticipated shortfall, with rising demand, up to 2020, will result in more people losing support, or support packages becoming more inadequate.

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Simon Stevens, the head of NHS England, has made it clear that, if we cut social care, it will have an impact on the NHS and, in effect, create a larger funding gap in the NHS by 2020 than the projected £30 billion. So the situation based on planned spending over this Parliament looks unsustainable and, beyond 2020, it just keeps on getting more challenging.

It is worth looking at how we compare with other European countries. In 2000, the then Prime Minister, Tony Blair, set the objective of the UK hitting average EU spending on health by 2006. We now risk drifting further away from the EU average. An analysis shows that of the 21 OECD countries in the EU in 2013 only Slovakia, Hungary, the Czech Republic, Poland and Estonia spent a lower proportion of GDP on health than the UK.

Looking ahead, the picture is just as disturbing. Projected health spending in England as a proportion of UK GDP up to 2020-21 shows a declining share of GDP spent on the NHS. According to the Office for Budget Responsibility, based on the Government’s spending review, funding for the Department of Health declines as a percentage of GDP from 6.1% in 2015-16 to just 5.4% by 2020-21. The position for social care is more dramatic. Given what we know about the inexorable rise in demand, can it make any sense at all to commit a reducing share of GDP to health and care? I fear that the consequences of failing to address that funding situation could be very serious.

The Government argue that substantial further efficiency savings can be achieved. Yet, however much we hope that the necessary “efficiency savings” will be achieved through smart re-engineering of the system to deliver better value and better care, the reality is that around the country anecdotal evidence suggests that too often preventive services are cut as clinical commissioning groups indulge in crisis management.

The financial incentives in the system do not help. We have payment for activity for acute hospital care but block contracts for community care and mental health. That ensures that rational allocation of resources is distorted. Acute hospitals continue to see increases in income, but demand for their services also increases, in part because of a failure to invest in preventive care, so their financial position becomes more perilous despite that increase in income. It is a vicious circle that has to be broken.

In social care, the anticipated shortfall, with rising demand, up to 2020, will result in more people losing support, or support packages becoming more inadequate.
[Norman Lamb]

We are currently witnessing reductions in care packages in my own county of Norfolk, and I suspect that that is widespread. There are also serious concerns of significant numbers of providers of social care leaving the market. There is a sense of the system living on borrowed time. The unattractive effect of all this will be that those with money will be able to get good care. Those relying on the state will increasingly get nothing at all or substandard care. None of us can tolerate that, and none of this addresses the fact that mental health desperately needs more investment, despite the help given in the spending review.

The Government face a choice—either the system will drift into a state of crisis or we confront the existential challenge now. This transcends narrow party politics. We have to decide as a country how much we want to spend on our NHS and care system. What can we do differently to make better use of the resources available? Should we consider, as I have proposed, a dedicated NHS and care tax, and give local areas the ability to vary it? Should we end the artificial divide between the NHS and social care? We fund health and social care through three different routes—through the NHS, local authorities and the benefits system. Does that make sense?

The NHS commands an extraordinary level of support in our country. It is an amazing demonstration of social solidarity and decency. It is also the best system in the world, according to the Commonwealth Fund in 2014. Yet we cannot take the survival of the NHS and social care for granted. William Beveridge proposed the national health service. It is now time for a new Beveridge commission for the 21st century.

Question put and agreed to.
Ordered,

That Norman Lamb, Tim Farron, Tom Brake, Mr Nick Clegg, Mr Alistair Carmichael, Mr Graham Allen, Mark Durkan, Dr Andrew Murray, Jim Shannon, Dr Phillip Lee, Mr Ivan Lewis and Caroline Lucas present the Bill.

Norman Lamb accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 March and to be printed (Bill 115).

[Opposition Day]

Universal Credit Work Allowance

12.47 pm

Owen Smith (Pontypridd) (Lab): I beg to move,

That this House calls on the Government to reverse its decision to cut the universal credit work allowance, which is due to come into effect in April 2016.

I start by wishing you a happy new year, Mr Speaker. I wish the same to Ministers, Members on both sides and all in this House, and especially to the Secretary of State for Work and Pensions, who has just joined us. I am disappointed that it will not be the Secretary of State who responds to the Opposition day debate in the name of my right hon. Friend the Leader of the Opposition. This is the second time that the Secretary of State has failed to address the House when questions have been asked of his Department. I am not sure what his excuse is today, but it is a shame that he is shirking his duty to speak to the House today.

Perhaps we ought to take a lesson out of the playbook of the right hon. Gentleman’s Department and think about sanctioning the Secretary of State if he continues to shirk work in this way. Some 600,000 people in the UK were sanctioned by him last year, some for failing to turn up to a job interview, some because they were selling poppies, some because they were attending their father’s funeral, and one because they had had a heart attack. Someone suggested to me that an appropriate punishment for the Secretary of State—a sanction—might be to ban him from the House of Commons canteens for a month or so, thereby forcing him to go and visit a food bank at last.

It is extraordinary that the Secretary of State cannot be bothered to defend his pet project, universal credit, today. Perhaps it is because he thinks he is above answering questions from Members in the House of Commons, or perhaps he now agrees that universal credit is indefensible. The changes that we are debating today are among the most radical ever undertaken to social security; they are changes that should have done what the Secretary of State originally intended and made work pay for working people on benefit—on in-work support—and should have made millions of people in this country better off, but after the recent cuts I fear they are set to make millions of people worse off.

Angela Rayner (Ashton-under-Lyne) (Lab): My constituency was one of the first places in Britain to pilot universal credit. Analysis by the House of Commons Library shows a single mother of two working full-time in my constituency on the minimum wage and on UC will have a net income loss of £2,981 next year. My constituents will be the first of millions of people in the country to be hit by these cuts, because they were the first in the country to be put on UC. Does my hon. Friend agree that this is just not fair and another example of Tory broken promises?

Owen Smith: I agree wholeheartedly. In fact I believe that in my hon. Friend’s constituency 12,000 people will by 2020 be subject to far lower incomes as a result of
the cuts to UC. That is 12,000 people—less the northern powerhouse than a northern workhouse.

Let me be clear about what we are talking about, because this is complicated; UC is a bit of a black box and I think many people out in the country—and many on the Tory Benches—do not quite yet appreciate what is going on and have believed the smoke and mirrors from this Government. The changes that were snuck out—mentioned in passing in last summer’s Budget and then leaked out piecemeal in a statutory instrument subject to negative resolution that we had to pray against in order to get it even debated in this House—will halve the value of the work allowance under UC, which is the piece of UC that is essential to making work pay.

Let me illustrate exactly the nature of those changes to the work allowance by giving a few examples. For a single mother with one or more children, the work allowance will be halved from April of this year from £8,808 to £4,764, a reduction of £4,044. In cash terms, that working mother will lose £2,628 next year. That is the nature of the loss to a single mother. For a joint couple living and working together, one or both with limited capacity to work as they are disabled, their budget—the work allowance—will be cut from £7,700 to £4,700, a loss of £3,000 in their income. A single individual in receipt of UC will lose everything—a £1,332 reduction; a net loss to their income of £865.

Alison McGovern (Wirral South) (Lab): I am so glad my hon. Friend has mentioned single parents and how they are going to be hit. The last Labour Government did us all proud with the new deal for lone parents. Does my hon. Friend agree that the fate that now befalls single parents in this country is an absolute reversal of what past Governments did to help them work?

Owen Smith: Let me be very clear: under the Tory Governments in the 1980s I remember the right hon. Member for Wokingham (John Redwood) being dragged through the newspapers in this country for damaging the reputation of working mothers almost irreparably after comments he made about the St Mellons estate in Cardiff, and the Tories are back on the same track. In their sights are single mothers. They are the biggest single group of losers from all these changes to tax credits and UC, and it is an absolute disgrace that the Tories are undoing all the good work the last Labour Government did.

Oliver Dowden (Hertsmere) (Con): The hon. Gentleman talks about examples; can he confirm that without these reforms a family with a net household income of £57,513 would be in receipt of benefits? Does he think that is in any way sustainable?

Owen Smith: We are not talking about families in receipt of £57,000; we are talking about families on low and middle wages. We are not talking about people who are in the higher tax bracket, and it is a complete misrepresentation of the facts and of this debate to try to turn this discussion to high-earning taxpayers. That is not what we are talking about.

Chris Stephens (Glasgow South West) (SNP): I want to come back to the process the shadow Minister outlined at the beginning of his remarks. He said this measure was sneaked through by a statutory instrument. Has he read the many questions Opposition Members, including myself, asked at the statutory instrument Committee about the impact of this change, such as on carers, particularly young carers?

Owen Smith: We have repeatedly asked for any sort of impact assessment in respect of these measures, and as usual the Government signally fail to offer one. I believe that in the hon. Gentleman’s constituency 13,000 households will lose out by the end of this Parliament as a result of these cuts, and in the constituency of the hon. Member for Hertsmere (Oliver Dowden) I believe 5,000 people will lose out by an average of £950 by the end of this Parliament; perhaps he ought to reflect on that when he votes on this motion later today.

Andrew Gwynne (Denton and Reddish) (Lab): I commend my hon. Friend on bringing this motion to the House today, because the impact of these changes will be devastating to a very great number of my constituents in Tameside who, because they go through the Ashton-under-Lyne jobcentre, were part of the pilot for UC. Does my hon. Friend agree that there is another con here in that the Secretary of State has indicated that the £69 million support fund will help to bring in transitional arrangements, but that fund is used for myriad other purposes, and we already know the impact of the cuts to working families of UC changes this year alone will be £100 million?

Owen Smith: My hon. Friend is absolutely right as usual, and I think 10,000 of his constituents will eventually be affected with lower incomes as a result of these changes. He is also right about the transitional protections and the way in which the Secretary of State has, I think, sought to misrepresent those as covering the losses; I will come to that later in my speech.

Ms Karen Buck (Westminster North) (Lab): Before I do, however, I will give way to my expert friend.

Ms Buck: That is kind—and inaccurate. Like many Opposition colleagues I was besieged by constituents concerned about their tax credit cuts in the run-up to the spending review. They were horrified that a Government who said making work pay was going to be their mantra should do this to working people. Does my hon. Friend think the 600,000 Londoners on tax credits—7,000 in my constituency—will be equally horrified to know the sting is still in the tail and working people are going to lose out dramatically as UC is rolled out?

Owen Smith: I think that, more than that, they will be absolutely cheated off to the back teeth that this Government have tried to pull the wool over their eyes, because the truth is these are precisely the same cuts that were proposed through tax credits—almost exactly the same amount of money will be saved through these cuts to the work allowances as was previously proposed.

James Cartlidge (South Suffolk) (Con): Excellent.

Owen Smith: A Member says “Excellent” from a sedentary position. I think—
James Cartlidge: Will the hon. Gentleman give way?

Owen Smith: I will be delighted to give way.

James Cartlidge: I have just a minor detail: every penny paid out in benefits has to be raised in tax out of working people’s taxes. The money paid out in tax credits is not wages; it is means-tested benefits. Does the hon. Gentleman not recognise that the great advantage of UC is that it reduces the harsh impact of means-tested withdrawal of income?

Owen Smith: Where do I start? I start by telling the hon. Gentleman that 7,000 of his constituents will be hit by this by the time he next stands before them at the election, and he ought to reflect on that. More importantly, I tell him that it is precisely people in work paying tax—working hard, long hours, many on the minimum wage, working every hour they get—who are getting hit by his Government. That is what these cuts are doing. This is not a different set of people—they are not the scroungers that the Government like to talk about; they are the strivers, and they are being hit by the Government. The truth, as the Institute for Fiscal Studies has said, is that there is no difference between these cuts and the ones to tax credits that the Government proposed, on which they U-turned. According to the IFS, the U-turn makes “no difference”. The Government will end up saving the same £5 billion, at the end of the Parliament as opposed to the beginning, and they will strip £10 billion out of the pockets of working families. They should be ashamed of themselves.

Maria Caulfield (Lewes) (Con): I understand what the hon. Gentleman is saying, but he has previously said in the House that he is committed to making £12 billion of savings to tackle the country’s deficit. How would he make those savings if not through these changes?

Owen Smith: What I absolutely would not do is cut the incomes of 5.5 million working families, many of them in the hon. Lady’s constituency, by an average of £950. I would not take £1,600 from 2.6 million working families, many of them married, the Secretary of State for Work and Pensions said we were going to deliver £12 billion of cuts from welfare, and here we go.” What they did not say at the election, as I recall, was that they would be stripping the money from working families. I do not recall them talking about nursery nurses, security guards or shop workers on the minimum wage as the sort of wage scroungers they now seek to vilify, yet those are the very people who will be scragged by the change.

Mrs Madeleine Moon (Bridgend) (Lab): My hon. Friend was asked whether he would find alternative ways of raising money instead of taking it from the disabled, single parents, carers and working families. Would it not be more appropriate to collect tax from the many top companies in the UK that are avoiding paying their tax, rather than to steal from low-paid families as the Government propose?

Owen Smith: I found it interesting to learn, as part of the massive data dump before Christmas, that some of our largest banks such as J. P. Morgan and Merrill Lynch paid absolutely no corporation tax in the UK last year, in the same week when we learned that there would not be an investigation of the practices of our banks. Others can draw conclusions from that; I will stick to the subject at hand, which is universal credit.

I turn to transitional protection for those affected. As my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) said, the Government keep telling us that there will be transitional protection, and I will go so far as to concede that that is true—sort of—for some of the 350,000 people who will be on universal credit by April.

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): Two hundred and fifty thousand.

Owen Smith: The Minister says it is 250,000, but 350,000 is the latest estimate that I have seen from the Office for Budget Responsibility. Perhaps it is wrong—it could be wrong about other things in future, as well. However, there will not be transitional protection for the 5.8 million people who will eventually be on universal credit. Even for the 350,000 who are currently on it or will be on it by March, there will not really be transitional protection if they undergo anything that constitutes what the Government call a “serious change of circumstances”. In that case, the maintenance of their in-work support at tax credit levels will stop. It will interest the House, especially given the Secretary of State’s interest in marriage as an institution, that getting married will constitute a serious change of circumstances. If someone who is on tax credits and enjoying transitional protection gets married, the Secretary of State for Work and Pensions will take that money away from them.

There will be no protection whatever for any of the millions of new claimants by 2020. The Secretary of State has implied on several occasions that there will be transitional protections. Indeed, when he intervened on me in the debate before Christmas—he was not leading for the Government in that debate—he said explicitly: “We are transitonally protecting those who are moving on to universal credit.”—[Official Report, 7 December 2015; Vol. 603, c. 696.]
Unfortunately, the Minister for Welfare Reform, Lord Freud, had to correct him in the House of Lords, saying:

"It is not the same as transitional protection... it might be some more work or it might be upskilling." —[Official Report, House of Lords, 14 December 2015: Vol. 767, c. 1910.]

In truth, the £69 million fund that the Secretary of State has prayed in aid as transitional funding will in no way make up for the £3.2 billion loss over this Parliament.

The truth came out in the infamous data dump of documents snuck out in Christmas week. Responding to criticism by the Government’s own Social Security Advisory Committee, Ministers had to admit that the only way to recoup the losses would be to work an additional three to four hours a week. That is right—the House heard me correctly. The Government are now saying to a single mother who is working full time on the national minimum wage and looking after her children in the evening and who will lose £3,000 that she has to get another job working an extra three or four hours a week—approximately 200 hours a year—to make sure that she is no worse off. Tell me, Mr Speaker—I cannot see it—how that single mother who has a child at home and who is working full time will, even on the new national minimum wage, be able to work an extra three to four hours a week or 200 hours a year. Is she meant to get a job in addition to the full-time job she is doing during the day and in addition to looking after her children—for example, cleaning in the mornings—to earn an extra few quid?

What on earth is the incentive for that mother to undertake that extra work? I ask that because the other massively damaging effect of the cuts is that they fundamentally undermine and destroy the very premise of universal credit—to make work pay.

Alison McGovern: I thank my hon. Friend for being so generous and giving way again. I remind him that when the Chancellor announced his so-called living wage, he assumed a rising personal allowance in his calculations in the Budget book that suggested that work would pay. Given the Government’s broken promises left, right and centre, why should any single parent believe what they say?

Owen Smith: My advice to single parents is absolutely clear: do not believe a single word that the Government say in response to today’s debate, or what they are telling the country about making work pay and about universal credit. Each and every promise is being broken.

Oliver Dowden: Will the hon. Gentleman give way?

Owen Smith: No, I have given way to the hon. Gentleman once.

The Secretary of State used to say that universal credit was a watershed benefit. Indeed, he used to say that it would “ensure that work pays, and more work pays, for everyone”. The cuts to the universal credit work allowance have holed that argument below the waterline. The House of Commons Library briefing, which was produced yesterday evening and circulated to every Member, makes it clear that a single mother will have to work an extra 12 hours each week to earn an extra forty quid, at £3.30 an hour, after these changes. Before the changes, she would have got £92 for those extra 12 hours at £7.66 an hour. How on earth is this meant to increase her incentives to go out and work harder and work longer? It is absolute nonsense.

Heidi Allen (South Cambridgeshire) (Con): I wonder whether there is something in the integrity of the people the hon. Gentleman speaks about, and whether they will raise their heads high enough to say, “Okay. It’s not great and it’s not the end result, but I am lifting myself and my children off a life of welfare dependency.” In that is a pride. I would like us to talk a little more in those terms and that language.

Owen Smith: I have a great deal of respect for the way in which the hon. Lady stood up for her constituents and spoke out against her party and Government Front Benchers on the tax credits changes because many thousands of people would be affected in her constituency. I point her to the document commissioned and chaired by the Secretary of State when he first conceived of universal credit: in his introduction, he demolished the argument she has just made. He effectively said that we could not expect people to work harder simply out of responsibility and moral obligation, and that we needed to introduce incentives. That was the underpinning rationale of universal credit. Unfortunately, these changes—the cuts to the taper rate, the cuts to the work allowance and the cuts to the childcare provision—are fundamentally undermining the initial premise. They are destroying universal credit. In 2020, 5,000 of the hon. Lady’s constituents will suffer lower incomes as a result of the changes to universal credit.

Jess Phillips (Birmingham, Yardley) (Lab): I lived on in-work benefits. The delightful feeling of being lifted out of welfare benefits never fed my children. Does my hon. Friend agree?

Owen Smith: I completely agree, and my hon. Friend’s personal experience ought to be listened to by the Secretary of State and Members on both sides of the House. She will know that 17,000 of her constituents will be hit by the changes in 2020—an extraordinary number of families will have lower incomes as a result of the changes.

The truth is that the changes cannot increase work incentives and will not increase outcomes. They cannot. That is why successive independent experts have come out and told the Government to think again, as they did on tax credits. The Social Security Advisory Committee—the Government’s own advisory committee—tells them to reverse their plans. The Resolution Foundation, chaired by a former Tory Minister, tells them the same. Most recently, and most importantly of all, on 17 December the Government’s social mobility commission, deputy-chaired by a Tory peer, Baroness Shephard, said with great clarity to the Secretary of State in its “State of the Nation 2015: Social Mobility and Child Poverty” report:

“The immediate priority must be taking action to ensure that the introduction of Universal Credit does not make families with children who do the right thing (in terms of working as much as society expects them to) worse off than they would be under the current system. That means reversing the cuts to Universal Credit work allowances enacted through the Universal Credit (Work Allowance) Amendment Regulations”.

Unfortunately, the Minister for Welfare Reform, Lord Freud, had to correct him in the House of Lords, saying:

"It is not the same as transitional protection... it might be some more work or it might be upskilling." —[Official Report, House of Lords, 14 December 2015: Vol. 767, c. 1910.]
The commission is right and the Opposition agree, just as we agreed when the hon. Member for South Cambridgeshire (Heidi Allen) and her colleagues urged the Government to go into reverse last time.

Mr Jacob Rees-Mogg (North East Somerset) (Con): In a deft but somewhat selective speech, is the hon. Gentleman not missing the point that universal credit, with a single rate of taper, will make it invariably clear to people that if they work more, they will earn more? Under the current system, taper rates go up to 90%. It is incredibly confusing and many people do not risk taking on extra work because they will have to re-apply for benefits and may be worse off. Universal credit has a beautiful simplicity and will encourage people to work.

Owen Smith: I congratulate the hon. Gentleman on his equally deft selectivity. Dare I say that my point is that universal credit might have done all those things? If we had, as was originally envisaged, a 55% taper rate, or even if we had the current 65% taper rate, and if we had work allowances that were double what are now proposed, as was originally intended, universal credit would have made work pay and it would have been an incentive for people to work those extra hours. I have made that plain in my speech. However, with the cuts—the seven successive cuts that have been made since 2012—it will not deliver what was promised. The hon. Gentleman and the country are being sold a pup by the Secretary of State. It was not what was written on the tin when he first brandished it. Conservative Members need to understand that, because thousands of families in their respective constituencies will be affected by those cuts. Many of them will lose as much or more than they would have lost under the tax credit cuts. I say to all Tory Members: join us or tell me how these cuts are made work pay, but as I have shown today, after the cuts the policy will not deliver what was promised. The hon. Gentleman and the country are being sold a pup by the Secretary of State. It was not what was written on the tin when he first brandished it. Conservative Members need to understand that, because thousands of families in their respective constituencies will be affected by those cuts.

Owen Smith: I want to be clear on one point. The taper at the conception of the policy was 65%. There has been no cut and no change to that. It is important that the shadow Secretary of State does not make a mistake on that.

Owen Smith: I did not make a mistake in any way, shape or form.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): You said it was cut.

Owen Smith: No I did not. I referred to the original document commissioned and chaired by the Secretary of State, in which it was recommended that there be a 55% taper rate. I might also refer to the social mobility commission, which is telling him to go into reverse. It argues that he needs to get back to a 55% taper rate.

Mr Duncan Smith: You said it was a cut.

Owen Smith: The Secretary of State can chunter all he wants, but if he really wants to make an argument in favour of his pet project, he ought to get off his rear end and speak from the Dispatch Box. I would be more than grateful any time he wants to intervene and talk to me about it. As I have said before to our effectively absent Secretary of State—he was very bold to brief the press before the Budget that he would resign if his pet project was touched by the Chancellor—now is the time to go. The Secretary of State’s plans have been shredded by No. 11 since 2012. He said universal credit would be more generous than the benefits it replaced, but it will be £5.7 billion less generous than he promised. It will be £4 billion less supportive of working families than the current system, thanks to the Chancellor’s raids on the Secretary of State’s budget. He said it would make work pay, but as I have shown today, after the cuts the policy is tantamount to asking single mothers to pay to work.

Jessica Morden (Newport East) (Lab): My hon. Friend mentioned the disabled. It is worth underlining how the policy hits disabled people in work particularly hard. Liverpool Economics assesses that they could lose up to £2,000 as a result of the changes.

Owen Smith: As ever, my hon. Friend is completely right. Nine thousand of her constituents will be worse off. Those among them who are disabled or who are part of a couple in which one or more of them are disabled will lose £2,000 under the cuts. That is a disgrace.

Under this Government, people are working in a period of wage restraint and austerity that we have not seen since the 1920s. This Tory decade promises the lowest 10-year period of wage growth in a century, with gains to workers half those they had under the Labour Government—6% wage growth versus 12%. That includes all the fancy promises about a national living wage.

The living wage will make up just 22% of the losses that working people will incur under the changes. It is misleading to the country and the House to suggest otherwise. Under this Secretary of State, we have a bedroom tax that leaves people without money to pay for food or heating. We have a sanctions regime that has driven some to suicide. Now we have universal credit, which will reduce security and rewards for people doing the right thing and working hard for their families and our society. The Secretary of State should have addressed those questions today and spoken to the House. He should consider his position.

1.19 pm

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): I join the shadow Secretary of State in wishing everybody a happy new year. I am sorry that I am not the person with whom he wished to have this exchange, but this is a real area of passion for me. My background, my school, my work and starting my own business mean that I understand opportunity, which all too often is not a given in society. The changes that have helped shape my journey into politics are integral to why we need to reform the welfare state. That is absolutely key.

Stephen Timms (East Ham) (Lab): Given the background that the Minister has set out, he will well understand why it would have been a mistake to go ahead with the
tax credit cuts that were U-turned before Christmas. Why then are the Government going ahead with precisely those cuts for people whose only mistake is to have the misfortune of receiving universal credit instead of tax credits?

**Justin Tomlinson**: That was a very early intervention and, to be fair, I need a little time to expand my argument, which will address those points. An element of patience is needed; I know that we all needed it last night with the late sitting and the reshuffle news. A key point about tax credits was that people argued that all the changes needed to be phased in, and I will set that out.

The welfare system we inherited was simply not working. It was not supporting people to get into work, to stay in work and to progress in work. People were left with unfulfilled potential, languishing on benefits, with little or no incentive to work or to progress in work, and opportunity was stifled. Opportunity should be a given; it should not be stifled.

The truth is that our welfare system had become distorted and complex, as we all know from our casework with residents. Too often, residents were missing out on the benefits they were entitled to because they could not navigate something so complex. All too often, the system firmly shut the door on opportunity, because it paid more to be on benefits than to be in work. We all know that, and the electorate—hard-working families—were quick to remind us of it.

Let me be clear that I say that with no disapproval for those who claim benefits. The system itself was to blame, which is why we undertook to reform it. Our aim was and continues to be to create a system that extends opportunity and ensures that work always pays, moving Britain from a low wage, high welfare, high tax society to a higher wage, lower welfare, lower tax society. It is a common-sense approach, creating a system that is fairer to the taxpayers who face an ever-increasing bill and opportunity was stifled. Opportunity should be a given; it should not be stifled.

The number of people receiving benefits?

**Mark Spencer** (Sherwood) (Con): Does the Minister have access to any figures that point to successes since 2010 in the number of people in employment and the number of people receiving benefits?

**Justin Tomlinson**: I thank my hon. Friend, who I know has worked incredibly hard in his constituency to help more people get into work. Across the country, more than 2 million more people are in work—record numbers—with record low numbers of people out of work.

Welfare spending overall went up by almost 60% in real terms, costing every household an extra £3,000 a year in 2010. What was the result of all that spending? The number of working people in poverty actually went up by around 20% and nearly one in five households had no one working. That was too often the norm.

**Owen Smith**: Will the Minister confirm that under his Government welfare spending has gone up more than it has under any Government, breaching £1 trillion under the previous Government, and £130 billion more than under the previous Labour Government?

**Justin Tomlinson**: In percentage terms, it is now back to 2008-09 levels. These reforms are key to that. Having an open blank chequebook is simply not an approach that we or hard-working taxpayers would take.

**Mr Adrian Bailey** (West Bromwich West) (Lab/Co-op): Everybody understands the rationale for having a welfare system that incentivises people to work, but I would like the Minister to explain how these proposals, which mean that people have to work longer hours for the same money, will achieve that purpose.

**Justin Tomlinson**: I will now try to make some progress so that I can set that out.

The old approach of taking money from people’s wages and recycling it back to them in handouts was not transforming lives, it was trapping them. Why? It did not provide the right incentives or support for people to get on and realise their ambitions. Our central approach is therefore about ensuring people are better off in work and better off working more.

**Simon Hoare**: The Minister is being a little too charitable to the Opposition. I might be being a bit cynical, but did not their policy seek to create a hinterland constituency of people wedded to welfare and therefore reliant on the Labour party? The voters saw through that in May and they are not going back to that again.

**Justin Tomlinson**: There is no need for my hon. Friend to feel that he is being cynical, as the statistics make that very clear.

Through universal credit people can support their families and have the dignity and independence that comes with having a job. We have already made huge progress through our reforms. Employment is at a record high, up by more than 2 million since 2010. Unemployment is down by more than 750,000 since 2010. The claimant count rate is at its lowest level since 1975. The number of people claiming the main out-of-work benefits has
fallen by 1 million since 2010. Wages are rising—for 13 months consecutively—higher than inflation. I know that the shadow Secretary of State started talking about the 1920s—an easy mistake to make, perhaps, forgetting about inflation. That is why living standards are up. Business confidence is underpinning all this progress, which the Opposition are—

Several hon. Members rose—

Justin Tomlinson: I will take some more interventions, but let me make a little more progress because they might be on subjects that are coming up.

Against that backdrop, universal credit is removing the barriers to work that existed in the old system. The major reforms that are needed to our welfare system after 13 years of Labour’s culture of dependency are not without difficult choices, but universal credit is designed to provide certainty for claimants and provide the right incentives and support to find work and, crucially, progress in work. That has always been at the heart of universal credit, and it continues to be so. Universal credit policy remains unchanged since the summer Budget, despite attempts by the Opposition to suggest the contrary. The improved public finances allow us to reach the same goal of achieving a surplus while cutting less in the earlier years. We are smoothing the path to the same destination. That is a welcome move and the point I made in response to an earlier intervention.

I want to remind the House of the incentives that universal credit creates and the support it provides.

Andrew Gwynne: Will the Minister give way?

Justin Tomlinson: Shortly, shortly.

A single taper of 65% means that financial support is withdrawn at a consistent and predictable rate, helping claimants clearly to understand the advantages of work. Universal credit also extends financial incentives to people working fewer than 16 hours per week and removes the limit to the number of hours someone can work each week. Nobody can understand why we had a welfare system that created those artificial barriers.

Andrew Gwynne: I am grateful to the Minister for giving way. Although we all understand how universal credit is intended to work, does he not understand that there is an inbuilt disadvantage for those areas that were universal credit pilots, such as the Tameside part of my constituency? As universal credit is phased in across the country, these cuts will hit the areas that were the early entrants to the programme much harder than other parts of the country.

Justin Tomlinson: We are seeing that people on universal credit are more likely to progress into work and to secure more hours, and I will come on to that in more detail later.

Several hon. Members rose—

Justin Tomlinson: I will take one last intervention for now.

Stephen Timms: The Minister said in response to my earlier intervention that there were to be transitional arrangements, but the trouble is that people receiving universal credit will get the full cut in April this year. They are going to be clobbered.

Justin Tomlinson: I gently remind the right hon. Gentleman that I shall be going into those details later, so he needs to have just a little more patience.

Crucially and uniquely, universal credit stays with claimants when they enter work until their earnings reach a certain level or until they can support themselves. That gives them the confidence to start a job without having to go through the bureaucracy of changing their benefit claim. Universal credit is not just about IT or streamlining bureaucracy, as it is often portrayed. It is about people having a single point of contact with a work coach who provides personalised support, advice and guidance. This is where universal credit comes into its own, and this is the bit that I am really passionate about.

In life, we are all confident individuals and when we are faced with challenges it is a given that we can normally take them on, but that is not the case for everybody. We are now giving people a named personal contact to help them to deal with their individual case when they are navigating complicated benefit systems. That work coach will be by their side helping them to develop their role when they first get their foot in the door. They will not simply say, “We wish you all the best now you’ve got a job”. They will help them to make progress and develop their role. They will help them to seek and secure more hours, and to develop the skills and confidence to progress through the grades. In other words, universal credit will not only support people to move into a job; it will also help them to build a career. It will break the cycle of dependency and create opportunities.

Catherine West (Hornsey and Wood Green) (Lab): Does the Minister not accept that we are really talking about people who are doing the hours but whose rate of pay is very low? Is not this really about productivity? The fact is that the Government are not creating higher level jobs. We are far too dependent on the service sector, which essentially involves low-paid jobs rather than jobs that offer a higher rate of pay for the hours worked.

Justin Tomlinson: Three quarters of new jobs being created are at managerial level, and the majority are full-time jobs. I shall go into more detail about what we are doing in terms of money.

Helen Whately (Faversham and Mid Kent) (Con): My hon. Friend has been talking about the benefits of universal credit. I have spoken to two jobcentres that serve my constituents and that are piloting universal credit, and I have heard very good feedback, both from the job coaches and from the jobseekers themselves, who say that it is giving them more flexibility to work. Please will my hon. Friend confirm that the roll-out will continue, because those jobcentres want to be able to give more jobseekers the opportunity to be on universal credit?
Justin Tomlinson: My hon. Friend highlights the importance of that personalised support, which people find absolutely vital. We have seen this in our casework, in our experience of life and through friends who have navigated through the system. My hon. Friend has taken the time to visit her jobcentres, and I would gently encourage the shadow Secretary of State to go and visit one of the universal credit sites and to see it at first hand.

Owen Smith: I spoke to one of the people piloting universal credit just two weeks ago. Is the Minister seriously telling the single mother I mentioned earlier, who is working full time on the new national minimum wage, that she should not worry about the £3,000 drop in her income that will result from these cuts? Is he saying that she should not worry because she will have a personal work coach who will encourage her and give her greater confidence to get another job, maybe in management? Is he seriously saying that to the country?

Justin Tomlinson: I will extend my invitation further: I will join the hon. Gentleman if he wishes to come and see this work in action. If he is worried about going on his own, I will in effect be his work coach. We have talked about examples. Let us talk about a working lone parent with two children who is doing 35 hours on the national living wage. They will be £330 better off. We could continue to trade examples, but that would be to assume that this is a static analysis. I will address that point later.

The evidence is clear: universal credit is working. Independently reviewed statistics published at the end of last year show that under universal credit people spend 50% more time looking for work, are 8 percentage points more likely to have been in work, and when in work, they earn more and seek more hours. So, universal credit is supporting people whether they move into or out of work, and focusing on getting people not just into work but into sustainable employment where earnings increase and the number of hours they work rises.

Chris Stephens: The Public and Commercial Services Union has real concerns about the cuts to the work allowance, which will affect the Government’s own staff. What assessment has been made of the effect of those cuts on the employees in the Department for Work and Pensions?

Justin Tomlinson: As I shall explain, this is not a static analysis.

I want to focus on how we are going to support people. People will benefit from the improved support. For those directly affected by the changes to work allowances, we have been careful to put further measures in place. The affected claimants will benefit not only from additional work coach support but from access to funding through the flexible support fund. This will help people to retain work and to increase their earnings through training, travel and care, and we will support people to access those things. In the longer term, we are ensuring protection for claimants who are moved from legacy benefits to universal credit. We have always been clear that there will be no cash losers as a result of the managed migration of claimants from one system to another, as long as their circumstances remain the same.

Owen Smith: This will be the last time I intervene on the Minister, I promise. Is he seriously telling the House that the £69 million flexible support fund that he has just prayed in aid once again will in any way make up for the £3.2 billion loss to working families?

Justin Tomlinson: The shadow Secretary of State is mis-matching the two parts. The people who are going across will continue to have their cash protected. The £69 million fund will provide ongoing support to help people to navigate through the process.

Melanie Onn (Great Grimsby) (Lab): I want to return to the Minister’s point about work coaches. The mapping exercise that was undertaken in my constituency and across the borough of North East Lincolnshire was out by 150%, and the local authorities there cannot meet the needs of the work coaches who are needed to support people on universal credit. That task has now been passed on to the citizens advice bureau, which also cannot manage the load because the figures that it was initially given were incorrect.

Justin Tomlinson: This is actually delivered through the jobcentres and the universal service, so I think we will have to discuss that a bit further.

Figures have been bandied about, and I want to make it clear that they were wildly inaccurate. They were based on a fundamental misunderstanding of universal credit, which is why I am so keen to arrange a visit for the hon. Member for Pontypridd (Owen Smith). The vast majority of those on the universal credit caseload will not lose out as a result of the changes. That is because the measure affects only those people who are in work, most of whom would have received nothing under tax credits. I have not seen the Opposition campaigning on this issue before. Unlike tax credits, universal credit is a dynamic benefit.

Owen Smith rose—

Stephen Timms rose—

Justin Tomlinson: The hon. Member for Pontypridd has had his turn. I give way to the right hon. Gentleman.

Stephen Timms: I think we have now got to the appropriate point in the Minister’s speech. Does he acknowledge that the 50,000 plus working people who are today receiving universal credit will see their benefits sharply cut in April?

Justin Tomlinson: I will come on to those specific people. [Interruption.] In the overall numbers, it is the vast majority. [Interruption.] I am going to make some progress.

We have to see the bigger picture. A lot of the analysis that has gone on is static. Even the Institute for Fiscal Studies, which I know a lot of hon. Members will refer to, acknowledges that it is a static analysis. Universal credit is not a stand-alone measure. It is part of our wider, dynamic package of reforms to support families in work and to make sure work pays. We are raising the personal allowance to £11,000 for the next tax year, saving the typical taxpayer over £900 a year, and we have pledged to raise it to £12,500 by the end of this
[Justin Tomlinson]

Parliament. The national living wage will come into effect from April. That will directly benefit 2.75 million people and it is forecast to reach over £9 an hour by 2020. That might upset Opposition Members who campaigned for £8 an hour, but we felt that that did not go far enough.

Carolyn Harris (Swansea East) (Lab): The House of Commons Library has given me some figures; I wonder whether the Minister will say that they are wrong. They show that a single parent working full time on the minimum wage will be nearly £3,000 a year worse off than they would have been on tax credits. I would appreciate some clarification on this from the Minister.

Justin Tomlinson: I thank the hon. Lady for her question. I worked closely with her on our commitment to halving the disability employment gap, and I have a lot of respect for the work she does. In this case, the person—again, presuming it is a static analysis and that they are already in—will be cash protected as they are transferred to universal credit, so they will not be cash worse-off.

We have rising wages and near zero inflation. We have had 13 months—[Interuption.] We have strong economic growth, delivering record jobs and creating opportunities for people to get into work and to increase their hours. We have simplified the benefits system, reducing the potential for claimants to miss out on money to which they are entitled and, crucially, allowing them the time to focus on actually finding work, rather than on navigating the complex, chaotic system. We have already seen from the independent investigation that we are talking about 50% more time. We also have work coaches to support people in work, which is vital.

Several hon. Members rose—

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Several hon. Members rose—

Justin Tomlinson: I will make a bit more progress and then take a few more interventions.

Finally, and importantly, we are increasing the childcare offering. Universal credit currently covers up to 70% of eligible childcare costs, but from April we will increase that to 85%. That will make a huge difference to people’s lives, with the increase worth up to £1,368 per year for every child. We are also doubling free childcare to 30 hours a week for working parents of three and four-year-olds, which is worth up to £5,000 per child per year to working parents. Tax-free childcare from early 2017 will give working parents who are not in receipt of universal credit or tax credits up to another £2,000 per child per year, or up to £4,000 for a disabled child. All those measures are designed to help families keep more of the money they earn and support them in work. Therefore, our combined package of measures will make a real difference to real people’s lives.

Tulip Siddiq (Hampstead and Kilburn) (Lab): I wish briefly to divert the Minister’s attention to homelessness and, in particular, its rise in London. A network of charities have said that the rise is a result of not only the chronic housing shortage, but cuts to welfare reform and social security, particularly universal credit. I do not know now whether the Minister is aware that last year the level of homelessness rose to a point where 7,500 people were sleeping rough on the streets of London. Does he recognise that universal credit will exacerbate that problem? Can he say how the rolling out—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. An intervention has to be very short, and I think the Minister has got the gist of this one.

Justin Tomlinson: That is why it is key that this Government are committed to building and delivering more affordable housing, particularly in London. I welcome the measures that the Chancellor set out to make that happen. [Interuption.] The hon. Member for Birmingham, Yardley (Jess Phillips) may laugh, but we saw record low house building under the last Labour Government, robbing people again of opportunity.

Ruth Cadbury (Brentford and Isleworth) (Lab): Has the Minister made an assessment of how many people on universal credit will be able to afford even a starter home in London?

Justin Tomlinson: That shows why we have to create opportunities, so that people can get into work, increase their hours—[Interuption.] Again, the hon. Member for Birmingham, Yardley does not like creating opportunity. We can all play top trumps on trading backgrounds, but we have to create those opportunities for people, regardless of the challenges they face. My party values the prospect of the potential for people to have home ownership.

Alex Chalk (Cheltenham) (Con): Does the Minister agree that under Labour the welfare system spiralled completely out of control? Crucially, in the words of the former Chancellor Alistair Darling, it ended up “subsidising lower wages in a way that was never intended”. Will these reforms not address that?

Justin Tomlinson: I thank my hon. Friend for raising that point. Not only did we see that under the last Labour Government we were talking about £3,000 per hard-working family, but the decision to reverse all these dynamic changes will have to be paid for—we cannot magically print money. I know that promising that would help in a potential future reshuffle, but back in the real world it will mean painful, expensive tax rises for hard-working people.

Universal credit is a significant welfare reform that is transforming lives. At its heart, this is about putting work first and ensuring everyone can realise their ambitions and improve their quality of life. It is part of our wider commitment to return welfare spending to a sustainable level and deliver fairness to the taxpayer. That will be delivered through reform, support and, crucially, creating opportunities.

1.44 pm

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Thank you, Madam Deputy Speaker, for calling me, and may I wish you and other Members of the House a good new year?

I begin by thanking the Opposition and the hon. Member for Pontypridd (Owen Smith) for tabling today’s motion, which the Scottish National party will be happy
to support. However, today feels a wee bit like groundhog day, because, once again, we are here debating the adverse impact of the Government’s social security changes on people in low-paid work. Once again, SNP Members are asking why low-income families are being asked to pay the heaviest price for austerity. Why are low-paid workers, in particular, once again finding themselves on the front line?

A few weeks ago, when the Government were forced into their tax credits U-turn, I described it as a “stay of execution”, because it was quickly apparent that the sword of Damocles was still hanging over many of the low-paid households that were set to be hammered by tax credit cuts. It has been a short reprieve, because in April this year the reductions to the work allowance in universal credit are set to come into effect. They will hit many of the same low-income families who would have lost out under tax credits.

When universal credit was first introduced, early in the last Parliament, some lofty and rather extravagant claims were made for it, some of which we have heard reiterated today: universal credit was going to simplify and streamline our benefits system; it was going to be much more flexible, making it easier for people to move in and out of work, reflecting the reality of the modern labour market; and, above all, it was going to remove the benefit trap, by tackling the financial disincentives to entering the workforce. Instead, it was going not only to create fewer work incentives and make work pay, but to improve the incentives to move into better-paid work over time. Oh, it was a grand plan! The reality has been very different. I need not dwell too long today on the technical and management problems that have beset the universal credit project from its beginning, except to say that it has been subject to repeated and prolonged delays. It has had to be rebooted several times, and, even now, it is unlikely to be fully implemented until 2021 at the earliest.

Far more telling is how far the whole project of universal credit has strayed from its original objectives. The cornerstone of this ailin policy initiative was that it would improve work incentives and help tackle poverty, but that cornerstone has crumbled under the weight of austerity agenda, through which this Government have consistently chosen to penalise low-income families and make them pay a disproportionate price for the economic failures of past and present Governments. The thing is that cutting the work allowance, the Government are cutting the very aspect of universal credit that creates a work incentive, so all the good progress that has been made is going to be undone very quickly after April.

Angela Rayner: Does the hon. Lady appreciate that one reason why I get so passionate about this issue, as do Members such as my hon. Friend the Member for Birmingham, Yardley (Jess Phillips), is that we have previously been recipients of benefits, we have aspired to be able to do better things, and we now pay our taxes and are not on benefits? That is fantastic, but it happened because of a Labour Government. This Government are pulling that ladder up from under people who need and deserve that help.

Dr Whiteford: I am conscious of the fact that the hon. Lady represents one of the areas that has been at the forefront of the pilot scheme and I hope that I will have the opportunity later to address some of the issues raised there. She makes a valid point that the economic recession hit people very hard indeed, and the people who were hit the hardest were those already in vulnerable employment—those in the most insecure jobs. Unfortunately, recovery just has not given them the job security that they might have hoped for.

Peter Heaton-Jones (North Devon) (Con): The hon. Lady is making interesting points, but the facts do not support some of what she is saying. Is it not a fact that the universal credit system is incentivising people to get into work? The figures speak for themselves: 71% of universal credit claimants in the first nine months moved from welfare into work. It is working.

Dr Whiteford: The whole point that I am trying to make is that any progress that has been made will be undone if the Government remove the work incentive, which is the work allowance. It is the aspect of universal credit that makes it possible to earn more when they work. By cutting the work allowance, the Government are going to impose an eye-watering level of marginal taxation on people in low-paid jobs and make it harder than ever for those in low-income households to break out of the poverty trap. If the Government were serious about making work pay, if they were serious about boosting the UK’s productivity and if they actually wanted to help people get on, they would be increasing the work allowance, not reducing it. That would be a genuinely progressive measure, and it would actively help those in low-paid work.

Chris Stephens: Are not my hon. Friend’s arguments also supported by the Institute for Fiscal Studies, which said in a report after the Budget that the cut to the work allowance “weakens incentives for families to have someone in work”?

Dr Whiteford: Lots of think-tanks and non-governmental organisations have been queuing up to point out that this measure removes work incentives. It strikes me that increasing the work allowance would be a far more progressive measure than, for example, raising the personal tax allowance, which benefits higher-rate taxpayers such as ourselves far more than anyone in low-paid work.

The cuts to the universal credit work allowances are being introduced via the Universal Credit (Work Allowance) Amendment Regulations, which a Delegated Legislation Committee considered last November under the negative resolution procedure. My hon. Friend the Member for Glasgow South West (Chris Stephens) opposed the cuts at the time, because it was clear to him, as it was to me, that reducing the amount that a household can earn before universal credit starts to be reduced would hurt low-income families in certain circumstances very badly indeed, and would remove work incentives for those households.

It causes me great concern that, instead of being fully debated here in the Chamber, the changes were enacted through delegated legislation without the scrutiny that their consequences merited. As far as I am aware, the Department for Work and Pensions has yet to produce a proper impact assessment of the changes to the work allowance, so we are very much dependent on external bodies for worked impact analyses. I would be grateful...
if Ministers said today that they will publish an impact assessment, particularly given that the Social Security Advisory Committee has expressed concerns about the adequacy of the evidence base for evaluating the changes. We can get up in this Chamber and spout as much hot air as we like, but if we lack the proper evidence or use the evidence so selectively to back up only our arguments, we really will fail the people who depend on the support of our social security system.

In late December, the Social Mobility and Child Poverty Commission said that “the net impact of changes to universal credit...on work incentives is largely negative due to significant reductions in the generosity of work allowances.” It pointed out that claimants who pay income tax will keep only 24 p in every extra pound they earn. They would need to earn an extra £210 a week to make up the losses from a reduced work allowance—a staggering rate of marginal taxation that makes a mockery of the notion that any work incentives will be left in universal credit. Incidentally, it is important to get away from the false idea, which has been creeping into today’s debate, that there are taxpayers and then there are people on benefit. Work allowances are for people who are working—the clue is in the name—in low-paid jobs.

John Glen (Salisbury) (Con): I have been listening carefully to the hon. Lady. She says that it is very important that the full data and the alternatives are exposed. Will she set out the cost implications of going down the route she would prefer, and explain how it would be affordable?

Dr Whiteford: I will happily do that. Before the general election, the Scottish National party set out in some detail its fully costed alternative to austerity. We were keen to point out that austerity is a choice. We can balance the books without austerity and release £140 billion for investment in public services. That would be a much fairer and more economically sensible way of doing business. I refer the hon. Gentleman to our manifesto.

Dr Whiteford: I will not give way again. The hon. Gentleman might be interested to know that in our manifesto we proposed increasing work allowances by 20% to create the exact incentive that the Government say that they want to create while, at the same time, pulling out the rug from underneath it.

Dr Whiteford: I will not give way again. The hon. Gentleman might be interested to know that in our manifesto we proposed increasing work allowances by 20% to create the exact incentive that the Government say that they want to create while, at the same time, pulling out the rug from underneath it.

John Glen rose—

Owen Smith: The hon. Lady is making an excellent speech. Does she agree that it is fundamentally offensive to those workers, and to all workers on a low wage, for the Secretary of State and his Ministers constantly to whether or not housing costs are included. As has already been said, single parents and the self-employed are likely to be among those worst hit, but it really will depend on individual circumstances. However, the IFS points out that there will be more losers than winners under these changes, and the Resolution Foundation estimates that working families with children on universal credit will be, on average, £1,300 a year worse off by 2020. The IFS estimates that, overall, 2.6 million families across the UK will be worse off by an average of £1,600 a year. Let us not pretend any more—either to ourselves or to the public—that universal credit will create work incentives and tackle in-work poverty. It will not. For most of the people affected, it will make things worse.
refer to the “dynamic” effects that will be introduced by this new system? Are these people who are working full time in the pouring rain undynamic?

**Dr Whiteford:** They were certainly showing a fair bit of dynamism yesterday morning. I was really glad that I did not have to work with them. I partly agree with the hon. Gentleman. The insecurity of the modern labour market means that people move in and out of part-time work more often that they did in the past. It is important that we create a system that responds to that. My problem is that the Government are undermining their own process with their transitional arrangements, but I will say more about that in a second or two.

There are people all over my constituency—and in everybody’s constituency—who work extremely hard already in low-paid, tiring and not exactly pleasant jobs that are neither interesting nor glamorous. They are often doing that while they are juggling family responsibilities, looking after children or, increasingly, elderly and infirm relatives. For many of them, taking on extra hours depends on that work not just being available, but being available at a time when they have access to childcare. Let us face it, young children cannot get themselves out to school in the morning. They may not be able to walk there safely on their own. They cannot just be left unattended at home for several hours after school or get their own tea. Many working parents have to juggle work and family commitments. Indeed, one reason why so many women are trapped in low-paid, low-skilled jobs, even when they have high-level skills and qualifications, is that they are the primary carer in their household and they are trying to fit work around their family responsibilities. The Catch-22, of course, is that it is a lot easier to do that juggling if they are in a well-paid job.

I have a very serious question for the Government that echoes the question posed by my hon. Friend the Member for Glasgow South West. Many of those who work in low-paid jobs in Government Departments, including in the DWP, receive tax credits or universal credit. Will their employer offer them a few wee extra hours to compensate them for the loss of their work allowance? Will the DWP specifically—I hope that Ministers can answer this one—offer extra hours to its own staff who are set to lose out, or will it impose in-work conditionality on them instead? If the Government cannot or will not commit today to supporting their own staff, they have no business putting the onus on other employers to miraculously conjure up extra work for people.

**James Cleverly** (Bramaine) (Con): Will the hon. Lady give way?

**Dr Whiteford:** No—I have moved on, so I am going to keep making progress.

It is important that we understand that new claimants for universal credit will be significantly disadvantaged compared with those still claiming under the old tax credits regime. We have been told that there will be transitional protections for those being migrated from the old system to the new, but my understanding is that the transitional protections for existing claimants will evaporate if there is a significant change to their circumstances such as a new job, having a baby, or the breakdown of a relationship. The difference will be enormous. In the coming financial year, a one-earner couple with two children will take home nearly £800 a year more on the old tax credit system than they will if they have been moved on to universal credit. That is a huge disincentive to change one’s circumstances. People who are already on very tight budgets will be very reluctant to increase their hours or take a promotion if it might leave them worse off. Once again, this undermines work incentives, and it will make people reluctant to take promotion, change their hours, or move to a different employer. To come back to the point raised earlier, it will erode the dynamism of the system by which the Government have set such store today.

I think these disparities are going to cause real ill feeling in our communities. Co-workers who are doing the same job alongside each other, earning the same salary and living in similar family circumstances, could be receiving wildly differing levels of support. I do not know how the Government plan to sell that to people in low-paid work. I certainly would not want to have to try to justify it to my constituents; it is manifestly unfair. What is also deeply problematic is that some parts of the UK have been transitioning to universal credit before others, so there will inevitably be regional disparities in the areas where a higher proportion of claimants have been migrated. Why should people living in Hammersmith, Rugby, Inverness, Harrogate, Bath and Shotton—the areas where universal credit has been rolled out first—receive less support, on average, than those in the towns and cities that are last in the queue? The Government admit that at least 700,000 people will still be on the old system by the end of next year. That is a recipe for discontent among those who have served as the guinea pigs.

Cutting work allowances will not achieve the outcomes the Government claim. The way to reduce social security spending is to fix the economy—to create jobs and boost productivity. That reduces the need for spending on social security and raises tax receipts. We need to name the cuts to the work allowance as what they are—an assault on people in low-paid work as part of a failed, needless, ideologically driven austerity programme that has held back economic recovery and stifled productivity. The Government have made the wrong choice. They have a chance today to rethink these cuts, which will reduce work incentives and trap low-paid families in poverty. There is an alternative to austerity. Their short-sighted, counter-productive cutting of work allowances will hurt working people. I hope that the Conservative Members who expressed reservations about the tax credit proposals will understand that this cut will hit many of the same people in much the same way as they move on to universal credit, and that they will join us in the Lobby this afternoon.

**Several hon. Members rose—**

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. It will be obvious to the House that a great many Members wish to speak in the debate and that we have limited time because there is another pressing debate following this one. I hope that in the spirit of the happiness of the new year, I will not have to impose a formal time limit, but that Members will, out of respect for other Members and other points of view, take six minutes or less to complete their contributions. We will
see how the experiment works. If it does not work, we will go back to the bad, old year way of me telling you that you have got to stop.

2.3 pm

Craig Williams (Cardiff North) (Con): Thank you, Madam Deputy Speaker. I join other hon. Members in wishing everyone a happy new year. I will do my best to keep my speech under six minutes.

I rise to support the Government and welcome universal credit. Universal credit is one of this Government’s key reforms, and one that I am very proud to associate myself with. At the very heart of this policy is our desire to ensure that it always pays to go out and work. Families around the country will be better off at the end of this Parliament, with more of their income coming from their own earnings rather than the taxpayer. The Government are determined to set our welfare system on an even footing. The previous system did not work in terms of providing those who were willing to work with incentives to help them find it. It often paid more to be on benefits than on work, and that is simply not sustainable. As my hon. Friend the Minister set out, we are trying to move Britain on from that low wage, high welfare, high tax society to a higher wage, low welfare and lower tax society. That is the prism through which all this should be seen. We need to ensure that our system is sustainable and helps to protect the most vulnerable.

It is important to provide a bit of context given what we have heard from Opposition Members. Under the previous Labour Government, 1.4 million people spent most of the previous decade trapped on out-of-work benefits, the number of households where no member had ever worked nearly doubled, and the number of working-age people in poverty rose by about 20%. Not only did it not pay to be in work, but those who wanted to work found themselves either trapped on benefits or worse off. The Government’s reforms have already seen an improvement in employment statistics, with employment now at over 31 million—an increase of over 2 million from the turn of last Parliament. Wages are rising and living standards are up.

For this reason, we feel that it is the right time to ensure that the barriers to work that previously existed are no longer a factor in employment.

Universal credit is designed to provide certainty in that regard. As a member of the Work and Pensions Committee, I am very impressed with the phasing in of universal credit and the Department’s attitude towards it. Some people have criticised the slowness of the process, but the willingness to pilot, to phase in, to pause, to reflect, to change and to start again is a massive testament to the Department. I encourage it to continue and not to be rushed by people, because it is a huge transformational change. I am very proud of what this Government are doing, which will really help people and create opportunities.

It is worth reiterating that the single taper rate of 65% means that financial support is withdrawn at a consistent and predictable rate, helping claimants to clearly understand the changes of work. The taper is the big difference between tax credits and these changes. I think that the smoke and mirrors from Opposition Members on this will be seen through.

Owen Smith: Does the hon. Gentleman not understand that what we have argued here today is that after the cuts, which we are urging the Government to reverse, 6,000 people in his constituency will be worse off in 2020 than they would have been? It is very simple.

Craig Williams: I do not accept that. The shadow Secretary of State would have a lot more credibility if he came here with an idea of how to change the system and practical approaches rather than just opposing everything that this Government try to do. The previous Labour Government failed this country and failed constituents in Cardiff North. We are creating the opportunities. We need only look at the Labour Welsh Government to see their track record at creating opportunities. I stand by this Government and these changes.

Owen Smith: What about employment in Wales?

Craig Williams: Thanks to the UK Conservative Government—I thank the hon. Gentleman.

Not only does the universal credit system encourage people into work, it supports them through the process, staying with them and working with organisations such as Reed in Partnership, to which I pay tribute. Just before Christmas, it produced a survey of young people about the barriers to getting into work. The main things they said were about the importance of consistent career advice and the effects of receiving poor advice. These work coaches will really change things round for youth opportunities because someone will be dedicated to looking after people throughout the whole journey. I really welcome that. The Opposition should not be quite as jovial about this concept, which is a game changer.

The new system gives claimants the confidence to start a job without having to go through the bureaucracy of changing their benefit claim. We need to appreciate the transformational element of universal credit. Ninety per cent. of people who have already signed on did so online. This is a massive change in the way that we operate our welfare system, and it is extremely welcome. As I said, it is being rolled out in a very careful, safe and controlled manner. The Minister touched on that, but it is worth dwelling on. The findings from the December 2015 “Universal Credit at Work” report show us that, as we have heard, 71% of universal credit claimants moved into work in the first nine months of their claim. That compares with 63% of jobseeker’s allowance claimants. Universal credit claimants work on average 12 days more than comparable jobseeker’s allowance claimants. We need to recognise that and work on it, and provide proper support to ensure that people can achieve their ambitions and do not remain trapped in an unfair system, which is what the previous system was.

As part of that, we have put in place further measures that are directly related to the changes to the work allowance. The transitional arrangements are in place and they ensure that the benefit entitlements of claimants who are migrated on to universal credit by the Department for Work and Pensions—it is worth emphasising this again—do not fall in cash terms.

As I have hinted at, I want to dwell on the tapered relief for universal credit, which remains at 65%. I want to say that over and over again, because the shadow Secretary of State gave us smoke and mirrors. Unlike the planned tax credit changes, which would have resulted
in an increased taper, the savings are achieved without increasing the effective marginal loss of benefit for every pound earned as a claimant moves into work or takes more hours. That means that work incentives are not adversely affected.

I am aware that you want to get everyone in, Madam Deputy Speaker, so I will conclude on that point. This really is a massive transition from the system that the last Labour Government presided over, which is not fit for purpose, sustainable or affordable for this country. I welcome the changes and the universal credit roll-out. As a member of the Work and Pensions Committee, I will pay particular interest to the issue and be a critical friend, but I welcome the roll-out so far.

2.11 pm

Stephen Timms (East Ham) (Lab): I think that universal credit is a sensible idea. It has potential to make the system simpler and in particular to make it clearer to people what their financial position will be if they move from unemployment into work. We have always said that the idea is sensible. It is not a panacea—Ministers frequently tell us it is a solution to the problems, even though it is not—but it is a helpful step.

The delivery of universal credit, however, has been a shambles. It went very badly wrong right at the start. Ministers accepted terrible advice about how long it was going to take. Page 34 of the July 2010 Green Paper, "21st Century Welfare", stated:

"The IT changes that would be necessary to deliver" universal credit

"would not constitute a major IT project".

How anybody persuaded themselves that replacing the entire benefits system was not going to constitute a major IT project is beyond me, but that was the naivety that underpinned the leadership of the project at the outset.

Warnings from Labour Members and others were cheerily waived aside and it was not until September 2013, when the National Audit Office first reported on the issue, that some shafts of light were trained on what was really going on. The NAO said that "the programme suffered from weak management, ineffective control and poor governance"; and it was absolutely right.

John Glen: Does not the right hon. Gentleman agree that, during his distinguished spell in government, a considerable amount of taxpayers' money was wasted on IT projects and that, as of now, those lessons have been applied and significant, incremental progress is being made in the delivery of this important reform?

Stephen Timms: Unfortunately, we were told in 2010 that the lessons from all those problems had been learned and that things were going to be different, and that is true, because now we have not one, but two major IT projects for universal credit—the live service and the digital service—both under way in parallel. No one has yet told us when those two different systems will be brought together, and undoubtedly large sums of money are being wasted.

I want to spend a couple of minutes addressing the question of just how far behind schedule universal credit is now. If the Secretary of State had spoken at the beginning of this debate—as he should have done, as my hon. Friend the Member for Pontypridd (Owen Smith) correctly pointed out—he would have told us that it was on track, because that is what he always says. The Office for Budget Responsibility, however, pointed out at the time of the autumn statement that the project has been "substantively delayed on at least three separate occasions", so just how far behind is it?

When the project started, we were told that transition to universal credit would be complete by 2017—an absurd claim, but that is what was said. Back in 2012, the belief was that transition would take five years from that point. Having failed to deliver on that date, Ministers have refused to announce a revised date; it is a question, I think, of once bitten, twice shy. The autumn statement, however, indicated that the Government now expect—the hon. Member for Banff and Buchan (Dr Whiteford) was correct to make this point in her speech—the roll-out to be completed by 2021. Therefore, exactly as in 2012, the Government in 2016 now expect the roll-out of universal credit to take another five years from that date. The completion date has gone back four years in the last four years.

Is it unfair to allege, therefore, that universal credit is running four years late? Let us look at a couple of other milestones, not just the completion date. On 1 November 2011, the Secretary of State published a press release that said:

"Over one million people will be claiming Universal Credit by April 2014 Work and Pensions Secretary…announced today".

April 2014 was nearly two years ago and 1 million people are not receiving universal credit; the latest figure is 155,000. The OBR now expects that the figure will be 1 million by April 2018, so that milestone is also four years late.

Let us look at another example. On 24 May 2012, the Secretary of State announced in another press release—I always used to read them avidly—that "all new claims to the current benefits and credits will be entirely phased out" by April 2014. Again, the Department has not been willing to announce when it now expects all new claims to the existing benefits and credits to be phased out, but in a very helpful note, to which my hon. Friend the Member for Pontypridd referred in his opening speech, the House of Commons Library has worked out, by reading between the lines of opaque statements by Ministers, that new claims for legacy benefits are expected to be closed down by June 2018. That milestone is a bit more than four years late compared with what we were originally told. We can confidently say, therefore, that universal credit is at least four years late. It will undoubtedly slip further and I am equally certain that the Secretary of State will continue to tell us that it is on track.

The management has been a shambles and we have still not been told about key outstanding policy issues. Which recipients and claimants of universal credit will be entitled to free school meals for their children? We have been waiting for an answer to that question for more than five years, but we still have not been told. It makes an enormous difference, because the answer we expect the Government to give will introduce a huge cliff edge to the social security system. It will be far worse than anything in the prior system, even though the whole point of universal credit was to get rid of such disincentives.
I want to pick up on the points so well made by my hon. Friend in his opening speech about the way in which the changes to universal credit since it was first announced are undermining so fatally its objectives. In the early debates, the Secretary of State used to make a lot of the fact that universal credit was going to cost more than £2 billion more than the previous system, but that is not true anymore—it is now going to cost £3.7 billion a year less. That has been done by eroding the work incentives that were supposed to be the whole point of doing it in the first place.

The whole House has accepted that it would have been wrong to go ahead with the tax credit cuts, which would have had a huge impact on and reduced the incomes of working families on modest incomes. There would have been a reduction of £1,000, £2,000 or £3,000 a year for those with a household income of £20,000 a year. The whole House accepts that that would have been wrong, and yet the Government are going ahead with precisely those cuts for the relatively small number of people—there are, I think, 50,000 of them at the moment—who are in work and claiming universal credit. If we have all accepted that it is wrong to impose such draconian cuts on the incomes of working families who are claiming tax credits, why is it right to go ahead with precisely the same cuts, which will have a huge impact, to the incomes of working families in receipt of universal credit? I intervened to ask the Minister that question three times. Each time he told us that he would come to it later in his speech. Unfortunately, he never got there. If he is able to explain to us how that can be right, I hope that he will do so.

My hon. Friend the Member for Pontypridd is right to say that all the way through the process of universal credit, we have been told that there would be transitional protection, yet this group of 50,000 working people, who are already receiving universal credit, will suffer enormous cuts in their incomes in April because of the changes to the universal credit work allowance. That cannot be right and the Government need to change their mind.

2.20 pm

Richard Graham (Gloucester) (Con): We seem to have had endless debates on universal credit over the past five and a half to six years, and I am sure that we will have many more.

This Opposition day debate was opened with a call from the shadow Secretary of State to reverse the work allowance changes in universal credit. I sensed that he really wanted to reverse every welfare cut that has been made by this Government and their predecessor. After all, he and his colleagues opposed every penny of savings put forward by the coalition Government. However, he cannot do that, partly because he stood on a manifesto that would have reversed only the smallest welfare savings, such as the spare bedroom subsidy, and partly because he signed up to £12 billion of welfare savings. He did not tell us today that his party would reverse all the changes if it were elected into government, nor how he would find the £12 billion of savings.

Owen Smith rose—

Richard Graham: We will keep his windy eloquence for a moment, if that is all right. He had quite a long go earlier.

The reason the hon. Gentleman said nothing about that is that if there are no changes to tax credits or housing benefit, he will not find £12 billion of welfare savings. I suspect that either he has no policy at all, because none was announced today, or that he has something pretty horrific to say on housing benefit that the House needs to hear.

After the windy eloquence of the hon. Member for Pontypridd (Owen Smith), we heard the relative still small voice of calm of the right hon. Member for East Ham (Stephen Timms), who described universal credit as a sensible idea whose implementation was a shambles. I would describe universal credit as an inspired idea, but it is one that the former Labour Chancellor, the former Member for Edinburgh South West, described as too complicated to be taken up by his party. I agree that the implementation has been over-optimistic so far, but it is happening and I have seen it happening. I will come on to that, because I am not sure how many Opposition Members have gone to their Jobcentre Plus to find out how it is working. It is already delivering positive change to the lives of my constituents and many other people. One can criticise a project that is delayed, but that is happening and successfully so, when one said that it was impossible to do it at all, but it risks looking like carping, which is not really worthy of the right hon. Member for East Ham.

The truth is that Labour Members cannot make up their mind whether to say that universal credit was a bad idea, full stop; that it is a complete or partial shambles; or that it was a good idea, but they are not sure whether it will be a shambles. They half hope that universal credit will collapse, so that they can criticise it more and call again and again for my right hon. Friend the Secretary of State for Work and Pensions to resign, but they know in their heart of hearts that they must support universal credit because it is the right thing to do and it will completely transform the working opportunities of so many people in this country.

The reason why universal credit is right is absolutely clear to all of us. When tax credits were introduced, they were a modest cost to the taxpayer, but that cost ballooned from £6 billion in 1998 to £28 billion by 2010. As I have hinted, the former Chancellor and former right hon. Member for Edinburgh South West has described more eloquently than any of us here today could how that project ran miles away from its original intention. Something that was launched with the best of intentions—to help people on low wages—became a massive cost. It was not just a cost in itself, but generated huge interest costs that were simply unsustainable for this country, particularly after the great recession of 2007 to 2009.

In their heart of hearts, everybody in this House must recognise that universal credit is the way forward. I cannot believe that anyone here today who has been a Member for more than a few years has not received letters from constituents describing how their life on welfare makes it impossible for them to want to go to work, because they would be worse off working. I also cannot believe that Members here have not had meetings with employers in their constituencies at which they have described the number of times they have offered...
people who work for them promotions or a higher salary, only to be told, “Sorry, I don’t want that promotion. I would be worse off” because I would lose more in benefits than I would gain from the promotion.”

Tax credits ended up as a disincentive to aspiration and achievement. Scottish National party Members may shake their heads, but that is the truth. What is also true, unfortunately, is that the welfare programmes that were introduced by the last Labour Government ended up, during the great recession, when 6,000 people in my constituency lost their jobs, many of them low-paid, trapping people on welfare with no incentive to go back to work. That is the background to the debate on universal credit. It is vital to our country that it works properly.

Those of us who have been to our Jobcentre Pluses where universal credit is being rolled out know that it is in place and working very well for single people. In Gloucestershire, it has not yet been introduced for families with children where there are two people who are in and out of work or in low-paid jobs. That is the more complicated element of universal credit. If my hon. Friends on the Front Bench are able to add more about the success of the rollout of universal credit to more complicated families with children, it would be reassuring for everyone. I have seen it in place in London and it seems to be working well.

I am conscious that there are time limits on us, so I will bring my contribution hastily to a conclusion. There are 156,000 people on universal credit who are receiving their benefits effectively. As I say, the people I have met in my constituency are definitely in a better place than they were. It is vital that universal credit continues to move forward as quickly as possible. I suspect that the figure of 156,000 will advance rapidly during this Parliament. We should all wish universal credit well. The changes that we are debating today are all part of a move towards a higher wage, lower tax, lower welfare society and away from what we were left with in 2010, which was wages that were too low, taxes that were too high, unsustainable welfare and a system that was no longer working.

Let me finish by saying that I understand the emotional appeal of the speech by the hon. Member for Pontypridd, but it is vital that we reduce the cost of tax credits and the cost of welfare, and that we provide people with a system that incentivises them to work through universal credit.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. My “happy new year” experiment has not worked. I will therefore impose a formal time limit of six minutes on Bach-Bench speeches.

2.29 pm

Tulip Siddiq (Hampstead and Kilburn) (Lab): I would like to start by reassuring the hon. Member for Gloucester (Richard Graham) that I think universal credit is a total and utter shambles. I invite him to my constituency to speak to my constituents who are claiming benefits, because all of them are already in work. Tax credits did not stop them from going to work; tax credits incentivised them to go to work. He needs to visit constituencies in London to find out the truth and to dispel the myth that people claiming benefits are just scroungers. They are working hard; it is just that work does not pay.

Richard Graham: I have never said and would never say, and I do not believe anyone in this House would say, that people who work or do not work are scroungers. That is way beyond what I was implying. Let me put the record straight.

Tulip Siddiq: The hon. Gentleman certainly implied that in my opinion.

In January 2012, a considerable period of time before I entered the House, I listened to the Secretary of State tell the House in departmental questions:

“Universal credit is on track and on budget.”

Several years later and several billions of pounds of expense to the taxpayer later, his claim that “I am not complacent about delivery”—[Official Report, 23 January 2012; Vol. 539, c. 8.—]

has not stood the test of time. Millions of families across the country, and especially in my constituency of Hampstead and Kilburn, have faced periods of relentless anxiety over the future of their welfare support. The year 2015 did not bring any fresh hope.

The Work and Pensions Committee’s report in December revealed that the roll-out of universal credit, from Royal Assent to resolving the final outstanding legacy payments, could stretch beyond a decade. The Government promised that universal credit would reach 4.5 million people by the 2015 general election. This has not happened. The Secretary of State may be content for his Department to cruise through endless periods of trial and error, but the delays to the roll-out have been at a significant cost to the taxpayer, with the Major Projects Authority revealing an increase of £3 billion in the past two years. The bill now stands at a staggering £15.8 billion. If the Secretary of State truly understands the pressures faced by claimants, he will apologise for the years of anxiety his delays have subjected them to.

The autumn statement fundamentally contradicts the Secretary of State’s ridiculous claim on “The Andrew Marr Show” that “nobody loses a penny” through the changes. They also mark the end of the Chancellor’s ludicrous claim at the Conservative party conference that the Tories are the new workers’ party. Nothing could be further from the truth. Cuts to the work allowance are so severe they will mean that single people and couples with no dependent children will lose out the moment they start working. Just listen to the facts: the poorest 20% are on average set to lose between 6% and 8% of their income. Just listen to Paul Johnson, the director of the Institute for Fiscal Studies, who stated that 2.6 million families will on average be £1,600 a year worse off. Further to that—this point was made eloquently by my right hon. Friend the Member for East Ham (Stephen Timms)—we know that transitional protections for claimants moving from the old system to universal credit will provide only £200 million against a background of £3 billion of cuts. Transitional protections are dropped when a claimant’s circumstances change. We know that new claimants will have no protection whatever.

Richard Graham: Is the hon. Lady aware that the IFS has actually said that anyone transferring on to universal credit will be protected and will not be worse off in cash terms?
Tulip Siddiq: I have not seen that. What I have seen from the IFS is what I have just reiterated: it shows very clearly that 2.6 million working families will on average be £1,600 worse off. The hon. Gentleman just needs to look at the statistics for inner London constituencies to see that that will be true.

Given the prevalence of part-time, low-paid jobs created by the Government and the well-established impossibility of the so-called national living wage to mitigate cuts to the work allowance, the Secretary of State must update the House urgently on whether he stands by his claims that “nobody loses a penny” through these changes. We need a Government who work towards an economy where employers, city leaders and central Government work together to make sure that economic growth creates new opportunities and high quality jobs. Instead, the Government are embracing cuts that will simply worsen the bleak picture of deprivation that is rampant across the country, and especially in inner London constituencies. Earlier in the debate, I made a point about the rise of homelessness and I did not get an answer from the Minister. Does he acknowledge that the changes to welfare will increase the number of people sleeping rough on the streets of London?

As a London MP, I have real fears that the significant growth in homelessness and destitution in the capital will only be made worse by the changes to welfare. Independent analysis by the IFS and the Resolution Foundation, and the Select Committee’s report, all acknowledge the consequences of the cuts to work allowance on the lowest paid, when they are eventually signed up to receive universal credit. I have a real fear that the decisions being pushed through will ensure that many people in Hampstead and Kilburn, who are already making the choice between eating and putting on the heating, will reach breaking point. Some 8,000 of my constituents are expected to be on universal credit by the time it is rolled out properly. It is not too late for the Government to rethink the cuts to the work allowance if they have any ambition to increase earnings. Higher and more stable levels of pay are the only way to improve financial security and move people out of poverty for good.

We saw the Secretary of State celebrate in this House when the so-called national living wage was announced, but he must reflect on cheerleading in the face of the stark reality that Britain’s low and middle-income families stand to lose thousands of pounds under the flagship policy. I ask him to carefully reconsider where he thinks his legacy lies, and whether he wants to put low and middle-income families through this trial when universal credit is rolled out.

2.37 pm

Oliver Dowden (Hertsmere) (Con): The Opposition motion is a very simple one. Once again, the Opposition are asking us to duck a difficult decision. I would like to speak very briefly—I hope we will make up some time—about why such an approach is simply unsustainable.

As a nation, we have two very major problems. First, we continue to live beyond our means. When the Conservatives first came into government in 2010, we were spending £4 for every £3 we were earning. That meant we had the biggest budget deficit in our peacetime history. We have made progress. The Government have more than halved the budget deficit, but there is still a tremendous distance to go. Secondly, as a nation we have the persistent problem of a high tax, low wage and high welfare economy. At the root of this lies the situation we inherited in 2010, whereby people on the minimum wage were working very hard and still having to pay tax and then having their wages subsidised through the welfare system. As a result, nine out of 10 working families were receiving some sort of benefit payment. Despite all the additional spending, it was not working. As we have heard repeatedly, in-work poverty rose by 20%.

The level of borrowing and welfare spending was simply unsustainable. Under the previous Government, an extra £3,000 was spent for every single household in the country. That is burdening our children and our grandchildren with additional borrowing simply to pay for current welfare spending. This is happening at a time when countries around the world are taking difficult decisions and we are facing rising competition from countries such as South Korea and China. Living with the burden of welfare spending paid for by our children and grandchildren is simply not sustainable.

When we came to power, we produced a plan to deal with the problem. First, we said that part of the reduction in the deficit had to be funded by £12 billion of welfare savings. Labour Members can say we should not achieve those savings, but I have yet to hear a single alternative suggestion.

Jess Phillips: indicated dissent.

Oliver Dowden: Would the hon. Lady like to make an intervention?

Jess Phillips: As admirable as the hon. Gentleman’s party might feel his efforts are in stating that we have to cut welfare, the problem is that under this Government, welfare spending has persistently gone up. One would suggest, therefore, that your tactics do not work in the real world.

Madam Deputy Speaker: Order. I think the hon. Lady meant the hon. Gentleman’s tactics, not mine.

Oliver Dowden: I would ask the hon. Lady to consider the facts. I believe that the OBR is projecting a decline in the proportion of our national income spent on welfare over this Parliament, so the plan is actually working. If Labour Members do not wish to reduce welfare spending, there are only three alternatives. First, they could choose to cut spending on public services, but I have heard nobody suggest that, instead of making this reform, we should cut spending on the NHS or education. Alternatively, they could advocate an increase in personal or any other form of taxation, but I happen to think that in this country we already have unsustainably high levels of taxation. The third alternative is that Labour Members—

Nick Thomas-Symonds (Torfaen) (Lab): Will the hon. Gentleman give way?

Oliver Dowden: Yes, of course.
Nick Thomas-Symonds: What would the hon. Gentleman say to the 7,000 people in Hertsmere on universal credit who will be worse off by 2020 about the nearly £1 billion that his party is spending on cutting inheritance tax for houses worth between £600,000 and £1 million? How will he excuse that?

Oliver Dowden: I do not recognise the hon. Gentleman’s figures, but I do recognise the following figures: in my constituency, 5,000 people have been lifted out of tax altogether, unemployment is down by 11%, and, as a result of tax cuts introduced by this Government, 47,624 people have seen a reduction in the tax they pay. This is the Government’s plan in action. We are moving from a low wage, high welfare, high tax economy to a higher wage, lower welfare, lower tax economy, and the net result is that unemployment continues to fall at a record pace. Since we came to power, an additional 2.2 million people have acquired the stability and security of a regular pay packet and a job to provide for themselves and their families. That is a record of which we on the Conservative Benches can all be proud.

If Labour does not have an alternative plan on spending, does it have one on welfare reform? Once again, we have a clear plan. First, we will introduce universal credit to remove the perverse incentives, discussed extensively during this debate, whereby employees are refusing a pay rise because they fear that the reduction in their benefits will be greater than the benefit they receive from the additional pay. Secondly, we are increasing the personal allowance. Under this Government, by the end of the Parliament the tax-free personal allowance will be £12,500, which will lift those working 35 hours a week on the minimum wage out of tax altogether. This will end the absurd situation in which people on the minimum wage pay tax and then have it recycled back to them through the welfare system. Thirdly and most importantly, we are introducing a national living wage, made possible only because we have been so successful in reducing unemployment, meaning that employers can bear the burden of that higher national living wage. As a result, we will cease to subsidise low-paid jobs, such as in supermarkets and the cleaning industry, with welfare payments.

This is a sensible plan that, when combined with help for childcare and other Government measures, offers a route to the higher pay, lower welfare, lower tax economy we desire. The House has a choice. Do we stick with a plan that has given 2.2 million more people the stability and security of a job and that will eliminate the deficit in this Parliament, meaning we finally run a surplus and start spending less than we earn—so that when the next crisis inevitably hits, we are cushioned against it—and do we start reforming the welfare system through the excellent measures introduced by my right hon. friend. Friend the Secretary of State for Work and Pensions and his Ministers? Or do we take the approach advocated in Labour’s motion and bury our heads in the sand, pretend the problem does not exist and carry on borrowing forever, thereby burdening our children and our grandchildren with what the Labour party, when led by the likes of Mr Blair and Mr Brown, described as the bills of social failure? We are finally tackling those bills of social failure, and I am proud of the approach taken by the Conservative party.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I have to reduce the time limit to five minutes. I also remind the House, because perhaps newer Members have forgotten, having been away for Christmas, that if one makes a speech in the Chamber, it is courteous and required by the rules of the House that one stays in the Chamber certainly for the following speech and usually for at least two speeches thereafter. The people who have not done so today know who they are.

2.46 pm

Simon Danczuk (Rochdale) (Ind): Thank you for calling me, Madam Deputy Speaker. It is an absolute delight to follow the hon. Member for Hertsmere (Oliver Dowden).

I am grateful that this debate is taking place. My constituency was included in the pilot roll-out of the universal scheme and will be feeling the full force of the dreadful cuts that have come along with its implementation. I remain wholly committed to getting as many people out of the benefits system as possible, and I readily accept the need to reduce the burden on the welfare bill and to do all we can to get people back into regular, well-paid work, but to do so at such a high price for those least fortunate is not the way to do it. We must be clear that these cuts will affect hard-working people—these are not people who are work shy—who are the very people we should and must be supporting.

The Chancellor was right to do a U-turn on the proposed cuts to tax credits. They were an abhorrent attack on the financial wellbeing of millions of hard-working people in Britain, including more than 7,000 in my constituency. However, here we are, faced with the same work penalty, albeit with a different name. The cuts are the same, and once again it will be hard-working families who will suffer. The only difference is the name: this time it is universal credit rather than tax credits. The 140,000 people on the pilot scheme will be the first to fall victim to the cuts, and, as we have seen too often under this Government and the last, the north will suffer first too—75,000 people in the north-east are part of the roll-out. In my constituency, just over 1,400 people claiming universal credit will see their household budgets cut, will face increasing pressure when they need to pay their rents, will increasingly struggle to put food on the table and will find it harder to support their children.

This is not just about those currently on the pilot scheme, however; in time, the cuts will affect many more. After the initial cuts in 2016 to the 140,000, it will become a postcode lottery as to whom the roll-out will affect. In the longer term, up to 2.6 million working families could be worse off by 2020 to the tune of about £1,600. A single mother of two, working full time and on universal credit in 2016-17, will be worse off to the tune of £2,981, compared with someone on tax credits. These cuts will also see a sharp decline in the reward for work, but to do so at such a high price for those least fortunate is not the way to do it. We must be clear that these cuts will affect hard-working people—these are not people who are work shy—who are the very people we should and must be supporting.

The House of Commons Library has shown that a single parent earning a living wage and with one child will increase their wage packet by only £40 by working an extra 12 hours, whereas before the cuts this would have amounted to an increase of £92. The Conservatives continue to perpetuate the rhetoric that they reward those who want to get on. This is simply not true, as is proved simply by their proposed cuts to tax credits and the imposed cuts to the work element of universal credit.
Finally, let me say that only this week wage growth under the Conservatives will be the worst for 100 years. From 2010 to 2020, wage growth is expected to be only 6.2%. Faced with cuts to their work element of the universal credit, the lowest paid in society will suffer massively at the hands of this Government. I urge the Conservatives to reverse these cuts to universal credit for current and future claimants to protect these hard-working people.

2.50 pm

John Glen (Salisbury) (Con): It is privilege to contribute to this debate, which I think goes to the heart of this Government’s approach to reform of our society. Universal credit will, I believe, be the critical measure of success for this Government. In the wake of the debate on tax credits, it would be easy to be distracted by how significant universal credit is. Time and again, it has been shown that well-worn problems with our current welfare system cannot be solved by tinkering at the edges of the previous welfare system. As a member of the Select Committee on Work and Pensions, I have listened to representations about benefit delivery, welfare to work and tax credits, and I believe it makes absolute sense to have radical reform across the benefits system.

Universal credit achieves three core aims. The first is making benefits more like being in work through monthly payments, getting rid of the distinction between benefits such as working tax credits and jobseeker’s allowance and removing the need for reapplication. Secondly, piggy-backing on PAYE via real-time information will deal with a vast number of benefit delivery issues that successive Work and Pensions Committees have addressed. Finally, there is benefit simplification by addressing benefit delivery and helping claimants, who quite reasonably find it difficult, to work out what they are entitled to. This effort has been launched by this Government and particularly by the Secretary of State for Work and Pensions who has been in post determinedly for five and a half years, battling those who have been cynical about the necessary adjustments he has had to make.

In my previous employment, before I became a Member, I worked in an IT consultancy firm. I recall it winning a contract under the previous Government to deliver a significant project for the NHS. A few years later, however, I saw several billion pounds being written off because that project was not run properly. However, I do not particularly want to make a party political point because that project was not run properly. However, I saw several billion pounds being written off because that project was not run properly. However, I do not particularly want to make a party political point about this issue because it is incredibly difficult for any Government to deliver complex IT systems.

This Secretary of State has shown admirable determination in the face of great cynicism and a lack of clarity from the Opposition about what exactly should be delivered. Are the Opposition in favour of universal credit? Are they in favour of it only if it works within a timescale that they think is politically expedient; or do they have a credible, well thought through alternative that will deliver the quantum of savings to which they committed in their manifesto?

I listened carefully to the speech by the hon. Member for Banff and Buchan (Dr Whiteford), who quite reasonably said that we must look at the detail and not make grand statements. We must, however, also recognise, as my hon. Friend the Member for Hertsmere (Oliver Dowden) pointed out, that there would be major consequences of not making the changes that we have set out and not delivering the savings on which this Government have based their projections for our public finances.

We do not need to be distracted by the speed of universal credit delivery; we can be positive about the progress that has now been made. The DWP announced before Christmas that universal credit is now in three quarters of jobcentres. It is my expectation, based on the evidence I have seen, that everything is moving in the right direction towards full delivery of universal credit within the timescale that has been set out.

This Government’s legacy will be enhanced by the fact that universal credit is not a stand-alone measure. The reforms of the personal allowance, the national living wage, rising wages, economic growth delivering record numbers of jobs, the simplified benefit system and the detail of work coaches helping those who need assistance will provide a compelling legacy. I regret the fact that the Opposition have brought this motion before the House today; it is misguided, and I shall vote against it.

2.55 pm

Jess Phillips (Birmingham, Yardley) (Lab): Obviously I echo the sentiments of all my hon. Friends about how these changes will affect working families throughout the country. I am especially concerned about the effects on single parents. The changes to universal credit are complex and difficult to decipher for people who are not yet receiving the benefit, so there is understandably much less buzz than there was for the tax credit changes, but make no mistake, the same uproar will come.

In the debate on tax credits, I spoke of the 24,000 children in Birmingham, Yardley who would be worse off because of those changes. By contrast, on the same date I could find only four properties in my constituency that would benefit from the inheritance tax changes. Thanks to the fact that universal credit has been record-breaking slow, by April 2016 the changes will potentially affect only 760 households in my constituency. That is still 756 more families hit hard than the number that will benefit from the inheritance tax changes. I think it safe to say that, perhaps other than for those four families—and let us not forget that they have to be dead first—the residents in my constituency can see the same old Tory Government protecting and rewarding the richest.

In honour of the Tories keeping to their type, I shall do the same and raise issues of domestic and sexual violence victims. I wish to pick up two problems with the whole universal credit experiment. The first is that it all gets paid to one person in a household. I have met countless women who have kept small bits of money, saved up and used the funds to help set them and their children free. I have met too many women for whom financial control was the worst and most limiting part of their abuse. Walking away from violence and threat is never easy. It is nearly impossible if you have nothing.

I recognise that the DWP has bowed to pressure and accepted that split payments are available in cases of domestic violence when they are reported to the benefits adviser or the work person we have been talking about today—but there is a real problem with that scheme. It is the same problem I have with the two-child policy coming down the line for the very same families when considering children born of rape.
The Government expect women who are terrified, who have been told every day that they are nothing and no one, to rock up at the local jobcentre and tell the staff that they have been raped or that their husband beats and controls them—"Please, sir, can we have split payments?" What do we think their violent partners are going to do when they find half of their funds gone? I could be wrong and I am willing to be proven so. I have tabled some parliamentary questions about how many people have asked for split payments in the pilot areas. Perhaps all my years of experience are wrong and people in domestic violence relationships are skipping into neighbourhood offices, happy to disclose their worst fears.

Justin Tomlinson: I understand the power of the important points that the hon. Lady is raising, but one subtle change is that for the first time such women will have a named contact, who will get to know and understand them, and if they can spot signs that have been highlighted, they will be able to signpost support. That might encourage people for the first time to have that conversation. I know it is difficult, but this provides another opportunity for people to get the support that they absolutely need.

Jess Phillips: I shall respond to the Minister’s point by saying what I was about to say anyway. I hope that these issues will be considered as the roll-out continues, as he has said that they will. When domestic violence victims had to prove to legal aid and services in cases of family law that they were victims, they initially had to provide proof from either the police or a doctor, and some were charged for the pleasure of producing a letter proving that they were indeed victims. Demanding that victims of domestic violence skip around telling anyone who will listen that they are victims before the Government will recognise them as such is inhumane.

Alison Thewliss (Glasgow Central) (SNP): I thank the hon. Lady for raising this issue again, because it is extremely important. Does she share my concern about the fact that no details have been given of how the system will work, what the burden of proof will be, and how women are expected to go about this?

Jess Phillips: I absolutely share the hon. Lady’s concern, and I commend her for all the work that she is trying to do in this regard. As we have seen in the past, at a time and candidates to set up voluntary job clubs. Since 2010, my right hon. Friend the Prime Minister who, before the 2010 election, encouraged both Members of Parliament and candidates to set up voluntary job clubs. Since 2010,
many MPs have organised successful job fairs. I am extending the tradition that was established in Erewash by my predecessor by organising a job and communities fair, which will be held in March. It will promote not just job vacancies but the power of volunteering, because it has been proved that people who volunteer are more likely to obtain jobs and to stay in them long term.

Like tax credits, which we have debated recently, universal credit cannot be seen in isolation and should not be debated in this way. The Government are committed to welfare reform as a whole. As the Minister said earlier, welfare changes must be seen as part of an overall package of measures. The introduction of a national living wage will mean a pay rise of more than £4,700 by 2020 for people over 25 who are working full time. Changes in the income tax personal allowance will also make a difference. In the coming year, people will have £80 more in their pockets. Increasing childcare support will help people move from part-time to full-time employment. There are various other measures that should be looked at in total.

I am disappointed that the Labour party does not back the Government’s measures, which will enable us to become a nation with low welfare, low tax and high wages, and will create a secure economy and a secure future for my constituents and for our country.

3.7 pm

Marie Rimmer (St Helens South and Whiston) (Lab): I wish you and everyone in the House a very happy new year, Madam Deputy Speaker. Unfortunately, it will not be a very happy new year for many people out there on universal credit.

I am very proud of where I come from in the north-west—the St Helens and Knowsley constituencies. We were at the very centre of the powerhouse during the industrial revolution, but sadly we have lived through deindustrialisation. We have struggled to provide new jobs for our constituents, who received good pay in manufacturing. Unfortunately, most jobs are now in services. Many are insecure, involving zero-hours contracts and agency and part-time work, and those that are secure provide very low pay.

The people in my constituency want to work. They are hard workers. They want to be respected, and they want the dignity of providing a home for their families, clothing them and putting food on the table; but they struggle. Many of them go to food banks, and that is not right; it is unfair.

If the Department for Work and Pensions were part of local government, someone’s feet would not touch the ground. For the Department not to carry out an assessment of the impact of taking billions of pounds in benefit away from the poorest people is totally unacceptable. No one would get away with it in local government, but this is central Government, and there has been no impact assessment. Did the Secretary of State not want one? He repeatedly insisted that people would not be worse off under universal credit because of the “into work” benefit changes that were announced in the summer Budget, but now the Government have admitted that that is not the case.

At the beginning, universal credit was sold on the basis that it would encourage people into work. Some went along with that, thinking that perhaps it was right, but they were warned by all the IT experts that it simply was not practical to expect the roll-out to take place in the existing timeframe, and it has repeatedly been delayed. Unfortunately, however, my constituency has had its roll-out. We are on universal credit at the moment—not all of us, but the latest assessment is that there are 1,586 families on universal credit. / Interruption. / That was the estimate in November 2015 and it came from the House of Commons Library. I am sorry but I would rather take the Library’s word than the Government’s. If you have a problem, go and sort it. Of those 1,586 claimants in November 2015, 510 were in work; 510 will be affected. The facts are from the House of Commons Library. They have not been proven wrong to me as yet. Lone parents—adults who are not disabled—will lose £2,400 in net income in April next year. A single person or a couple, where one or more are disabled, will lose £2,000 in April this year. A single mother of two working full time on the minimum wage will lose £2,400.

Too many of the jobs in my constituency are low-paid and insecure. We have many agency workers and the Government have done nothing about agency working. Agency workers turn up for work, they are sent home from work. They could have a week’s work now, a week’s work in a fortnight or work for three months. One agency even offered two week’s work for free for the employer, after which they would guarantee that person an interview for a permanent job—for 12 months. Not many of them got a permanent job. We had people who were told they if they worked at Tata and Jaguar through the agency for 12 months they would get full-time jobs. But it did not happen; they finished just a few weeks before. Seven weeks later, some of them were called back for three weeks. That is what is going on in the real world out there where I live.

The reason benefits have gone up is that the Government of the day’s economic strategy has failed miserably. Do not talk to me about debt in this country, because that has a lot to do with it. We paid off more debt than any Government on record. What is more, we got up to 1% of GDP and we paid £38 billion of the debt. We had to borrow money to save the banks and working-class people’s savings. So do not talk to me about that. We are only up to 0.4% of GDP now. Benefits have soared because you have not produced the jobs that you said would be produced—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady has had her five minutes.

Marie Rimmer: I do apologise—the Minister, or the Secretary of State, who is not present and often takes his leave when we are on such subjects.

It is totally unacceptable—

Madam Deputy Speaker: Order. The hon. Lady has had her five minutes.

3.13 pm

Maria Caulfield (Lewes) (Con): Thank you, Madam Deputy Speaker.
Madam Deputy Speaker: Order. I apologise for not saying before the hon. Lady rose that I now have to reduce the time limit to four minutes.

Maria Caulfield: Thank you, Madam Deputy Speaker. I will be brief.

I want to pick up on a couple of points made in the debate. First, I want to address the economic aspect of the issue. I have pressed the shadow Minister on the matter this afternoon. We have had many debates on this issue and on tax credits. Labour Members have said that they are committed to reducing the deficit and debt in this country, and the shadow Minister has said that he is committed to reducing welfare spending by £12 billion, but yet again today we have not had any answers as to how that would happen. To give credit to the SNP, the effective Opposition in this House, while I disagree with its alternatives, at least it has some. Perhaps the shadow Minister in his winding-up speech will acknowledge how he would tackle the welfare saving that needs to be made. If it is not through savings on universal credit, how would he propose to make it?

I agree with my hon. Friend the Member for Cardiff North (Craig Williams) and for Gloucester (Richard Graham). They produced figures that show that those moving to universal credit, with the tapering and transitional arrangements, will not be worse off in cash terms. They have shone a light on the smoke and mirrors from Labour Members.

With all the changes that are happening during this Parliament, and with the introduction of the national living wage, someone working full time on the current minimum wage will be £5,000 a year better off. With the free childcare being introduced for three to five-year-olds, a family will benefit by about £5,000 a year. The rise in tax thresholds—the threshold is currently £11,000 a year and the proposal is to increase it to £12,500 by the end of this Parliament—will benefit low-wage families. That is not to mention the increase in employment, a significant percentage of which is full-time work.

On my second and more important point, I have been disappointed by the patronising and insulting laughter from the shadow Minister when we suggested single parents could get back into work and life coaches would be helpful in that regard. He laughed that off as if that were something that we could only make. If it is not through savings on universal credit, how would he propose to make it?

I will tell him why I believe so passionately in this. I grew up in a working-class family. I went to school in the socialist state of Lambeth in London, where there was little or no hope or aspiration for working-class kids such as me. We got no careers advice. My careers advice was the housing office number if I got pregnant at 16. It was about how to claim my first benefits. There was no sixth-form advice or advice on how to go to university, so I never got there. There was just benefits advice, but that is the socialist way, because there is no hope or aspiration for people on a low income.

This universal credit debate is more than just about pounds and pence in people’s pockets. It is about a fundamental shift to where people can work and those who do work are paid well for doing so. I will support the Government in their move to universal credit. I urge Opposition Members to do the same.

3.16 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): I make it clear that I welcome the principles behind universal credit. Any scheme that simplifies the welfare system, provides additional support to those who have to use it and incentivises people into work, which ultimately is the best route out of poverty, has to be encouraged. However, the problem is, because of the Chancellor’s failure to reach his deficit reduction target, the original totally laudable objectives of universal credit have been subsumed by the Government’s need to cut the cost of it.

I applaud those Conservative Members who lobbied hard for the removal of the Chancellor’s proposals to cut working tax credit. They recognised the false logic of what he was doing. Indeed, in the autumn statement he said:

“I have had representations that the changes to tax credits should be phased in...I hear and understand them... the simplest thing to do is not to phase these changes in, but to avoid them altogether. Tax credits are being phased out anyway as we introduce universal credit.”—[Official Report, 25 November 2015; Vol. 602, c. 1360.]

The overwhelming impression at that point was that his policy had been abandoned. But it has not been abandoned. He did not mention that it was effectively being rebranded and recycled through the universal credit system. I cannot understand why those people who lobbied him beforehand on working tax credits seem to be accepting those same proposals being recycled through universal credit.

The Chancellor was the one involved in smoke and mirrors. He compounded that with another trick. He suddenly found, for the funding of that, £27 billion that seemed to be in the accounts in the autumn that had not been there in July. That does credit to that well-known comedian and illusionist, the late Tommy Cooper—the Chancellor found it “just like that.” All I can hope is that, for the state of the nation’s finances, the £27 billion is not as illusory as the benefits that the Chancellor claimed would accrue to those who move on to universal credit. Not only do I object to the way the proposals were introduced in the House, but the underlying philosophy is a contradiction of everything the Government have said about making work pay, taking people off benefits and incentivising them into work. The theme has been well developed by other contributors to this debate, so I will not take it further.

In the context of the cuts to inheritance tax, the universal credit system in effect penalises those who are working hard to produce the goods and services and pay the taxes that will reduce the deficit and benefit those who inherit capital, who will be better off. The policy is incoherent and contradictory, sends the wrong message and ultimately will be self-defeating.

3.20 pm

James Cleverly (Braintree) (Con): It must surely be a fact that Members in all parts of the House want to see more people in good jobs. This must be a central focus of any Government. There is a pragmatic economic argument for this, as well as a social and moral argument. Labour’s policies in this area were no doubt well intentioned, but proved to be expensive, bureaucratic and in some cases—too many cases—counterproductive.
The growth in job vacancies in the UK economy today is a reflection of the success of this Government’s policies and provides opportunities for people currently out of work and who want a better job. Some 2 million more people are now in work, which means that we are creating 1,000 jobs every day. Estimates vary, but there are between 750,000 and 1.2 million more vacancies in the economy than before the recession. On a parochial note, I welcome the latest figures showing that the number of people in my constituency, Braintree, claiming jobseeker’s allowance or universal credit fell by 110 in 2015. There has been a staggering 59% drop since the economic and welfare reforms that the Government introduced in 2010.

However, looking forward, we have to ask why we have so many vacancies, yet so many people under-employed. Surely the past welfare system must be a contributory factor. We can recognise the impact of perverse incentives without vilifying the unemployed or the under-employed. At no point in this debate have I heard the word “scroungers” uttered from the Government Benches, but many times from the Opposition Benches. That is unfortunate.

We have all had people in our surgeries saying something along the lines of “I am working my 16 hours.” How on earth have we come to this? If taking more work brings extra paperwork, extra uncertainty but little extra money, is it any wonder that so many people decide not to do it? This is fundamentally wrong and must be rectified if we are serious about dealing with long-term under-employment.

Universal credit extends financial incentives to people working less than 16 hours per week and removes the limit on the number of hours that some people can work. The single 65% taper helps claimants clearly understand the advantages of working and planning for the long term. As a Conservative, I want to give people real choices in life. A life trapped on welfare is a life without choices. It is our duty to change this and give people a well-deserved chance to make the very best of themselves and their families. The financial imperative is important, but just as important is the fact that universal credit is a means of getting more people into work and more people into good work.

I have listened to the contributions from Opposition Members. Their arguments are all based on people not changing their circumstances. This fundamentally misses the point of universal credit. I want people to change their circumstances. If they are trapped in low-paid part-time jobs, I want them to change their circumstances. If their employers will not invest in their training because of the minimum wage, I want them to change their circumstances. If their employers will not invest in their training because of the minimum wage, I want them to change their circumstances. If they are stuck on the minimum wage, I want them to change their circumstances. If they are trapped in low-paid part-time jobs, I want them to change their circumstances.

Universal credit will be a game changer. I welcome it to get better jobs and therefore change their circumstances. If they are stuck on the minimum wage, I want them to change their circumstances. If their employers will not invest in their training because of the minimum wage, I want them to change their circumstances. If they are trapped in low-paid part-time jobs, I want them to change their circumstances.

Yet again we must ask how these cuts can possibly chime with the Government’s claim that they want to make work pay or with the aim of universal credit—that “work pays and more work pays for everyone”. Well, work will not pay for those on universal credit who are due to see their incomes cut by up to £3,000 a year, according to the House of Commons Library—£3,000 less for a single parent or a family before housing costs are considered, where one or both adults are disabled. These people are working hard, paying their taxes and are now to be hammered yet again.

The Minister said that he wanted a change to the cycle of taking money from low income workers and giving it back through social security. He is achieving that change, but now the Treasury will just take and not give back. Government Members may well suggest that the shortfall can be made up by working extra hours. The Work and Pensions Secretary has already suggested that, but for those with a disability which makes it possible to work but impossible to work full-time, or for someone with caring responsibilities who can work only part-time, or for those whose employer cannot afford to give them extra hours, this cut will be an unfair punishment for this Government’s flawed and reckless obsession with austerity at any cost.

The despicable suggestion that all those who are about to have their incomes cut can just pick up some overtime here and there goes to show how desperately out of touch Tory Ministers and, on the evidence of this debate, a great many Government Back-Benchers are. They do not have a clue about how people on low incomes get by or how devastating an impact these cuts will have.

If the Government were serious about reducing welfare spending, they would be creating more job opportunities and truly dealing with barriers to employment, particularly for the disabled and mentally unwell. Instead, we see savage cuts to social security support directed at those finding it most difficult to get into work—the universal credit work allowance and the employment support allowance work-related activity group are perfect examples. These benefits, which help those in need of extra support to get back into work or to stay in work are being slashed to ribbons by this Government. I hope the Government will heed the call from my hon. Friend the Member for Banff and Buchan (Dr Whiteford) in her excellent speech and publish an impact assessment.
We must remember that these cuts are being made out of choice, not necessity. The Tory Government should be refocusing their priorities for spending cuts elsewhere, not on poor and low-income families.

I hope we will see a similar rear-guard action from the Tory Back Benchers who spoke out against the tax credit cuts and that they will oppose these cuts to the universal credit work allowance. The House of Commons Library says the cuts to work allowance will have the same impact as the cuts to tax credits.

3.29 pm

Chris Stephens (Glasgow South West) (SNP): “A guid new year tae yin and a’ and mony may ye see.” I thank the Labour Front Bench—[Interruption.] It is okay; I will send that up to Hansard. I thank the Labour Front Bench and particularly—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Gentleman is using perfectly good language and most of us understand it perfectly.

Chris Stephens: Thank you, Madam Deputy Speaker.

May I thank the Labour party and the hon. Member for Pontypridd (Owen Smith) for bringing this motion to the House? I want to start, as he did, by discussing the parliamentary procedures and the concerns I had about how this change was made. My view is that the Statutory Instruments Committee should be used to address technical changes to legislation and amendments. This was not a technical amendment; this was a policy change, and this was a procedural vehicle to sneak in the most damaging legislation and avoid public scrutiny. At the SIC we were subjected to the usual sunshine and cheerful rhetoric from the Government members, so much so that if we were playing Tory buzzphrase bingo we would have won the snowball after a couple of minutes, because the reality of this change is that a lone parent who currently earns the national minimum wage can work up to 22 hours, but with this cut to working allowance they would lose that support after 12 hours.

I am still waiting for the answers to many of the questions I asked at the SIC, and I hope that those on the Government Front Bench will answer some of them. First, what assessment has been made of the effect of the changes to working families and their ability to take on part-time work? Does this disincentivise work and lead to workers reducing their hours? It seems to me that it is human nature that if there is a chance of someone losing benefit payments and they can save that benefit only by cutting their working hours, that is exactly what they will do. Will there be any mitigation of the effects on their benefits? How will carers be affected, in particular young carers? Talking about young workers, what about those aged under 25, who will not get access to the national living wage?

I also ask this question again: what impact assessment has been done in respect of Department for Work and Pensions staff, who are the lowest paid civil servants in the country—so much so that when staff from Her Majesty’s Revenue and Customs are merged into the DWP, they earn £2,000 more than those in the DWP? These are staff who are subjected to a 1% pay cap, and who are paying, and have had to pay, increased pension and national insurance contributions; and 40% of DWP staff are currently on tax credits.

We have heard so much again today about aspiration. What message does the cut to working allowance send to those who aspire? The reality is that people are increasingly aware that the ladder of social mobility is being systematically pulled up ahead of them, and that no matter how hard they work or how much they aspire to a better life for their children and themselves, they will be punished for not being born into the right sort of family. That is the reality of this cut to UC work allowance.

3.33 pm

Mark Durkan (Foyle) (SDLP): It is a pleasure to follow the hon. Member for Glasgow South West (Chris Stephens) in actually debating the motion, which is about the Government’s cut to UC work allowance. This debate has been like a silent disco experience; it seems like the other side are tuned into a debate about their vision of UC and some of the issues and arguments around its roll-out, whereas this side of the House seems to be tuned into the right debate, which is about the cut to UC work allowance.

We have heard spurious arguments across the Chamber. The hon. Member for Braintree (James Cleverly) told us he wants his constituents to be able to improve their choices, but he has not told us how the cut to the UC work allowance is going to improve anybody’s choices; it certainly is not going to improve choices for people in my constituency when the effects of this change reach them in time to come.

We have also heard some other nonsense arguments. The hon. Member for Gloucester (Richard Graham) said the Institute for Fiscal Studies was telling us that nobody will lose out from the changes. That is not what the IFS has said in relation to these specific changes to UC, and not just the change to the work allowance. The IFS estimates that, taking into account all the announced changes to universal credit, there will be a reduction of £3.7 billion in entitlement, and that there will be an aggregate loss of £1.5 billion a year for working families.

As the hon. Member for Banff and Buchan (Dr Whiteford) pointed out, some people are billed as losers and some as winners, and we can look at what the various analyses and appraisals show. According to the IFS, 2.6 million families are due to lose an average of £1,600 a year, whereas 1.9 million are scheduled to gain an average of £1,400 a year. Of course, we do not know whether those who are currently projected as winners will stay as winners, because the Government have already melted and bent all their promises and assurances on universal credit. They said that work would pay, and that more work would pay, for everyone, but that promise has been eroded and corroded by the Government’s measures over the past year.

In the spring, the Government produced a Budget in which they announced one figure for the welfare cap, but then in the summer Budget they reduced the cap by £46.5 billion over the following four financial years. That shows us that we cannot depend on any of the Government’s projections or assurances. Of course, when the Chancellor announced his U-turn on tax credits, it was clear that he still intended to make both the near-term and longer-term changes to universal credit. He said that he would achieve by other means the savings that he was giving up through his U-turn on tax credits. Will those savings come through other changes to universal
credit, including the work allowance? Will those who are currently billed as potential winners from the work allowance have their terms and conditions changed in years to come? Government Members have made no argument about the change to the universal credit work allowance that they could not equally give in response to any future cut affecting other universal credit claimants.

Quite apart from the question of whether the roll-out of the project will work in IT terms, individuals know they cannot rely on any of the assurances and promises that have been given about what universal credit will mean for them. It is all very well for Tory MPs to say what it means to them when they turn up in their constituencies, but it will be a different story around kitchen tables when the budgets of hard-working families are affected.

3.37 pm

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Thank you, Madam Deputy Speaker, for giving me the opportunity to speak in today’s debate. I promise that I will try to be brief.

In his autumn statement on 25 November, the Chancellor trumpeted that he was reversing the proposed cuts to tax credits in full, stating that he had abandoned plans to impose £4.4 billion of cuts from this April. It now appears that he is doing a U-turn on his U-turn, because in the short time since the autumn statement it has transpired that he has lined up similar cuts affecting many of the same working families, this time to universal credit. It seems that he is ushering in a new postcode lottery by pushing ahead with cuts to universal credit, which will leave some families up to £3,000 a year worse off than others in exactly the same circumstances.

We have heard the example of a single mother of two, working full time on the minimum wage and claiming universal credit, whose net income next year will be £2,981 lower than that of someone in the same circumstances who is claiming tax credits. Meanwhile, a single parent of two on a salary of £18,000 a year will see their overall income fall by £2,601 next year if they are on universal credit. As my hon. Friend the shadow Secretary of State indicated, analysis shows that from April, cuts to the work allowance will also mean an annual reduction of £2,000 a year in support for disabled people in work, which is clearly a particular concern.

My constituency will be hit hard by the proposals, with 2,000 families being affected in 2017, 5,000 in 2018, 8,000 in 2019 and 10,000 by 2020. Across our country, the need for food banks is increasing. I mention that because in many cases, food bank support is provided more to people in work than to those out of work. Perhaps if the Minister and the Secretary of State took the time to visit food banks and talk to the many thousands of volunteers, they would get a better appreciation of the hardship that is being endured. The proposals to cut tax credits will make matters much worse for people and hit working families—people the Government say they want to help and are committed to helping.

I say to Conservative Members that these measures will cause great hardship to many vulnerable families across our country, in all constituencies. The Tory Government have choices. We have seen announcements of billions being allocated to the most well-off by cutting inheritance tax and further support being handed to big businesses by cutting corporation tax.

Oliver Dowden: There is a repeated assertion on the inheritance tax cut. Even by 2021, the inheritance tax cut will cost less than £1 billion, which is in no way comparable to the savings that are achieved through the welfare reforms. We cannot magic up the savings by not proceeding with the inheritance tax cut alone.

Gerald Jones: That is one example of the wrong choices being made by the Government but there are others. They have given further support to big businesses by cutting corporation tax. They have chosen to continue the cut in the top rate of income tax from 50% to 45%, allowing someone earning £2 million a year to continue to pay £250,000 a year less in income tax. Those are clearly wrong choices, and they are made on the backs of ordinary working families. Against that background, the decision to penalise working families who are already struggling to make ends meet is wrong in so many ways.

The changes will cause worry and undue stress to millions of families. I therefore urge Conservative Members to support the Labour motion today, and not to turn their backs on working families.

3.41 pm

Greg Mulholland (Leeds North West) (LD): I welcomed the Chancellor’s U-turn on tax credits and praised him for it. It was the right and courageous thing to do. I pay tribute to colleagues on both sides of the House who worked together to achieve it, and colleagues in the other place. I particularly pay tribute to colleagues on the Government Benches who had the courage to tell the Government that they were wrong and that the measure would hit hard-working families.

Imagine the dismay of those people—many of the very same people who thought they had escaped a £1,400 cut in their low income from next April—who now find that, through a different mechanism, they will suffer in exactly the same way. That decision was merely a delay and a temporary reprieve. Those people will feel duped and betrayed. I serve notice on the Government today that the Liberal Democrats will table an amendment in the House of Lords and seek co-operation from other parties and Cross Benchers to seek to bring the Government’s measure down, to show them that they cannot introduce the tax credit change by the back door, which is exactly—disgracefully—what the measure is about.

The reality of the figures is worrying, but the reality of the people affected is disgraceful. According to Liverpool Economics, the net effect on the income of lone parents will be a reduction of £2,600. Disabled people will see a net reduction in income of £2,000. The net effect on couples with children will be a reduction of £1,000. Some 2.6 million working families will lose out if the cut to universal credit goes through. A couple on £20,000 a year with two children were looking forward to being £160 better off due to changes in the personal allowance in April after the tax credit cuts were scrapped. They would have welcomed that very strongly, but that same couple now face a cut from April—in just a few weeks’ time—of £1,030.
Debbie Abrahams (Oldham East and Saddleworth) (Lab): I congratulate everybody and thank them for their contributions to today’s debate. The list includes too many Members to mention them all, but I want just to mention my right hon. Friend the Member for East Ham (Stephen Timms) who, in his typical way, forensically analysed the implications of the cuts to work allowances for universal credit and the implications of undermining the objective of universal credit, which is to incentivise work. The Government might have been forced to row back on their proposed cuts to tax credits, but, as has been emphasised in the debate, that is not the end to their attack on hard-working people on low pay.

In his autumn statement last November, the Chancellor failed to exclude people who are currently on universal credit from any cuts in work allowances. As the Institute for Fiscal Studies has said, as everyone in receipt of tax credits now will eventually move on to UC, the long-term effects will be nil. Again according to the IFS, by 2020 the number of those top executives had already earned the equivalent of £92 for the additional 12 hours before the cuts to the work allowances were introduced.

The Government are once more making the poorest, including the working poor, bear the brunt of further cuts, as the IFS analysis of the autumn statement shows. After six years, they have done next to nothing to curb boardroom pay. The average worker’s pay of £27,645 increased by less than 2% last year, compared with pay for top executives on an average of £5 million, increasing by nearly 50%. That trend is getting worse, not better. In the first five days of January, many of those top executives had already earned the equivalent of the average worker’s annual salary.

Worryingly—though sadly unsurprisingly—this Government have yet again failed to publish an impact assessment of the effects of these cuts. The Social Security Advisory Committee said that these regulations that “the impact needs to be analysed carefully and the policy about work incentives should be derived from strong evidence.” The Committee was concerned that “there may be an uneven impact on individuals” and expressed disappointment with the lack of statistical analysis to support the view that the abolition of the work allowance for several UC categories will not deter people from seeking work.

The Government first of all denied that anyone on UC would be worse off, with the Secretary of State saying on the BBC: “Nobody will lose any money on arrival on Universal Credit from tax credits because they’re cash protected, which means there’s transitional protection.”

Well, that could not be further from the truth. As the Government finally conceded during the Christmas recess, the flexible support fund that the Secretary of State claimed would provide transitional protection for claimants is used for other purposes and last year was only £69 million, well short of the £100 million cuts for this year, let alone the £3.2 billion cuts by 2020. Will the Secretary of State now apologise, as I believe this is the first time he has had an opportunity in the Chamber to apologise for his inaccuracies and for misleading the public in this way? I will take that as a no.

The blunders and callousness do not stop there. The Government suggested that the way to avoid the cuts was just to work an extra 200 hours a year, three or four hours a week. As the hon. Member for Banff and Buchan (Dr Whiteford) said, is that what the DWP is going to do? If it is not, the Department needs to get its own house in order first.

The Minister was desperately trying to say that this was all about dynamism and strengthening work incentives, but cutting universal credit work allowances will weaken, not strengthen, work incentives—a far cry from the supposed intention of universal credit. As a result of these cuts to universal credit work allowances, a single parent earning the new minimum wage and with one child will increase their income by only £40 by working an additional 12 hours. That compares with an increase of £92 for the additional 12 hours before the cuts to the work allowances were introduced.

The north—particularly the north-west, where UC started—will be hit first, so we go from powerhouse to workhouse.
In addition, there has to date been no cumulative impact assessment of the Department’s policies on poverty affecting disabled people and children—something I have repeatedly urged Ministers to undertake. The Social Security Advisory Committee stated in 2014 in its report on cumulative impact assessments of welfare changes that it believed

“that more can and should be done to identify and evaluate the interaction between elements in the welfare reform agenda, particularly as they affect vulnerable groups.”

Others have made such evaluations. Demos made an assessment of the cumulative effects of the 2012 welfare reforms, estimating that £23.8 billion will have been taken from 3.7 million disabled people by 2018—and that does not even take into account the potential effects of this year’s Welfare Reform and Work Bill. The Child Poverty Action Group states that the cumulative impact of welfare reforms on low-income households, the majority of which are families with children, will amount to £9.7 billion by 2020-21. A recent BMJ article highlighted the disproportionate effect that the Government’s social security cuts have on children and on people with disabilities; another highlighted the impact on child health of the Government’s welfare cuts. This is happening at a time when this affluent country, the sixth wealthiest in the world, has the highest under-five mortality rate in northern Europe. These policies are going to make that worse.

We are calling for a full reversal of the proposed cuts to the Government’s universal credit work allowance. As we have heard throughout the debate, all the evidence shows that there is no valid reason for protecting people on low and middle incomes from the cuts to tax credits without extending the same protection to working families on universal credit, especially as the Secretary of State has said he expects no new claimants to be eligible for tax credits from 2018 as tax credits will have been replaced by universal credit for all new claimants. The cuts to the universal credit work allowance are just as unjust as the cuts to tax credits. That is why we on this side of the House are calling for a full reversal and asking Conservative Members who were brave enough to make a stand against the tax credit cuts to have the courage of their convictions and vote with us today.

3.53 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): I should like to thank all those who have spoken in today’s debate. On a Labour Opposition day, however, it is rather regrettable to find more Scottish National party Members than Labour Members present for most of the debate. Labour Members have demonstrated a poor showing on their Opposition day.

Let me make one thing absolutely clear at the outset: universal credit is transforming people’s lives. After years of Labour’s dependency culture, this Government are continuing to reform the welfare system and the labour market.

It is worth reminding the House of the broken welfare system and labour market that were left to us, a legacy that hon. Members have recognised during today’s debate: nearly one in five households had nobody in them working; the number of households where nobody had ever worked had nearly doubled; 1.4 million people had been on benefits for most of the previous decade; and close to half of all households in the social rented sector had nobody in work.

Several hon. Members rose—

Mr Vara: I will not give way, as I have limited time available and I am keen to address as many of the points raised as possible. We have turned that situation around. Our reforms, the centrepiece of which is universal credit, are working and are getting people back into work.

Stephen Timms: Will the Minister give way?

Mr Vara: I will make an exception for the right hon. Gentleman.

Stephen Timms: The Government are not going ahead with the tax credit cuts, so why is it right to go ahead with precisely the same cuts for the minority of people who have the misfortune to be claiming not tax credits but universal credit?

Mr Vara: It is important that the right hon. Gentleman and others take into account the need to consider the broader perspective: the raising of personal allowances; the introduction of the new living wage; the doubling of free childcare to 30 hours; tax-free childcare from early 2017; and, let us not forget, the fact that every time we fill up our tank with petrol there is a saving of £10 because of the freezing of the fuel duty. It is important to consider everything in a broader perspective, not the narrow perspective that we have heard from so many Opposition Members.

A number of speeches have been made today and, unfortunately, time simply does not allow me to address them all. I shall simply say that the right hon. Gentleman made a passionate contribution. I have huge respect for him and I am sorry that he is no longer on his party’s Front Bench. May I also pay tribute to my hon. Friend the Member for Hertsmere (Oliver Dowden), who made a learned contribution, clearly setting out the reasons why Labour’s proposals are simply not sustainable? My hon. Friend the Member for Lewes (Maria Caulfield) made a powerful contribution, telling us of her experiences growing up, which had the whole House in agreement with her.

This is an important subject and we need to recognise that the IFS has pointed out that no one on existing benefits or tax credits whose circumstances remain the same will lose out in cash terms as a direct result of being moved on to universal credit. These claimants will get transitional protection to avoid cash loss at the point of change. It is important to note that the only people who will be directly affected by the change to work allowances in April will be those already in work, the majority of whom will be single claimants without dependants. [Interruption.] The shadow Work and Pensions Secretary chunterers away, but we have checked the Hansard record and found that he was wrong and we were right. Conservative Members await a withdrawal of his earlier comments, which we debated. We have checked Hansard and he should do likewise. For those people who are affected, we have been careful to put measures in place...
to ensure that they are fully supported. As well as the additional work coach support that these claimants will receive, we have increased the amount available through the flexible support fund to help people progress in work and increase their earnings.

Universal credit is a major reform of welfare that is designed to make sure that work always pays. Through the removal of the requirement to work 16 hours per week that exists in the tax credits system, people will see a financial benefit from every extra hour they work. The universal credit taper means that financial support is withdrawn at a consistent and predictable rate, helping claimants to understand clearly the advantages of work. The IFS has said that anyone being moved on to universal credit from tax credits will be protected—they will not be cash losers. Opposition Members need to take that on board—that comes from the IFS.

**Owen Smith** rose—

**Mr Vara:** I will not give way.

It is also worth noting that universal credit is working: for every 100 jobseeker’s allowance claimants who find work, there are 113 universal credit claimants who do so. It is important to look at the bigger picture. This Government are moving Britain to a higher wage, lower tax and lower welfare society. Universal credit is fundamentally different to the legacy systems it replaces, and it must be recognised that there is no meaningful way of comparing an unreformed tax credit system with universal credit.

As my hon. Friend the Under-Secretary of State for Disabled People highlighted at the start of the debate, Labour’s spending on in-work benefits went up by £22 billion, but the number of working people in poverty actually rose. The system we inherited from Labour was one where, for millions of people, being on welfare was a more attractive option than working or taking on more work.

Under Labour, there was a complete abdication of responsibility for managing working taxpayers’ money. Labour’s shambolic welfare policies led to a colossal welfare budget that was simply out of control, and the party has not changed. Page 47 of the 2015 Labour party manifesto said:

“To guarantee a decent social security system for the next generation, we need to keep costs under control.”

Yet when the shadow Work and Pensions Secretary was on the “Daily Politics” programme in December he said:

“We are campaigning for a...full reversal of universal credit...we will put that money back in if we were in power...I’m crystal clear about that.”

The presenter Jo Coburn challenged him—she had to challenge him three times. She said:

“Where will you get the money? The bill would go up under your proposal.”

The shadow Secretary’s reply was:

“Had I been Chancellor...I would have taken the extra £27 billion tax receipts.”

There we have it: the party that wants to continue taxing. That is why it is the party of welfare—it is the welfare party, not the labour party.

Welfare is much more than simply giving money to people and writing blank cheques; it is about removing the barriers that prevent people from finding work and progressing in work. It is about giving people the support they need to stand on their own two feet and live independently of the state. It is about creating the right incentives for people so that they can make the right choices for themselves and their families. That is what universal credit does, and it is working. It is incentivising work, renewing personal responsibility, and rewarding positive choices. Under this Government—this one nation Government—we will continue to deliver for all our citizens.

**Question put.**

The House divided: Ayes 273, Noes 308.

**Division No. 157**

AYES

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Question accordingly negatived.
Flooding

4.16 pm

Kerry McCarthy (Bristol East) (Lab): I beg to move,

That this House extends its sympathy to all those affected by recent floods and its gratitude to the emergency services, armed forces and volunteers who rallied round to help afflicted communities over the holiday period; notes the damage the Chancellor of the Exchequer’s cuts, which the National Audit Office estimates amounted to 10 per cent over the course of the last Parliament, excluding emergency funding, have caused to these communities; notes that by delaying or cutting new flood defence projects or neglecting maintenance of existing flood defences, the Government has failed to protect these communities; notes with concern the recent decision by the Scottish Government to impose a six per cent cut on funding to the Scottish Environmental Protection Agency; believes that there has been a dismal lack of action by the Cabinet Committee set up after the floods of 2013-14 and questions the effectiveness of the newly-created Cabinet Committee under the same leadership; further believes that the UK needs a long-term plan which includes a complete rethink of flood defences, as proposed by the Environment Agency, measures to make homes, communities and infrastructure more flood resilient and a greater focus on flood prevention, particularly through uplands and water catchment management; and calls on the Government to commit to the figure that the Environment Agency said in 2014 was required to protect communities of £800 million per year on maintenance and strengthening of flood defences and to carry out an urgent, independent, public review of flood policy.

I know that very many Back-Bench speakers want to take part in this debate. I will therefore try to limit the number of interventions because it is important that, above all, we hear from people whose constituents have been affected by flooding over the Christmas period.

Unfortunately, this is the second Opposition day in less than a month when we have had to call a debate on flooding. We were grateful for the statement from the Secretary of State for Environment, Food and Rural Affairs yesterday, but there were too many unanswered questions for the communities that have been devastated by the floods. I hope that today we will hear more answers.

At the outset, I put on the record again our thanks for the outstanding work of the emergency services, armed forces and the very many volunteers who responded to the floods over the holiday period. [Interruption.]

Madam Deputy Speaker (Natascha Engel): Order. There are a lot of private conversations going on and it is quite difficult to hear the shadow Secretary of State. Perhaps we could listen because this is a serious subject that has affected many of our constituents.

Kerry McCarthy: Thank you very much, Madam Deputy Speaker.

I appreciate that the Secretary of State chaired Cobra and sought to ensure that there was a swift response to the crisis over Christmas, but we cannot keep relying on emergency responses and on communities going above and beyond to help each other. There is a worrying air of complacency about the Government. Ministers have failed to prioritise flood prevention, despite the national security risk assessment citing flood risk as a tier 1 priority. We would not ignore experts’ warnings on terrorism or cyber-attacks, so why have the Government repeatedly disregarded expert advice on flooding?

The Committee on Climate Change gave flood adaptation a double-red warning and urged the Government to develop a strategy to protect the increasing number of homes that are at risk of flooding—sound advice that the Government inexplicably rejected. People who have been forced out of their homes need to know why.

Andrew Percy (Brigg and Goole) (Con): My area floods repeatedly. Frankly, people are weary of it—we are sick of it. It has been happening for a very long time. Is it not the case that all Governments have disregarded advice? After the 2000 floods, which also devastated my constituency, the Labour Government were warned that to keep up they needed to spend £700 million a year—I think that was the figure—but they never did. The record is of increased flood spend after an event, followed by reductions. All Governments have been guilty of that and we need to break the cycle.

Kerry McCarthy: As I will go on to mention, the Pitt review, which was initiated in 2007 by the last Labour Government, recommended year-on-year above inflation increases in spending. That is exactly what the Labour Government did. It was only when the coalition Government got in in 2010 that that spending was reversed.

I was talking about the warnings that the Government have ignored, such as the warning from the Committee on Climate Change.

Graham Stuart (Beverley and Holderness) (Con): Will the hon. Lady give way?

Kerry McCarthy: If I may, I will make a little progress.

People in Yorkshire deserve to know why the Secretary of State did not feel compelled to act when Professor Colin Mellors, who was appointed by the Government to chair the Yorkshire regional flood and coastal committee, warned that “ever tighter budgets” would mean that they would have “to consider sites where maintenance might be formally discontinued”.

What about the Association of Drainage Authorities? It told Ministers that their neglect of our flood defences could double the number of households at significant risk of flooding within 20 years, with too many assets maintained to only minimal level. The Government were warned repeatedly about the damage caused by spending cuts and Environment Agency redundancies. They were warned that too many households and businesses could not afford flood insurance. They were warned that their neglect of our natural environment was exacerbating the flood risk, and that heavy rains and flooding would only become more frequent.

The Environment Secretary will no doubt tell us again that the Government are spending more than the coalition Government and more than the previous Labour Government. If only this Government put as much effort into defending people’s homes and businesses as they do their own record. The fact is that the Secretary of State is talking about capital expenditure only. They did not intend to spend more, but thanks to the emergency funding after the Somerset floods spending did increase by 0.8% in real terms. In today’s prices, that is £15 million over five years. The Government’s own advisers told them that flood spending would have to increase by £20 million, plus inflation each year. Does the Environment Secretary really think that £15 million over five years was something to be proud of?
Graham Stuart: Will the hon. Lady give way?

Kerry McCarthy: If I could just finish on the figures, because otherwise we will lose track of the point I am trying to make.

The National Audit Office confirmed that were it not for the panicked reaction to the Somerset floods, total funding would have fallen by 10% in real terms during the previous Parliament. In 2011-12 alone, capital funding fell in real terms by £118 million. The following year, the Environment Agency published a list of 387 flood projects that would be delayed or cancelled due to a lack of funding—schemes in Leeds, Croston in Lancashire and Kendal in Cumbria, all of which have since been hit by floods.

Graham Stuart: Does the hon. Lady not agree that my hon. Friend the Member for Brigg and Goole (Andrew Percy) is right? It does not matter who is in government, the pressure for flood defence goes away when there has not been flooding for a while and there is competition with schools and hospitals for funding. Water was privatised not because it created a market—that could not be done—but because it got the funding in place to deliver an agreed standard at the most affordable price. Is it not time for a radical change so that instead of fighting the Treasury for funding we put it on to water bills or some other form of levy, as Dieter Helm suggested in the paper he produced this week?

Kerry McCarthy: I will come on to Dieter Helm’s recommendations, which I agree make a really important contribution, and to the general issue of upstream management. The hon. Gentleman’s constituents would perhaps be concerned by the thought that they would be paying more in their water bills in order to address this situation.

The motion asks the Government whether they would be prepared to meet the £800 million a year of spending that the Environment Agency recommended. I look forward to hearing the Secretary of State’s response. On the point about water bills, people already struggle to pay very high insurance premiums. In many cases, they have to make up for losses not covered by insurance. They have to meet excesses of up to £10,000 themselves. They would really struggle if they were hit by rising water bills on top of that.

Many people are angered by the Prime Minister’s claims today. A six-year programme of investment is welcome, but we need to know it will address the lasting legacy of the coalition’s cuts and that the money will be available given the reliance on external contributions. With the slow progress that has been made on infrastructure projects, we need to know when the schemes will be built. Communities cannot wait another six years for work even to start. We know how slow the progress has been on some on the schemes supposedly already in the pipeline.

We need the Environment Secretary to realise that any benefit from new schemes will be diminished if the Government allow existing schemes to deteriorate. In 2013-14, it was estimated that almost three quarters of flood defence asset systems would not be sufficiently maintained. Maintenance spending fell by 6% in real terms under the coalition.

Andrew Gwynne (Denton and Reddish) (Lab): As well as the point my hon. Friend is making, we need an Environment Secretary who understands, particularly in urban areas, the value of floodplains, such as those around Denton and Reddish Vale. They were completely submerged over the Christmas period, doing precisely what they are supposed to do: take the excess water away from further up the Tame valley, where flooding could have been much worse. Those areas are set to be reviewed as part of the Greater Manchester green-belt review. They are at risk of being taken out of the green belt for development.

Kerry McCarthy: As ever, my hon. Friend makes an excellent point. It is partly an issue about house building on floodplains, but there is also an issue, which stems from this piecemeal approach to the problem, of people looking after their own patch, preventing their own land from flooding, only to exacerbate the problem further downstream. We need a coherent overall approach that protects everybody.

John Woodcock (Barrow and Furness) (Lab/Co-op): My hon. Friend is absolutely right. Does she advocate pressing the Government for a complete review of the guidance to local authorities, because at the moment they can say, “Oh well, the Environment Agency hasn’t designated it a floodplain”? Clearly, their thinking is out of date, given the changes in climate conditions in recent years.

Kerry McCarthy: The Secretary of State will say that it is ultimately a decision for local people, but we need to look at the broader picture. For one local authority to say, “It’s okay to build on a floodplain”, perhaps ignores the impact on communities in the surrounding areas. We need an overarching approach.

Mr Iain Liddell-Grainger (Bridgwater and West Somerset) (Con): As the hon. Lady is well aware, being from Bristol, the Somerset Rivers Authority, which we have set up, is working well. We have the money we need for flood defences. We have had everything we require. This is a county-wide development receiving money directly from the Government to do the necessary work. I am pretty sure she understands that, but I just wanted to make sure.

Kerry McCarthy: I am well aware of the work being done on the Somerset levels, but it is a slightly different picture there because of its basin geography, which perhaps makes it more isolated from surrounding areas. Elsewhere, as we have seen in the north of England, one community after another can be hit.

Pete Wishart (Perth and North Perthshire) (SNP): The SNP really wanted to support Labour’s motion today, but it included unnecessary criticism of the SNP, which is not even accurate: flood spending in Scotland is actually going up. Does the hon. Lady not think it would have been better to have united the Opposition on this issue by getting the SNP to agree with Labour? Is the motion not therefore a little bit unfortunate?

Kerry McCarthy: It is a fact that the funding of the Scottish Environment Protection Agency has been cut, as I understand it. We have seen devastating pictures of flooding in Scotland.
Callum McCaig (Aberdeen South) (SNP) rose—

Kerry McCarthy: I need to make some progress. As this is a devolved matter, we cannot debate it in the detail we would like today, but it is important that the motion recognises the problems with how flooding is being dealt with and the seriousness with which it is being taken in Scotland. That needs to be addressed, which is why we put it in the motion.

Simon Hoare (North Dorset) (Con) rose—

Kerry McCarthy: I want to make some progress. As I have said, there are about 27 Back-Bench contributions to get through, plus the winding-up speeches, and we also need to hear from the Environment Secretary, so we really need to make some progress.

DEFRA and the Treasury still refuse to provide any long-term certainty on maintenance. All the Environment Secretary could tell us yesterday was that the maintenance budget this year was £171 million. She is ignoring the EA’s advice that flood protection requires £800 million per year, which, with the amount spent on capital, would mean an average annual maintenance expenditure of £417 million.

We cannot continue with DEFRA’s panicked, piecemeal approach. The coalition abandoned the cross-party consensus on sustained investment following the Pitt review, and after the 2014 floods, the Prime Minister chose to put all his trust in the right hon. Member for West Dorset (Mr Letwin) and his Cabinet Committee—a Committee that was quietly disbanded once the floodwaters receded and the media attention subsided. The promised annual review of national resilience never materialised. I ask the Environment Secretary again, as I did yesterday: how are we to have confidence in yet another review led by the right hon. Gentleman? I notice he is not here this afternoon, just as he was not here yesterday. Will the Environment Secretary tell us whether he is currently in Yorkshire or Lancashire, visiting flood victims, or perhaps he has more pressing matters to attend to?

There is no sense that the Government truly understand how people have been affected or the challenge they face in rebuilding their lives and businesses. Members across the House spoke eloquently yesterday about how their constituents had suffered and how their fears had not gone away, so why could the Secretary of State consider a complete rethink of flood defences. This must include better management of river catchments from land use in our upstream areas to estuaries and lower land areas.

The last Labour Government developed some really innovative thinking, agreed to all the recommendations of the Pitt review and had started the process of implementing them. We also passed the Flood and Water Management Act 2010, but the coalition then wasted the next five years. Labour’s Acts gave the Government powers to require land managers to protect assets for flood protection, for example, so why have this Government not made better use of those powers? Will the Secretary of State tell us why the Government delayed and weakened requirements in the Act for sustainable drainage in new and existing developments?

Yesterday, the Environment Secretary welcomed Dieter Helm’s excellent paper, “Flood defence: time for a radical rethink”, which highlights the critical role played by land use in both causing and helping to alleviate flooding, especially the protection of natural capital in upstream areas. Pickering in North Yorkshire has attracted some attention this week, highlighting how efforts to slow the flow of water from the hills prevented the town from flooding this time. I know that that is not the only example. The Environment Secretary has said that she wants the results from Pickering to be used more widely, so how is she going to make that happen?

Dieter Helm also highlighted the thorny issue of how some agricultural policies and associated subsidies pay little or no attention to flood risk dimensions. The examples he gave included greater exposure to rapid run-off from the planting of maize; the burning of heather to improve grouse moors, as it reduces the land’s retention of water; and farming practices in the upper reaches of river catchments. Helm sets out how adaptation measures in these areas, such as the planting of trees, could have some of the greatest potential benefits for reducing flood risk.

In response to a question from the hon. Member for Brighton, Pavilion (Caroline Lucas) yesterday, the Environment Secretary talked about getting better value for money for DEFRA funding on the environment and countryside stewardship schemes. Will she clarify those comments today? Does she think that some of these financial incentives are not fully aligned to achieving flood resilience objectives? As the National Farmers Union says, services provided by farmers that protect urban areas downstream are at present “unrewarded and often unplanned”.

Simon Hoare rose—

Kerry McCarthy: I am going to make progress, without taking interventions. I am sure the hon. Gentleman can intervene on somebody else later—perhaps the Secretary of State can answer his question.

Why did the Secretary of State not review earlier whether her predecessors made the wrong decision to scrap the planned scheme in 2011? Why, with Members of all parties urging the Government to apply to the European solidarity fund could the Secretary of State say only that the Government were considering it? She claimed that they had not yet applied because it could take months for the funds to come through, so why is she dithering and adding to the delay? Why does she not just get on with it?

Why are the Government refusing to implement the Pitt review recommendation on the fire service? The service has lost thousands of firefighters since the 2007 floods. Does the Secretary of State not think that the pressures on the service and the extraordinary professionalism it displays merit including flood response as a statutory duty? Should not our fire and rescue service be fully supported?

Everyone anxiously watching the flood alerts needs to know that everything is being done to protect communities from the floods and to reduce the risk. As the Environment Agency has said, the UK needs a complete rethink of flood defences. This must include better management of river catchments from land use in our upstream areas to estuaries and lower land areas.
In urban and developed areas, sustainable drainage systems could make a positive difference, but progress has been slow and the scope for local authorities to make progress on flood risk management strategies seems limited. As the Climate Change Committee reported, many are yet to finalise their strategies, despite that having been a legal requirement for the past five years.

We need a cross-departmental approach to flood prevention and adaptation. Some 1,500 new homes a year are built in areas of high flood risk. We have seen how road networks, hospitals, schools and telecommunications cannot withstand the flooding. Will the Secretary of State ensure that infrastructure planning takes into account the increasing flood risk?

Just as the Government cannot neglect English regions, we need to work across the UK on climate change mitigation and adaptation. The Welsh Government have this week provided £2.3 million for flood-hit communities in Wales, and we know that flooding has caused havoc across Scotland, yet there are fears about significant cuts to the Scottish Environment Protection Agency.

People are not interested in more excuses or empty promises. Put simply, they want to know that this Government are doing everything they can to prevent such flooding from happening to them again. We cannot stop the rain, but we can stop at least some of the devastation it causes. People are living in fear of floods and they need reassurance; I hope that they will hear precisely that from the Environment Secretary.

I pay tribute to the emergency services, the military, the Environment Agency, and the other responders and volunteers from across the country who worked around the clock to help. Many of them gave up their Christmases. Through daily Cobra meetings, we ensured that all the necessary resources were deployed early and ahead of the flooding. That meant that the military, the emergency services and the Environment Agency were on the ground and able to provide immediate help. We moved temporary flood barriers to the region, and we moved pumps across the country to support the response effort.

Funding to support the communities, businesses and farmers who were flooded has been provided in record time, within three days of the flooding occurring. Money is now with the local authorities so that they can help people as soon as possible. The Government are determined to do what it takes to put people back on their feet.

**Elizabeth Truss:** As my hon. Friend says, there is Bellwin funding which councils can claim, but there is also the money that we have given them to fund resilience measures for homes and businesses. The money is there to cover the costs that councils have incurred, but it is also there to cover immediate support for residents and businesses. I urge affected residents to contact their councils so that they can receive that support.

Repairs to the Foss barrier in York have been completed, and it is fully operational again. It will now be upgraded with new pumps to ensure that it can cope with higher volumes of water. The flood recovery envoy for Yorkshire, who is with me today, will be producing a plan to repair Tadcaster bridge early next week and will be meeting local residents. That is a national priority.

**Geraint Davies (Swansea West) (Lab/Co-op):** Does the Secretary of State not accept what is happening with climate change? Once-in-200-year events have now become once-in-100-years events, and it was accepted at the Paris conference that another 2 degrees would probably be added to world temperatures. There is surely no excuse for not investing more and more—even more than we planned to invest following the 2007 Pitt review. Will the Secretary of State urge the Government to invest even more than is proposed under the current agreement?

**Elizabeth Truss:** In response to weather events that we have not seen before, we are reviewing our national resilience and looking at our climate change models. Climate change is currently baked into our six-year plan, but we clearly need to look at that again in the light of recent events, and we are committed to doing so.

The hon. Member for Bristol East (Kerry McCarthy) talked about our plans for flood investment, and said that we needed a long-term strategy. The fact is that this Government have introduced the first ever six-year plan for flood defence spending, unlike the Labour party, which ran a year-to-year budget when it was in office. In the run-up to the general election, the hon. Lady’s predecessor refused to match our pledge to increase flood defence spending in real terms. We are spending more, in real terms, than the Labour Government spent between 2005 and 2010, and we are increasing our spending again, in real terms, in this Parliament. The hon. Lady asked about flood maintenance spending. We are spending £171 million on flood maintenance, and, as the Chancellor announced in the autumn statement—before the floods took place—we said that we would protect that too, in real terms. Both those bits of money are protected.

**Several hon. Members rose—**

**Elizabeth Truss:** I want to respond to what the hon. Lady has said, but after that I will give way to the hon. Member for Perth and North Perthshire (Pete Wishart).

The hon. Lady asked about the £800 million figure from the Environment Agency, which is part of its long-term investment scenario. That analysis is based on total investment, not just central Government spending. It is based on both capital and maintenance spending. If she read the entirety of that report, she would see that it concluded that current spending plans are in line...
with the optimum levels of investment over the next 10 years. She needs to read the entire report, not just cherry-pick sections of it.

**Pete Wishart**: The Secretary of State is right: we have to invest for the future. I am grateful she has acknowledged that climate change plays a significant part in the problems we are experiencing. So why are the Government stopping the investment in renewable technologies? Will they review the catastrophic decision to stop the support for onshore wind, a technology that will help us and that we desperately need in Scotland?

**Elizabeth Truss**: My right hon. Friend the Secretary of State for Energy and Climate Change is doing an excellent job in achieving affordability for consumers at the same time as hitting the carbon budget targets. She also helped to negotiate a fantastic deal in Paris.

**Graham Stuart**: There has been a rather tedious backwards and forwards about the money. The fundamentals are that this Government are spending more on flood defence. Once we get over that attempt at point scoring, which sadly comes relentlessly from the Labour party, we can move on to the more important question, which is how the money is spent. Dieter Helm suggests that the thinking behind the spending has not been sufficiently aligned with economic reality. Regardless of who is in power, how do we ensure that we spend the limited money we have on the most effective defence for the maximum number of people and corporate interests, rather than perhaps as now spending it on areas where it cannot be justified?

**Elizabeth Truss**: My hon. Friend makes a good point. That is exactly why, in December, I reappointed Dieter Helm as chair of the Natural Capital Committee. I did so precisely so that he could look at that issue and ensure that we are spending money holistically across catchments. That is working hand in hand with our 25-year environment plan. Shortly, we will announce the framework for that. That will require a lot of work. There are a lot of people involved: the water companies, the Environment Agency, local communities, farmers and landowners. We can get better value for money. That is why we are moving in that direction and carrying out that work. However, there is a famous Chinese proverb: the best time to plant a tree is 25 years ago and the next best time is today. We do need to plan for the long term but it takes time to ensure that we get everything in order.

**Sir Oliver Heald** (North East Hertfordshire) (Con): My right hon. Friend will be aware that chapter 5 of the Paris agreement is about the need to protect forests and to have more trees in the world if we are to tackle some of the problems related to carbon. Does that not also have a relevance for flooding? Does she agree that, as part of the work that she has described, it is important to look at whether we need more tree planting in this country? The House has taken initiatives such as the Westminster wood and the National forest to try to encourage tree planting but perhaps we need more.

**Elizabeth Truss**: I thank my hon. and learned Friend for his point. I want to make all Members aware that we have a tree-planting scheme for schools at the moment. We are collaborating with the Woodland Trust on that and schools can apply; we are close to the deadline, so people should look that up as soon as possible. It is part of our pledge to plant 11 million trees over this Parliament. Of course, however, we can do more. Dieter Helm will certainly look at that as part of the work of the Natural Capital Committee.

**Several hon. Members rose**

**Elizabeth Truss**: I want to finish the point on the Natural Capital Committee. Members have mentioned the Somerset Rivers Authority. That is a good model for how we get better local engagement, how we get more decisions taken on the ground by people who understand the landscape, and how we look at wider catchment issues. The Floods Minister is developing the Cumbrian flood partnership to do that. We are interested to hear from local areas that want to develop such a scheme.

We need to move to a catchment basis. That is the basis on which our environment plan for 25 years is being developed. We are working on that and we are due to announce the framework towards the middle of the year, with a view to finalising the 25-year plan later on this year. That works closely in conjunction with our 25-year plan for food and farming.

**Andrew Gwynne**: In the same way as the Secretary of State is looking at a strategic approach to flood defences, could she not make the case for a strategic approach to planning within the floodplains? As I said after the statement and earlier in an intervention, the issue in relation to floodplains often goes beyond one local authority, and planning decisions in one local authority area can affect flooding in several local authorities.

**Elizabeth Truss**: As I made clear yesterday, it is clear in the national planning policy framework that that needs to be taken into account. Houses should not be built where there is such a flood risk. That is clear in the NPPF.

**Several hon. Members rose**

**Elizabeth Truss**: I will give way to the hon. Member for Brent North (Barry Gardiner).

**Barry Gardiner** (Brent North) (Lab): I am grateful to the right hon. Lady, who has been generous in giving way. She said that in real terms the Government were spending more. Perhaps she could explain to me and to the House her own Department’s “Funding trends” paper of December last year, which shows the total real-terms spending from 2005 right the way through to 2015-16. In the last year of the Labour Government spending was £724 million in total in real terms—that is, in 2015-16 prices. In no single year since then have this Government matched that funding, except in 2014-15, when an extra boost of £140 million emergency funding was given to repair the defences that had been destroyed in the floods. The figures are £608.5 million—
It is clear to me which of those two numbers is higher.

£1.5 billion and the coalition Government spent £1.7 billion. It is clear to me which of those two numbers is higher.

Several hon. Members rose—

Elizabeth Truss: I have given way on a number of occasions. I now need to make progress to give people an opportunity to speak.

Andrew Percy: Before my right hon. Friend does so, will she give way one more time?

Elizabeth Truss: I give way to my hon. Friend.

Andrew Percy: I am pleased that my right hon. Friend has given way, given that 20% of England drains through my constituency on the four tidal rivers that meet the Humber estuary. She confirmed yesterday that the £80 million funding that we already have for the next six years is safe and secure. She was asked yesterday about the £1.2 billion bid which, contrary to what the hon. Member for Kingston upon Hull North (Diana Johnson) said, was rejected not by the Government but by the Environment Agency because it would increase flood risk in my constituency. Will my right hon. Friend commit today from the Dispatch Box to working with Humber MPs cross-estuary so that we can get a revised Humber flood plan together to ensure that we get the defences that we desperately need in the most flood-prone area of England?

Elizabeth Truss: My hon. Friend makes a good point. We do not want schemes that protect part of an area and increase flood risk in other areas. That is the importance of the catchment-wide management system that we are developing. I understand that the Floods Minister is due to meet Humber MPs and I will take a close interest in that matter.

We have set out our programme for the next six years. We are investing £2.3 billion in flood defences. This is a real-terms increase on the £1.7 billion we invested in the last Parliament and an increase on the £1.5 billion spent by Labour. We have made the first-ever commitment to protect maintenance spending as well at £171 million per year, adjusted for real terms. Let us remember why we have the money to invest in these flood defences. Let us remember what happened when Labour left office in 2010. The then Chief Secretary left a note saying, “I am afraid there is no money.” Labour would not have had the money to invest in flood defences, as we have. At the 2015 general election the Labour party refused to match our pledge of a six-year programme protected in real terms. It is only with a strong economy that we can afford these flood defences. It is only with a long-term plan that we will make our country resilient and give communities the protection they deserve.

4.50 pm

Richard Arkless (Dumfries and Galloway) (SNP): As the Member of Parliament for Dumfries and Galloway, a constituency badly affected by storms Desmond and Frank, I am honoured to be able to give my constituents a voice in this place today, but before I speak about the flooding impact in Scotland and the Scottish Government’s response, the incredible work of the emergency services and the unbelievable resilience of local communities, I wish to deal with the wording of the motion put before the House today.

As a new Member of this place—and new to politics, thankfully—I have been astounded at the procession of ideologically based legislation from the Conservative Government. I have searched long and hard for an evidence base to much of what they suggested, and have searched in vain. I have also been completely dismayed at the amount of misinformation and mud-slinging that goes on with these motions devised by the Labour party—in particular the needless political points-scorings at the Scottish Government in circumstances where they are actually performing marginally better. We thought Labour would have learned a lesson from the disastrous police debate motion a few weeks ago.

The mud slung at my party and the Scottish Government in this motion is to criticise the 6% cut to the Scottish Environmental Protection Agency budget for next year. I will deal with that head-on in a moment, but first I want to make one thing explicitly clear. It relates to the tone of this debate: my constituents deserve better; your constituents, Madam Deputy Speaker, deserve better; all of our constituents deserve better. They do not care, when they are clearing up the sewage and debris from the front room, about the mud-slinging and political points-scoring in this Chamber. They want to know what we can do to help, they want to know that we care about their plight, and they want to know we are on top of the processes and plans, to ensure we can minimise the risk of severe flooding in the future. But there is a recognition, in light of factors such as global warming, that we may never be able to devise defences and plans capable of completely eliminating flood damage when mother nature decides to sneeze as heavily as she did this month.

John Woodcock: What the hon. Gentleman says about his constituents is clearly heartfelt, but they are surely concerned—I speak for my mother, who is one of them—about the 6% cut that the Scottish Government are imposing on flood defences. Is he really going to defend that?

Elizabeth Truss: I give way to my hon. Friend.

Andrew Percy: I am pleased that my right hon. Friend has given way, given that 20% of England drains through my constituency on the four tidal rivers that meet the Humber estuary. She confirmed yesterday that the £80 million funding that we already have for the next six years is safe and secure. She was asked yesterday about the £1.2 billion bid which, contrary to what the hon. Member for Kingston upon Hull North (Diana Johnson) said, was rejected not by the Government but by the Environment Agency because it would increase flood risk in my constituency. Will my right hon. Friend commit today from the Dispatch Box to working with Humber MPs cross-estuary so that we can get a revised Humber flood plan together to ensure that we get the defences that we desperately need in the most flood-prone area of England?

Elizabeth Truss: My hon. Friend makes a good point. We do not want schemes that protect part of an area and increase flood risk in other areas. That is the importance of the catchment-wide management system that we are developing. I understand that the Floods Minister is due to meet Humber MPs and I will take a close interest in that matter.

We have set out our programme for the next six years. We are investing £2.3 billion in flood defences. This is a real-terms increase on the £1.7 billion we invested in the last Parliament and an increase on the £1.5 billion spent by Labour. We have made the first-ever commitment to protect maintenance spending as well at £171 million per year, adjusted for real terms. Let us remember why we have the money to invest in these flood defences. Let us remember what happened when Labour left office in 2010. The then Chief Secretary left a note saying, “I am afraid there is no money.” Labour would not have had the money to invest in flood defences, as we have. At the 2015 general election the Labour party refused to match our pledge of a six-year programme protected in real terms. It is only with a strong economy that we can afford these flood defences. It is only with a long-term plan that we will make our country resilient and give communities the protection they deserve.

4.50 pm

Richard Arkless (Dumfries and Galloway) (SNP): As the Member of Parliament for Dumfries and Galloway, a constituency badly affected by storms Desmond and
in a few moments. In relation to his mother, if she is a constituent of mine, please offer her our services to help her in any way we possibly can.

John Woodcock: What did the hon. Gentleman say about my mother?

Richard Arkless: I was politely offering the hon. Gentleman my office’s assistance if his mother has been affected by the floods, and I do so with the utmost sincerity.

The wording of the motion in relation to Scotland is as follows: it states that the House “notes with concern the recent decision...to impose a six per cent cut on funding to the Scottish Environmental Protection Agency”, yet in the last three calendar years culminating in this year there has actually been a cash increase in SEPA funding from £36.4 million in 2012-13 to £39 million in 2015-16. The 6% cut pertains to next year—to the future—and has not affected in any way Scotland’s ability to deal with the travesty of the last week or two. May I remind all colleagues that all budgets across the UK have had to stomach a cut at some level?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): I am interested to hear that the cut is for next year. Is that because the hon. Gentleman believes that there is less risk of a flood next year?

Richard Arkless: As the hon. Gentleman will be aware, our budget is set by Westminster, not by us. If he bears with me, perhaps I will enlighten him a little bit more.

I am sure that all colleagues will understand that all Departments have had to take a cut of some description since the current UK Government have had a say. The Scottish Government have attempted to protect the SEPA budget in the fairest way possible, while still endeavouring to offer immediate assistance and permanent solutions to all those who have been affected by flooding.

A further point that I should make clear is that SEPA is not responsible for flood prevention in Scotland, which is the responsibility of local authorities with the support of the Scottish Government. We believe in Scotland that local authorities are best placed to devise flood protection, and the Scottish Government will support them in any way they possibly can. Indeed, the Scottish Environment Minister told me recently that our Government have never refused funding for a flood defence on the basis of cost. Other elements of flood spending, such as on the Scottish flood forecasting service, are protected in their entirety until 2020 and will not be subject to any cuts. Good flood defence is not only about how much is spent but about how we choose to spend it.

Tom Tugendhat (Tonbridge and Malling) (Con): As a victim of the floods in 2013 in west Kent, I am extremely aware of the money that has been spent on flood defences by the British Government and around the whole UK. I am astonished to hear the hon. Gentleman claim, somewhat bizarrely, that nothing has been refused to anywhere in Scotland on the grounds of funding. Is there an enormous sack of cash into which the Scottish people can dip for money when the British people in the rest of these islands are struggling to pay for what they need?

Richard Arkless: Again, had I been given some forbearance and patience, an answer to that question might have come up soon. I beg the hon. Gentleman to stay patient.

The cuts to SEPA's budget planned for next year have to be seen in their full and proper context. The Scottish Government’s top priority is the reduction of flooding across risk areas, which was why the Scottish Parliament passed the Flood Risk Management Act 2009. One of its main requirements was the production of a flood risk management strategy for the whole of Scotland, and we now have 14 local strategies. They are all about forward planning, with the end aim of minimising flood damage. As a result of the Act, we now have 42 proposed flood defence protection schemes to cover the period 2016 to 2021. They will cost an estimated £235 million, which the Scottish Government have agreed to finance.

Under the Act, flood prevention schemes can proceed to approval without the rubber stamp of Scottish Ministers, giving local authorities full responsibility and authority to implement them under a streamlined process. We believe that those decisions should be taken locally, not least because a flood defence scheme requires significant construction in and around riverbanks, which are often the focal point of a community. Not only do engineering solutions have to be found, but buy-in from local communities is essential. Communities care about their riverbanks, and plans must take account of that. In Dumfries, there are many objections to the local council’s plan for an earth bund, which would remove car parking and views at the river. The council is now under severe pressure to ensure that the voices of local people are heard in the debate.

As part of our flood preparation in Scotland, the Scottish flood forecasting service has done an excellent job of providing reliable information to relevant authorities in good time. In actioning the Bellwin scheme, the Deputy First Minister has committed the Scottish Government to covering any additional local authority costs. As the House will understand, the scheme sets a threshold beyond which the Scottish Government guarantee to cover the costs of emergencies. Following Storm Desmond in December, the Scottish Government provided £3.94 million to the most affected local authority areas, including in my constituency, to help them support flood-hit households and businesses. That funding will go to affected local authorities as a specific grant in this financial year, and they will be able to provide each flood-affected household or business with a grant of up to £1,500, which is under review. That grant is available to reimburse people for the cost of not receiving the full benefit of services that they pay for through council tax or rates while they are absent from their home or their business cannot trade. It can also be used to protect homes and businesses against future floods by installing new flood barriers or by carrying out flood-resilient repairs.

The Scottish Government have recently legislated to give councils the power to reduce and remit bills, which can be used to target support to businesses in areas affected by flooding. The Deputy First Minister,
John Swinney, announced in the Scottish Parliament yesterday that Scottish councils have a new power to relieve households devastated in the flooding from council tax and small business rates. They are considering what further help they can give.

A few days before Christmas, Dumfries and Galloway held its breath, as weather experts indicated that the region would be the next one hit by severe flooding as a result of Storm Frank. We had witnessed the devastation caused by Storm Desmond to our neighbours and friends in Cumbria and the borders. In the first wave of flooding, Dumfries was flooded but the rest of Dumfries and Galloway managed to escape largely unscathed. We watched as Hawick, Appleby, Penrith, Carlisle, Keswick and Cockermouth, to name but a few, battled against the flow of water that was sadly insurmountable.

The predictions for Storm Frank made for worse reading and, as it approached, we prepared. SEPA and the Met Office co-ordinated information about expected rainfall in risk areas and issued details of areas and addresses to be evacuated.

Pete Wishart: Once Storm Frank had been to Dumfries and Galloway, it came further north-eastwards to Perthshire. In my constituency, I have the biggest and most extensive river system in the whole UK—the biggest flow of water in any community of the UK flows through the heart of Perth. I am sure that, like me, my hon. Friend would like to congratulate them on the work and dedication of the emergency services was probably one of the most humbling experiences of my entire life. I will touch on that before I close my remarks.

The local authorities and emergency services swung into action. Properties were knocked and evacuated, with the focus on moving the elderly and the vulnerable. Warnings of what was to come were everywhere. In particular, social media played an enormously valuable part. Posts and tweets from SEPA, the local authority, the police, the emergency services and elected Members meant that people were highly informed. In the time I spent visiting those affected, I did not hear one complaint. That co-ordinated approach meant we could all prepare as best we could.

I was incredibly impressed by the actions of all engaged in that co-ordinated response. Particular thanks go to Dumfries and Galloway Council, SEPA and all the emergency services, as well as to volunteers both on the ground and stationed at the respite centres that were set up. Without them, that co-ordinated effort and warning system, things would have been immeasurably worse.

On 30 December, we awoke to the news of the devastation. I was very concerned to hear that the high street in Newton Stewart was under more than a foot of water and that cars were submerged in car parks on the banks of the River Cree. High tide was expected at 2 pm, so I put my wellies on and drove to see it for myself. I can assure Members that there a few more surreal moments than walking up a deserted main street of a small town they know so well and seeing sandbags piled at shop entrances, wading through over a foot of water. It was bizarre.

I met a chap called Paul Da Prato from Cunningham’s in Newton Stewart. He was fighting back tears as he showed me the flooding in his properties. It was very moving. All that we could do was wait for the water to recede so the damage could be assessed. Thankfully, nobody was hurt and nobody was left stranded.

The next day, as the water receded and shop owners began to clear their premises, I was delighted that First Minister Nicola Sturgeon joined me in Newton Stewart. She spent almost three hours going from shop to shop to offer her support. I did likewise, to offer the support of my office in any way we could provide it. Although Newton Stewart—for once, ironically—grabbed the headlines, many more towns and villages in Dumfries and Galloway were affected by the flooding.

Philip Davies (Shipley) (Con): On a point of order, Madam Deputy Speaker. The third party spokesman—I highlight that the Scottish National party is the third party—has now been speaking for as long as the Minister chose to speak. What guidance was given to the third party on the length of speech it should give in a limited-time debate on an Opposition day?

Madam Deputy Speaker (Natascha Engel): I believe that the hon. Member for Dumfries and Galloway (Richard Arkless) was coming to the conclusion of his speech anyway but, as the third party, no time limit is imposed, so he is perfectly at liberty to speak for as long as he wants. Many interventions were accepted, which lengthens speeches. I will allow him to finish his speech.

Richard Arkless: In a sense, I agree with the point made by the hon. Member for Shipley (Philip Davies). This is a very energised debate—[Interruption.] And I am coming to the end of my speech, so the hon. Member for Carlisle (John Stevenson) should not have to wait too much longer.

What we have in Dumfries and Galloway—I imagine that this is replicated UK-wide—is the resilience of our people. I was struck that café owners trawled the streets, trying to give people food—but no one was hungry. I was amazed that residents affected were in competition with each other to say, “Och wur fine, Richard,” when really they were not. We should never take that resilience for granted and it should never diminish our responsibility to deal with what I think is a new problem for a new generation. The weather is not going to get any better, so we must up the ante to ensure that our communities are protected in the future.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I want to get everyone in, because I understand that we all have major problems and that flooding is a big issue. I am going to impose a four-minute limit, but I suggest that we try not to intervene so that everybody gets equal time.

5.5 pm

Nigel Adams (Selby and Ainsty) (Con): The flooding between Christmas and new year could not have come at a worse time for many residents and businesses, as
people were relaxing away from the pressures of work and several householders and business owners used the break to get away, leaving their properties unattended. They were therefore unable to defend their homes and possessions from the rainfall.

We are no strangers to flooding in Selby district. We had serious floods in 1947, 1981 and 2000 and on plenty of occasions between and since. On this occasion, I am relieved that the flood defences protected the town of Selby where, to my knowledge, not a single property was flooded. The historical village of Cawood was also spared, as its floodwalls kept the River Ouse at bay. Flood defences in Selby were not overtopped and I can only say that the way in which all the agencies responded was superb, ensuring that evacuation measures were in place should the worst happen. Residents who potentially would have to be evacuated were notified and rest centres were prepared. It is clear that plenty has been learned from previous flooding incidents.

Unfortunately, the town of Tadcaster and the villages of Ulleskelf, Kirkby Wharfe, Church Fenton, Newton Kyme, Acaster Selby and Bolton Percy were not so fortunate. In Tadcaster, 16 residential properties, 41 commercial premises and three public buildings, including the church, succumbed to flooding. Ulleskelf, where I used to live, saw 16 properties flooded, largely in the west end of the village. I thank all the volunteers there, led by Councillor Carl Clayton, whose efforts, early action and diligence without doubt prevented further homes from being flooded.

Andrew Percy: I am sorry to intervene, but I think that this is important. I congratulate my hon. Friend for what he did for his constituents. I got sick of seeing him on “Look North”—he did such a good job. Parish councils are important. In my village, when the warning came it was the volunteer emergency plan team in the village that swung into action. Do we not need to learn from that so that in future flooding incidents we encourage every village and parish to have an emergency plan in place? They can do much more than the county councillors can.

Mr Deputy Speaker: Order. I understand that the hon. Gentleman wants to get on the record, but if he wants to make a speech he should put his name in—

[Interruption.] No, do not argue. I want to treat everybody fairly and equally and that was quite a lengthy intervention.

Nigel Adams: I totally agree with my neighbour, my hon. Friend the Member for Brigg and Goole (Andrew Percy). What some of the flood wardens have done is exemplary. Many are parish councillors and we should take our hat off to them.

Church Fenton had three homes underwater adjacent to the former RAF base, and I thank the Prime Minister for joining me in visiting families affected in the village, without media coverage and the accompanying journalists. I know that that approach meant a lot to families in Church Fenton. Nearby Kirkby Wharfe saw a dozen homes affected, ironically just before a flood defence solution was about to be implemented. Even if it had been in place, however, homes would still have suffered given the sheer levels of flood water.

The town of Tadcaster, famous for its brewing heritage, its viaduct and its 300-year-old bridge has now attracted worldwide media attention. I want to take a moment to comment on the response to the flooding in Tadcaster.

I, along with more than 100 residents, attended a public meeting the day after Boxing day at which volunteers signed up to help the relief effort. Alongside the flood group, residents were fortunate to have the assistance of Team Rubicon and Serve On, a team of volunteers assisting the people of Tadcaster and the surrounding villages following the devastating impact of the flooding. Following the partial collapse of the bridge, Team Rubicon volunteers who had travelled from all over the UK assisted the Army with the evacuation of homes until the risk of gas leaks had been lifted. I should like to single out Dougie Clark, Team Rubicon’s incident commander, and his colleague David Wiseman for the leadership they provided during the response and the recovery stages. Their volunteers, working in conjunction with the town’s flood group under Nicola Eades and the town council staff, did an incredible job and their support will not be forgotten.

It is fair to say that the response to the flooding was almost exemplary. It involved the emergency services, local councils, environment agencies, charities, utilities—and yes, Government Ministers—but above all, the residents and the business community of Tadcaster and those from the wider area who came to the town’s aid. I want to mention a recent review by the North Yorkshire fire authority on the changes to fire services in Tadcaster. Perhaps this crisis will provide an opportunity for the fire authority to revisit its decision to downgrade fire services there.

As the local MP, I have seen with my own eyes acts of kindness and selflessness since the flooding that will stay with me for a long time. In fact, all the affected communities have shown incredible resilience and a community spirit that demonstrates the best of Yorkshire and the best of British. I want to take this opportunity to welcome a longer-term approach to flood defence spending and the national flood resilience review. Parts of my constituency, including Tadcaster, have a long and potentially arduous road ahead as they recover from Storm Eva, and it is crucial that we stand by their people and their businesses, and by the town, district and county councils. The Government have made a good start with their response, but this problem requires not only a short-term response but medium and long-term solutions—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I call Rachel Reeves.

5.11 pm

Rachel Reeves (Leeds West) (Lab): For many people in my constituency, Christmas was ruined by the floods that devastated homes and businesses there. On Boxing day night, the River Aire showed its tremendous force and burst its banks following days of heavy rain. Small businesses were forced to close, as was the Leeds Industrial Museum at Armley, and the Rodley Nature Reserve was badly damaged. Businesses of all sizes lost machinery, premises and stock, and workers have been laid off.

I have been deeply moved by the solidarity of local people, public service workers, civic leaders and community volunteers as they have pulled together to help those in the most urgent need and to begin the work of clearing...
The damage. I want to pay particular tribute to Leeds City Council leader, Judith Blake, and to the council staff who came out during their holidays to collect waste, clean the streets and help those who were most affected. I also want to pay particular tribute to the work of Councillor Lucinda Yeaden in Kirkstall, as well as to John Liversedge and Phil Marken of Open Source Arts. There were nearly 1,000 volunteers in Kirkstall alone over the past 10 days. Their countless acts of everyday heroism can never be individually itemised, but they made a huge difference that will be felt for years and decades to come. It is often in times of adversity that we see communities at their strongest, and I have never been so proud to be the Member of Parliament for Leeds West.

Today, I want to focus on two specific issues for the longer term: flood insurance and flood defences. Flood insurance is essential for businesses. Small businesses struggling as a result of costs and loss of revenue as they deal with the immediate aftermath of floods should not then be hit by huge unaffordable premiums in the months that follow. Flood Re will come into force in April this year and it is hugely welcome, but it will not help small businesses. It will help only people in residential properties. We must look at this again, and I urge the Government to do so. We must help those affected to get affordable insurance, and the Government should take that action.

It is also important that adequate funds are made available for resilience repair, including flood doors, air-brick seals, waterproof coatings and other measures that can help businesses to deal with future floods. Such funding must be on top of the £50 million already allocated, which should be used for immediate support such as reductions in council tax and business rates for those affected.

The second issue I want to raise is that of flood defences. The 2012 climate change risk assessment identified flooding as the top risk to the UK from climate change. The Government must wake up to the fact that extreme weather events are now an increasing feature of British weather and must reassess the cuts to flood defences.

The Prime Minister said at today’s Prime Minister’s questions that no flood defence scheme had been cancelled since he became Prime Minister. I ask the Secretary of State to correct the record, as in 2011 phases 2 and 3 of the Leeds flood defence scheme were cancelled. Phase 2, which would have covered the stretch of the Aire to the west of the city, including Kirkstall, to provide a one-in-75-year standard of protection was cancelled. Phase 3, which would have extended from Kirkstall to Newlay bridge in Horsforth, providing a one-in-200-year standard of protection, was also cancelled. More than £100-worth of flood defence schemes in Leeds alone have no funding, and only a full flood defence scheme for Leeds would protect the businesses in Kirkstall that were hit so badly on Boxing day. I welcome the fact that the Secretary of State has now agreed to meet me and other Leeds MPs, and I have never been so proud to be the Member of Parliament for Leeds West.

I, too, have some big asks to make of the Government in the limited time I have left. Clearly, we do need a review of the flood defences, and Sir James Bevan has said that that will happen. We do need a review of the drainage, gully and culvert cleaning around our constituencies to make sure that it is done properly. In pubs there is signage saying when the toilets were last cleaned, so what about having public provision for information as to when the gullies were last cleaned and when they are next going to be cleaned? That would allow the people to hold local authorities to account if they did not do this work.

Building on floodplains is absolutely bonkers. There was a famous scene on Facebook of one of the fields in my constituency, where permission had been given for 39 houses to be built—it was well underwater. We have to look for the sponges that exist throughout our constituencies so that they can take the flood waters. The extra building that is going on is insane and we need to examine that, as well as the use of woodland, which has been mentioned. The new insurance company, Flood Re, is great, but it will not cover houses built post-2009, and lots of houses have been built since then. We have to examine that, and I think the Prime Minister gave an indication that the Government are going to look at what is happening in respect of businesses, too. We have to look at the unadopted roads issue and that of dredging. For goodness’ sake, it cannot be beyond their wit to come to a conclusion as to whether dredging does or does not work, and, if it does work, to do it.

Richard Benyon (Newbury) (Con): It does not work.
5.19 pm

Mr Evans: I hear what my hon. Friend says, but we are spending £20 million over the next two years, and if dredging does clear away some of the grit and debris, there is lots more that I will ask the Minister to examine in the period I have got left, but in the meantime I just wish to say to everybody who has shown selfless humanity over the past 10 days, thank you so much.

Mr Jamie Reed (Copeland) (Lab): I will be as brief as I can to allow other Members into the debate. The impact of the floods on Cumbria cannot be overstated: homes and businesses face significant damage; schools have been closed; and roads have disintegrated, as the Minister knows only too well. The estimated cost of the damage to Cumbria has been put at £600 million, but the truth is that it is likely to be higher. The A591 from Grasmere to Keswick has become completely impassable. Parts of the carriageway have crumbled under the force of the flooding. It is a key route for many people, including those travelling to schools. The damage caused to this road has put a 35-mile additional journey on people, which is having a profound impact in terms of time, cost and everyday life.

The support announced so far by the Government is welcome, but until it translates into a new road surface it is simply not enough. The highways authority, Cumbria County Council and my constituents need the Government to be more proactive in repairing key roads and infrastructure. I asked the Secretary of State for Transport to put a timeline on the remedial work required for the A591, and his response was that it was not a matter for Government. When local government is being cut to the bone, such shrugging of the shoulders simply will not wash. It is time to show some real leadership. As I said in the Chamber yesterday, the road needs to be open before Easter, as that is a critical time for the tourist economy, particularly for Keswick and the surrounding areas.

Another result of the floods was the profound impact on healthcare services in the county. A flooding emergency should never become a health emergency, with people unable to access the services on which they rely. Cobra should not be convened every time there is significant rainfall.

The West Cumberland hospital in Whitehaven was not directly affected by flood waters, but the impact of the flooding on the Cumberland infirmary in Carlisle had profound effects on the services available to my constituents. Patients were not able to travel from the West Cumberland to Carlisle; doctors and nurses were not able to get to work; and the hospital in Carlisle was running on back-up generators, without staff, bedsheets and more. That proved, once and for all, that the sheer folly of transferring services from the West Cumberland hospital to the Cumberland infirmary in Carlisle. Heavy rain in the Lake District should not mean that patients cannot access health services, and it should not lead to international news bulletins.

In the wake of the flooding at the beginning of December, I called on the Government to create a dedicated Cumbrian infrastructure and resilience commission so that we could learn from the floods and put in place practical measures to improve defences, resilience and local infrastructure and the Government’s response to any future flooding, of which there will be more. I appreciate that since I made that call, many more communities across England, Scotland and Northern Ireland have been affected by flooding, but I would be grateful to the Minister if he undertook to write to me on this matter, because only by properly understanding, on a practical level, how and why the flooding occurred can we hope to defend ourselves better in the future.

The key issue at the heart of this debate is resources—the resources we need for flood defences, for improving community resilience and for rebuilding. It is unfathomable, therefore, that the Government are reluctant to apply for funding from the EU solidarity fund to help flood-stricken communities. International partners have contributed to an EU-wide fund to help communities hit by severe weather. The Government should commit to seeking these valuable resources from the EU fund, which was specifically set up to help flooded communities. The Government’s objective should be to help communities recover and to provide the resources they need as quickly as possible, and not to sacrifice those communities in order to save the Prime Minister’s face or assist with the internal management of the Conservative party.

Any support must reach those who need it quickly. It is all well and good announcing support, but until repairs actually start it is not much use. I hope the Minister will explain how the Government intend to get support to those who badly need it as soon as possible. My constituents have now experienced three “once in a lifetime” flooding events in the past 10 years. It will happen again, so complacency is not an option.

In Keswick and the surrounding areas, we need to look at dredging, fall-water management, bridge relocations, support for businesses, the Thirlmere reservoir and so much more. Nationally, we need comprehensively to change our approach towards flood defences, water management and community resilience.

5.24 pm

Stuart Andrew (Pudsey) (Con): My constituency is probably one of the highest constituencies in the city of Leeds, and on two sides of the valley we would probably not expect to see too much flooding. That said, on Boxing Day I foolishly agreed to do the Chevin chase, which is a 7-mile run up the Chevin and along footpaths that starts near my home. We had had constant rainfall over the preceding weeks, but as we got on to Carlton Lane I was surprised to see the levels of water. Usually there is a little trickle down Carlton Lane, but this time the full width of the road was running like a river, and on top of the Chevin it was even worse. I have never seen anything like it. I knew at that point that it was going to be bad further downstream and particularly towards the city centre.

We have had localised flooding in my area. At Guiseley retail park some shops were affected. In Horsforth, lanes were closed and the River Aire burst its banks, as it did at Rodley. Even though the localised flooding was bad, it was much worse further downriver in the constituency of the hon. Member for Leeds West (Rachel Reeves). As we know, the River Aire was at 3.5 metres. My retail parks were affected and I hope that the services that my constituents use along the busy A65, and all the trains going into Leeds and Bradford were cancelled.
There has been much talk recently of the Leeds flood defence scheme, and it is clear that we must get this right and look at it properly. I was pleased to join my fellow MPs from the city, cross-party, in asking for a meeting with my right hon. Friend the Secretary of State, and I was grateful yesterday to hear her commitment that we will have defences and that she will meet us. However, we must make sure that we get it right. We cannot afford for a major economic driver in Yorkshire to be at risk and for these poor people to go through such things again.

It is also important to ensure that we get it right further downstream. In communities further down the line, such as Elmet and Rothwell and Brigg and Goole, we need to make sure that there are no unintended consequences. Upstream, what we do in areas like mine will have a knock-on effect. I have raised on many occasions my concern about plans to build on the green belt. The council is planning to build more than 70,000 homes, which means that we need to find the sites for them. In my constituency, we have built on the brownfield sites and now we have only the green belt to look at, and some of those sites are flooding now. The Ings Lane site, where 300 houses are proposed to be built, looked like a lake. In the Wills Gill gate area, where hundreds of houses are proposed, it was exactly the same picture. In Horsford, over 700 houses are being built on the field between the A65 and the River Aire. If we are going to build there, we need to be sure that we know where that water is going to go.

As Jennifer Kirkby, the chair of the neighbourhood forum said, the council needs to think about how the whole city works, not build on floodplains, and we need to listen to the experience of local people. Another constituent said to me that we need to be a lot smarter about the concept of mitigation of run-on from these developments, because it is not just about rates of run-off but volume. Otherwise people further down the river will be severely affected. I hope that we will learn from the experiences that we have suffered in Leeds, across Yorkshire, and across the country.

In conclusion, I pay tribute to all the people at Leeds City Council, to the volunteers, to the businesses, and indeed to Ministers, who took the time to contact us all, and to Leeds Community Foundation for setting up an appeal that I hope people will support to help people in Leeds.

5.28 pm

Simon Danczuk (Rochdale) (Ind): It is a pleasure to follow the hon. Member for Pudsey (Stuart Andrew). I am very grateful that this debate is taking place, not only because my constituency suffered heavily from the floods, which inflicted much pain on many people throughout Rochdale, Littleborough and Milnrow.

As alarming as the floods have been, I have never been more proud to represent Rochdale after I witnessed the response to them. The people of Rochdale have done an absolutely incredible job in very difficult circumstances. I pay tribute to the outstanding compassion and commitment of volunteers and council staff. To name but a few examples, St Barnabas church at Shore did an excellent job as a hub where people could come together; the landlord at The Wheatsheaf pub in Littleborough was absolutely amazing; and I even pay tribute to the Conservative club in Littleborough, which acted as a great hub within the village to which many people came on many occasions. The Asian Muslim community and the mosques, in particular, right across Rochdale, did a sterling job in helping and assisting people. We even had a team of Syrian refugees out there filling sandbags to help the community, particularly in Littleborough.

I want to make a few brief points. The £50 million that the Chancellor made available is very welcome, but there are questions about how quickly it was given to local authorities. Richard Farnell, the leader of Rochdale Borough Council, did a sterling job in directing the local authority to help people, but he raised concerns that the Treasury might have delayed the Department for Communities and Local Government getting the money out there. I want the Minister to consider that. There are also questions about what that money can be used for. Can it be used for any purpose or only for certain purposes? Some clarity would be welcome.

Rochdale Borough Council did an excellent job in making £500 payments available to local residents and in cancelling council tax and business rates for businesses where appropriate, but I am still concerned about support for business. The idea of grants of £5,000 is fine for very small businesses, but the costs incurred by larger employers—such as Better Dreams Ltd in my constituency, which employs 80 people—run not into the thousands, but into the hundreds of thousands, and they are unable to get insurance. The Government and local authorities need to think again about how we help larger employers when they are adversely affected.

I want the Minister to consider one final point that has been raised with me: what support is available for councils to put right the damage to infrastructure, including roads, bridges and parks?

5.31 pm

John Stevenson (Carlisle) (Con): First, may I reiterate my thanks to not only the emergency services, but the families, friends, neighbours and communities who did so much during the floods to help the people of my constituency who were directly and, indeed, indirectly affected? I was also very pleased that the Prime Minister came to Carlisle immediately after the initial floods to see the issues for himself. That certainly set the tone within Government, and I fully recognise that Ministers have been up to Cumbria on a regular basis and have been very supportive, helpful and proactive in their response. I want to give particular mention to the floods Minister, my parliamentary neighbour the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart), who has been extremely busy both as a Minister and in his own constituency.

I can only speak from my own experience of what the Government have done. I wrote to the Prime Minister immediately after the event, asking for support for the Cumbria Community Foundation. The Chancellor announced that the Government would give matched funding of £1 million, which has subsequently been increased to £2 million. I am very pleased that the foundation has also managed to raise £2 million itself, so we will have at least £4 million to help many families and individuals who have experienced great difficulties.

The Government have also introduced the Bellwin scheme, which is at 100%, not 85%, and announced £50 million to improve properties for future flood resilience.
and prevention; £5 million to support affected businesses; £40 million for transport infrastructure; and, of course, rate relief for both residential and business properties.

My office is already actively dealing with a number of queries from constituents as a result of the floods, which have had three principal effects on Carlisle. First, more than 2,000 residential properties have been affected—many, sadly, for the second time—but people have proved remarkably resilient and determined, and they are committed to getting back into their homes as quickly as possible. Secondly, it is vital that businesses recover as quickly as they can and get back up and trading, and that economic confidence returns to our city as soon as possible. Thirdly, education is often the forgotten sector, but three secondary schools and 3,000 pupils were affected, with one of those schools facing long-term issues. I am therefore very pleased that the Secretary of State for Education will visit, and I am grateful for her Department’s proactive support in responding to my calls for assistance.

A more long-term approach needs to be taken to the issue of flooding. The impact of flooding policy will affect many future Parliaments and Governments of different political colours. We should therefore consider long-term solutions, policies and initiatives to help our communities. The Government have already started that work with a six-year budget, and I welcome the announcement of a new Cumbrian floods partnership, which will consider all possible improvements to flood defences and flood prevention in Cumbria. Clearly, we need to look at all aspects—flood defences, prevention and resilience—and accept that there is no one solution for the whole country. Each area needs to be considered on an individual basis.

As for today’s motion, I have to say that I am disappointed with the Opposition’s approach. It would have been far better had they been more constructive and recognised that no policy or flood scheme is perfect and that there is a limit to the amount of resource that can be spent. Cumbria is a prime example of that.

Under the last Labour Government, £50 million was spent on flood defences. Some of the defences worked and some did not. Was that the fault of the Labour Government? Let us have a constructive debate about the future of floods policy and do the right thing for our constituents.

5.34 pm

Holly Lynch (Halifax) (Lab): On Boxing day, my constituency of Halifax and the neighbouring Calder Valley constituency were devastated by Storm Eva. I echo the sentiments that we have heard expressed around the Chamber and thank the council officers, emergency services and armies of volunteers who committed their time and effort over the Christmas period and selflessly came to help with the clean-up. Most of the volunteers were local, but some came from much further afield to play their part. Their staggering generosity and compassion allowed us to make a great deal of progress in the hours and days immediately after the floods. We are eternally grateful to them.

Early on in the crisis, Calderdale Council established community hubs in the affected areas from which the efforts could be co-ordinated. Christ church in Sowerby Bridge, which is run by Angela, the reverend canon, and her warden, served the community with distinction. My staff gave up part of their Christmas break to help me open a temporary parliamentary office out of Christ church to liaise with the relevant agencies and offer support and advice to victims where we could. I thank them for their time.

The hubs served as a point where donations could be dropped off. Had it not been for the efforts of the volunteers at Christ church in organising and distributing the donations, the church would literally have been overwhelmed with the cleaning products, food, toiletries and clothes donated by individuals and businesses to assist the flood victims. Because there was such a huge response to the call for donations of clothes, the local authority has opened a pop-up charity shop in Halifax town centre, where the excess clothes donations are being sold. The money raised is going to the community foundation fund for the flood victims, which the Government have agreed to match.

I turn to the impact on residential properties. There are a number of old mills and factories along the River Calder, which are a reminder of our days as a textile powerhouse. Many of those buildings have been converted into apartments. I met residents who lived in some of the ground-floor apartments, where every room was flooded. They lost everything from the white goods in their kitchen to the clothes in their wardrobe. I spoke to one resident who had been informed only days before the flood that his insurance would not be renewed because of his proximity to the river. He had been unable to resolve the situation before the floods wiped him out on Boxing day.

I visited businesses, some of which are big employers in my constituency, that had never been flooded before. The cost and devastation that have been caused by being flooded just once mean that they are thinking long and hard about whether they want to rebuild in the same premises. The shadow Secretary of State for Environment, Food and Rural Affairs joined me on a visit to Pulman Steel, which was visited twice by the Chancellor in the run-up to the 2010 and 2015 general elections. It is faced with having to refit its factory completely and is battling hard to be up and trading again at full strength as soon as possible.

Today, I have written to the Chancellor, inviting him to make a return visit to Pulman Steel. From his previous visits, he will know that it is a supplier to a number of key northern powerhouse infrastructure projects, so it is of strategic importance to the north and beyond that it operates at full strength as quickly as possible. I ask for his support in getting it there. It is essential for the local economy that we remain an attractive place for businesses to operate. We need to ensure that they have the specialist support they require to get back on their feet as soon as possible.

With regard to the damage to infrastructure in our area, I thank the Secretary of State for her comments yesterday about Elland bridge and its national significance. I am keen not to reduce this debate to one exclusively about funding because a comprehensive strategy to combat the effects of floods needs to be about changing attitudes towards the environment and climate change, as much as anything else. Having said that, I am mindful that a change in attitudes alone will not rebuild our damaged bridge or repair our highways in the short term.
Craig Whittaker (Calder Valley) (Con): Let us be clear that the floods that hit Yorkshire on Boxing Day have brought untold misery and suffering to a record number of people, not to mention the devastation to homes, businesses, communities and, of course, infrastructure. In the Calder valley, almost 2,100 homes have been flooded, 1,500 businesses have been flooded, four schools have been closed, three bridges have been lost and there has been record damage to roads and infrastructure. An initial estimate of the cost to the borough of Calderdale is about £16 million.

For all the misery and suffering, the community spirit has been absolutely amazing: neighbours helping neighbours, communities from all over the country coming to the Calder valley in their hundreds to try to make the pain and suffering a little more palatable. A special mention has to go to the Calder Valley flood support group, the Hebden Bridge community association, the Todmorden town hall group, the Mytholmroyd community group and the Community Foundation for Calderdale. In conjunction with Calderdale Borough Council, which did a sterling job, they organised volunteers, clean-ups, food, drink, household clear-outs, plumbers, gas men, cellar pumping, roofers and just about any task one could imagine. There are too many individual stars to mention, but they know who they are. Let us not forget the flood wardens. One in particular I will mention is Keith Crabtree. He worked solidly for 48 hours, went home and had three hours’ sleep, and then came back straight to it. The model we have in the Calder valley—we have been flooded before—is one that can be used as a good beacon model around the country.

I also have to mention the Secretary of State and her whole team. Their response has been rapid and absolutely spot on. There were visits by the Secretary of State and the Chancellor of the Duchy of Lancaster. They were followed by a visit by the Floods Minister, my hon. Friend the Member for Penrith and The Border (Rory Stewart), who I must praise. He must have seen an incredible number of communities—I think nearly 60—over the course of the whole Christmas period. Well done that man.

On the back of those visits and the constant phone calls, we got an emergency relief package of £12 million for Calderdale. The Chancellor, as has been said, is matching up to £2 million in donations and providing an immediate £40 million for flood defence repairs in Yorkshire. As the hon. Member for Halifax (Holly Lynch) mentioned, Elland bridge has been classified as a national priority by the Secretary of State. That is a great package to start, delivered in record time, which will help to make the pain and suffering a little more palatable going forward. However, it must not stop there. In the Calder valley we saw the completion in 2015 of the £30 million three-phase flood defences in Todmorden, but we need a much quicker turnaround from the Environment Agency. Three-and-a-half years after the last floods, we are still waiting for a flood defence model for both Hebden Bridge and Mytholmroyd. It says it will have a £15 million shortfall in funding, even with the partnership model.

I would like to ask four very quick questions. The Secretary of State has said several times that the schemes for Mytholmroyd and Hebden Bridge are in the pipeline, but there is the £15 million shortfall. Will she tell us where the money will come from? The pledge to rebuild Elland bridge is a national priority. May we have an assurance that this will be fully funded? Of the £40 million pledged for flood defences and repairs, we know that £10 million is going to the River Foss in York. How do other areas tap into that fund? That is not clear at all. Finally, we need money for our schools. In particular, Todmorden High School did not receive the money pledged last time. Can we please have a look at that, too?

Sue Hayman (Workington) (Lab): Three key areas of concern have been raised repeatedly by my constituents with regard to the recent flooding. I would like to consider each one briefly in turn.

First is the controversial issue of dredging our rivers, and the damage to the farmland that lies next to riverbanks and to the riverbanks themselves. In Cumbria, we have huge quantities of gravel that wash down from the fells. In former times, parishes and landowners were expected to keep the watercourses clear of gravel and silt. Since this regular management has stopped, local residents and farmers tell me that not only has this raised the height of the rivers but that bridges have huge deposits of gravel around them. This restricts the flow of the rivers. There are also huge deposits of gravel on the farmland next to the rivers. I recently visited a farmer in Papcastle, near Cockermouth, who after the previous floods had spent £35,000 clearing his fields. He now faces exactly the same situation. He is faced again with the same tasks, but with increased costs.

Secondly, on planning and development, we have to stop building on floodplains and consider the potential impact of all proposed developments on other properties. In Dearham, I visited properties that had never flooded before, and across the beck at the back of them was a new housing development, while in Cockermouth, a development at Strawberry How is strongly opposed by local people, in part because it would straddle a zone 2 flood area, the Tom Rudd beck.

The third and most important issue has been raised already: insurance. I welcome Flood Re, which is designed to improve the availability and affordability of insurance for home owners, but it does not include businesses or leasehold properties. We must consider urgently how to provide adequate cover in these areas, especially the lack of support for businesses, particularly small businesses. Business flood claims tend to be for loss of trade, which can be significant, and the consequences for small businesses, some of which might not be able to get insurance after the latest floods, can be catastrophic. The number of bankruptcies will increase and businesses will close. If we do not do something to support small businesses with flood insurance, we risk losing beautiful, independent high streets, such as Cockermouth main street, forever, because only large national chains will be able to afford to trade there. We cannot allow this to happen. The Association of British Insurers has made some interesting suggestions for supporting small businesses with flood insurance, and I urge the Minister to consider them seriously.

Finally, I want to make one small point. Many businesses in Cockermouth were only allowed to make an insurance claim if they chucked away all their stock, whether it
on those points, I am sure my constituents would be very grateful for it, rather than for a party political spat about who spent what and when and what was cancelled and when. It is what we do from now on that seems to me to be the most important thing.

I echo the point made by the hon. Member for Workington (Sue Hayman) and my hon. Friend the Member for Pudsey (Stuart Andrew) that we cannot carry on building houses on floodplains and then complain when they all get flooded.

Finally, let me reiterate the point I put to the Prime Minister earlier today about the overseas aid budget. There seems to be a limitless amount of money going in overseas aid to help communities abroad when they suffer great tragic events such as flooding. Well, our communities suffered in just the same way as the communities in other countries did, and they expect the same level of financial support. Some £500,000 was spent on a flood alleviation scheme in the Caribbean that helped one person. We want some of that money spent here to help our people—and I make no apology for requesting it.

5.51 pm

Greg Mulholland (Leeds North West) (LD): Let me start by sending out our sympathy and empathy with the people affected by these devastating floods in Yorkshire, Lancashire, Cumbria and Scotland. I had the experience in my own constituency of seeing about 50 homes flooded in Otley, and farmland along lower Wharfedale between Otley Pool and Arthington was flooded, leading to the very sad sight of sheep being washed down the stream, unable to escape the floods.

I want to pay my own and my party’s tribute to the police, fire and rescue services, the ambulance service, mountain rescue, the armed forces and council workers who have helped, and I particularly want to join those paying tribute to the amazing community spirit shown by the many volunteers who came out in my area and other areas around the country to assist by offering shelter when the flooding happened and subsequently with the clear-up.

We saw a magnificent response in Otley from a huge number of people. Mel Metcalfe organised clear-ups and was helped by the Featherstone brothers. Ben Featherstone worked with me and a fantastic team of retained firefighters from Otley fire station to pump out water from under homes. Niki Taylor and the Wharfe Valley appeal fund raised more than £4,300, with £1,000 of that coming from the Otley Lions. The team at B&TS Building Supplies provided free sandbags and offered free home carpets to people who were not insured for flooding, while electricians and gas workers, including Chris Higgins, Brian Wise and Jon Kilmartin, were helping residents for nothing. It was an absolutely amazing response.

The damage has been huge, with an estimate by KPMG of £5.8 billion across the UK, while for the north of England, PricewaterhouseCoopers suggest it could breach £1.5 billion. We need to look back to the decision to cancel the £180 million or £190 million Leeds flood alleviation scheme in 2011—something that I, as a Leeds MP, strongly opposed. The then DEFRA Minister, the hon. Member for Newbury (Richard Benyon) who I see in his place, said that it was “a Rolls-Royce” scheme “where a reasonably priced family car might serve some of the purpose.”
Sadly, he was wrong at the time; we needed a better scheme, and now we are paying the price. The damage done to Leeds by not having a scheme is considerably more than it would have cost.

There were extraordinary front pages and editorials in both the Yorkshire Post and the Yorkshire Evening Post. The damning editorial in the former on 27 December said:

“Mr Cameron needs to remember that Yorkshire and the North will not become an economic powerhouse if left to the mercy of ‘unprecedented’ weather events because past and present governments failed to invest in adequate flood defences and contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning. The Prime Minister should be aware that the cost of inaction is greater expense in the long-term, and even contingency planning.

I hope that will happen.

Let me echo a point that was made earlier. The plans to build on floodplains, green fields and green-belt sites, in Leeds and in other areas, suggest that we need a rethink of the planning deregulation that the Government are backing, and Leeds City Council’s plan to build in such areas. Ultimately, of course, we also need to do more about flood alleviation, on the River Wear and also on the River Wharfe, in my constituency. I look forward to speaking to Ministers about both those issues. We must also tackle climate change, but some of the Government’s decisions have moved in the opposite direction.

5.55 pm

Richard Benyon (Newbury) (Con): I refer Members to my entry in the Register of Members’ Financial Interests.

Flooding events are miserable experiences for households, and for businessmen and women. Many other Members have, like me, waded through the stench of a flooded home. In 2007, 3,000 homes in my constituency were flooded, and there have been many flooding events since. When I had the current Minister’s job, I had the miserable experience of witnessing events similar to those that have occurred recently.

When flooding events happen, many good things happen as well. As we heard earlier today, communities come together and there is great heroism. Flood defences work, and properties are protected. Emergency services are brave and stoic, save lives and do great work. However, there is also a tradition of stupid things being said and, occasionally, stupid things being done. We must be careful not to take a short-term view when flooding events occur.

One of the great knee-jerk reactions among many commentators—including, I am afraid, some Members of Parliament—is to say that the panacea for all flooding events is dredging. Admittedly, on some rare occasions it works. For instance, I have visited the constituency of the hon. Member for Workington (Sue Hayman), and I know that improving river beds in such areas may well be the right thing to do. However, we could spend all the budgets that any Government would ever have on dredging rivers such as the Thames, and within two years they would be back where they were because of the way the silt moves down them.

If we want to improve the rivers, we must consider wider catchment issues such as land use management. We should bear in mind the extent to which farming has changed in recent years. If we look at a map of the Bristol channel two years ago, when all the excitement was going on around the Somerset levels, we see a large proportion of Somerset being washed into the channel in a plume of silt. That was caused by farming practices higher up, not in the area where the flooding was taking place.

There is an enormous amount of historical revisionism. I want to say a little about the Leeds scheme, because, as was pointed out by the hon. Member for Leeds North West (Greg Mulholland), I was the Minister in the Department for Environment, Food and Rural Affairs at the time. That was an over-engineered scheme. The right hon. Member for Leeds Central (Hilary Benn), and a number of other local politicians from all parties, came to DEFRA when I was there, and we discussed the scheme at great length. If my hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) were here, he would say that it would have been a disaster if it had been built at that stage, because it would have jetted water through Leeds into communities in his constituency.

We managed to convince people that a smaller scheme could work, and I gather that it is now being constructed and will protect a large number of properties. The other scheme, however, would have eaten into the budget of whoever was in government, and taken flood defences away from other communities which are represented in the Chamber today. Other Members’ constituencies would have been flooded. It is important for us to prioritise flood spending very carefully.

I believe that there is now a good opportunity for us to consider how we should address flooding in the very long term. Integrated catchment management schemes need to be thought through, involving agriculture, forestry, planning, water framework directive implementation, and the way in which we manage our uplands. We need to look again at the funding and investment models that we have used in the past, and at the economic assumptions that have been made. We need to ensure that the 5 million homes that are at risk in this country are represented here as well.

5.59 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Last month was the wettest December on record in Wales, where we suffered the greatest amount of rain anywhere in the UK. In Pen Llyn it has rained, and this is not anecdotal, every day since the end of October, and homes and businesses across my constituency have suffered flooding.

I note the announcement by the Labour First Minister that funding of £3.3 million has been identified to help communities in Wales to recover from the effects of flooding. That comes, however, against the backdrop of the Welsh Government’s decision to cut the funding to Natural Resources Wales by almost 7%—something that the motion neglects to mention, interestingly enough. Although capital spending on flood defences is welcome, this cannot make good in itself for the long-term attraction in revenue funding. Have the Government considered whether the £2.3 billion announced for flood defences at the spending review can in any way justify 15% day-to-day departmental budget cuts?

When the culverts are blocked by detritus swept down by unprecedented rainfall, what is needed is someone on call at short notice to clear them out. What will it
take for the Government to appreciate that such public sector jobs are necessary in a functioning society that safeguards its citizens?

The Royal Institution of Chartered Surveyors has called for farmers in Wales and the north to be paid to plant trees and maintain areas to soak up water.

**Jim Shannon** (Strangford) (DUP): Upland farmers and farmers in general have a great knowledge of the land, the weather and what happens. Is it not time that the DEFRA Minister took on board the experience and knowledge of farmers to ensure that some of the ideas they have to solve the flooding problems actually happen? They are ignored because they are not engineers, but they should be taken on board because they have the knowledge.

**Liz Saville Roberts**: Indeed. As we have heard, there is an expectation on upland farmers and communities to play their part. They are ideally placed to do so and they are willing to help to address the flooding threat. None the less, planting trees needs to be a tailored response as befits a catchment-specific solution. It should not be just another capital project, a quick-fix panacea, which negates the need for environmentally sensitive dredging and other measures where they are seen to be appropriate. It is impossible in Wales to forget the environmental and social damage caused to our uplands by past initiatives to plant trees, initiatives that often resulted in vast monocultures of conifer plantations.

According to Gwenallt in his poem “Rhydcymerau”,

“Coed lle bu ffermydd, Fforest lle bu cymdogaeth, which means

“Trees where was once a neighbourhood
A forest where there were farms.”

Although slowing the upstream flow of water is a critical part of flood management into the future, environmental planning needs to be sensitive to the natural and working habitats of upland Wales and other upland areas. I also propose that safeguarding green areas and additional tree planting in towns and cities would help to soak up heavy rainfall.

Furthermore, I urge the Government to reconsider their continued reluctance to access EU solidarity funds in relation to flooding. If they are content to carry on doing so in England, so be it, although I note that many people here would like them to change their opinion. In relation to Wales, if they do not reconsider, they should at least allow the Welsh Government to access the funds, or consult and apply on behalf of the Welsh Government, as this Government is the member state. That would alleviate problems in Wales.

Lastly, I point out that the UK Government are able to mobilise the Army, yet devolved Governments cannot mobilise the Army and its help, except in extreme circumstances, as it is a reserved matter. The UK Government should revisit that matter and implement a function whereby devolved Governments can mobilise the Army to assist in such circumstances. I also note that basing Welsh regiments in Wales might be a good starting point to be able to do that.

**Kwasi Kwarteng** (Spelthorne) (Con): I am obliged to you, Mr Deputy Speaker, for calling me in the debate. Two years ago, my constituency saw some of the worst flooding witnessed in that area since 1947. I regret to say that there was a fatality. A seven-year-old boy, Zane Gbangbola, was killed as a consequence of the flooding. The inquest into his death is going to be held next week. For two years, his parents have barely managed to get over that appalling loss.

My experience and that of my constituents was that Ministers were responsive. There was a commitment to spend money on flood defences, and generally there was a feeling that Government and governmental bodies—the ambulance service, the fire service, the police—responded reasonably well. Luckily, in the past few weeks, we have not been affected by the flooding that has ravaged so many parts of the country, particularly in the north, but we are always alert. We are always watching in case the rivers rise to a level at which homes are endangered.

Reflecting what others have said about flooding, I have seen many homes that have been flooded. I went to one in my constituency with the Prime Minister. There is nothing more inconveniencing or more depressing than being flooded out of one’s own home. In many cases, even now, two years after the appalling floods of 2014, people still have not returned to their homes.

**Dr Tania Mathias** (Twickenham) (Con): I appreciate my hon. Friend giving way. Does he agree that in his constituency, like mine, we know that the response to flooding may be good, but constituents in our areas are concerned about prevention and action on prevention?

**Kwasi Kwarteng**: My hon. Friend is right. The steps that the Government have taken towards preventing flooding in our areas in the Thames valley have been impressive. There has been a commitment to a flood defence scheme. Obviously, more could be done. Discussions are being held about funding and about the balance—how much should be contributed by central Government and how much by local government. That is a legitimate debate.

I am glad about the spirit in which much of this debate has taken place. It is not a good arena for a party political slanging match, which was set up by the motion. I am pleased to see that the course of the debate has not reflected the partisan and highly opportunistic nature of the motion.

One of the other things we have to bear in mind as legislators and as representatives of constituents right through this county is the long-term plan to try and deal with the phenomenon. For whatever reason, we have seen much more flooding in the past 10 or 15 years than was the case in the preceding 50 years. The Government owe it to everyone in this House and to our constituents to have a robust plan to deal with flooding and with a range of natural occurrences on a much more strategic basis, with much more long-term planning. We do not want to be in a situation where, whenever flooding occurs, we rush to have a debate, to recriminate and to urge the Government to spend more money.

It is easy for politicians to say that we should spend more money. I totally understand that that is a human thing to want to do, to make sure that our defences are
adequately resourced and that we are spending money effectively to meet a problem, but we have to recognise that we are still borrowing £1.4 billion a week. It is good that the Secretary of state is mindful of her obligation to balance the books as well as to provide relief.

6.9 pm

Mary Creagh (Wakefield) (Lab): May I begin by paying tribute to the council workers, police, fire officers, Environment Agency staff and the Army who sacrificed Christmas with their families to protect other people’s families in the grip of flooding? May I pay particular tribute to the Penny Appeal, a charity based in my constituency which, with boxer Amir Khan, brought much needed biryani to Cumbria and the lake district before Christmas?

We know flooding is the greatest risk that climate change poses to our country. Those are not my words; they are the words of the Committee on Climate Change. The 2015 national security risk assessment says that flood risk is a tier 1 priority risk alongside terrorism and cyber-attacks, so I want to look at the Government’s record on flood defence spending, outline the impact of flooding in my constituency and look to future resilience.

The 2007 floods were the largest civil emergency since world war two. Tragically, 13 people lost their lives and 40,000 homes were flooded, 1,800 in Wakefield. The Labour Government commissioned Sir Michael Pitt to ensure the lessons of those floods were learned, and his key recommendation was that flood defence spending should rise by more than inflation each year. We acted on that recommendation, and in three years flood defence spending rose from £500 million in 2007 to £670 million in 2010. As Labour’s shadow Environment Secretary from 2010 to 2013, I watched in horror as the coalition Government cut flood defence spending by nearly £100 million in 2010—a 27% cut in capital funding.

I asked the House of Commons Library to research what the impact of that decision was over the last five years. It calculated that, had spending continued as Pitt recommended from that 2010 baseline, flood defence spending should have been £3.468 billion over the last 5 years, but under the coalition Government it has been just £3.228 billion. That is a flood defence funding gap over those five years of £240 million.

Despite what colleagues on the Conservative Benches are saying, the consequences of that funding gap are stark. In Leeds, the UK’s third largest city, a planned flood defence scheme was cancelled in 2011. That scheme covered the Kirkstall area of the city, which was under water two weeks ago. We have a smaller scheme that will be ready in 2017 and will only protect against a one-in-75-year flood, not the one-in-200-year event under the original plan. So when the Prime Minister said at Prime Minister’s questions today that no flood defence schemes were cancelled, he was wrong.

There is a north-south divide when it comes to funding to deal with flooding. The annual budgets of northern metropolitan councils have been disproportionately cut. Cuts to Wakefield council alone between 2011 and 2016 are predicted to reach £149 million. Maintenance of highways and bridges and drain and gully clearance have all had to be cut—invisible cuts but very visible when the waters rise.

I am very pleased that after the 2007 floods I got £15 million for flood defences in Wakefield. Thanks to that investment we were not impacted by these recent floods, but flooding did hit a number of houses and businesses in Calder Vale and Horbury Bridge. When I visited them on Saturday, people told me they were concerned about the availability and affordability of flood insurance, and they were not claiming on their insurance because they were worried they would not be able to get insurance in the future—and some were simply uninsured.

The deal, or statement of principles, we had with the insurance industry was based on flood defence spending rising by more than inflation each year, as recommended by Sir Michael Pitt. The new scheme does not cover businesses or homes built after 2009. This needs to be looked at urgently.

If flooding is a part of a national security risk, we need to see the resilience review the Minister is going to undertake, reporting to the Intelligence and Security Committee.

6.13 pm

Andrew Percy (Brigg and Goole) (Con): When I stood up to my knees in flooding back in 2007, it never dawned on me to try to make politics out of the flood victims in my area; it never dawned on me to make reference to the cuts in flood defence budgets by the then Labour Government; it never dawned on me to make reference to the advice they were given in 2000, after the floods that also devastated my area, on what they should spend, which they roundly ignored. I always thought of the flooding primarily as a human issue rather than a political one, so the wording of today’s motion is disappointing.

As somebody who was born and bred in my area and who is very proud of my area, it is also disappointing constantly to be told by Opposition Members, most of whom only appeared in Yorkshire when they won the nomination for a Labour constituency, that there is a north-south divide and we are in some way being badly done by. That is not helpful; it is all about creating bitterness and division, when really we should be trying to have a sensible debate.

I was disappointed, too, by the comments of the hon. Member for Wakefield (Mary Creagh) with regard to the flood scheme in Leeds. I do not know the details, but I live further down the River Aire, just 15 feet from the river at the point where it meets the River Ouse. In the lower catchment, we are aware that many of the flood defence schemes that have been put forward in the past would have pushed the water further down on to other communities. There has been a strategy of getting water from the upper catchment to the lower catchment as quickly as possible.

A number of tidal rivers—the Aire, the Ouse and the Trent, and the Dutch river, as we call it, which is known as the River Don elsewhere—meet in my area at the point where they hit the Humber. The strategy of moving water from the upper catchment to the lower catchment as quickly as possible is a real danger to people in our area, and also to some of those further along in the middle and upper catchments. I welcome what the Secretary of State and the Under-Secretary have said about the need for wholesale catchment reviews. We must not look at schemes in isolation but must consider the impact that they will have further down.
My area was very badly affected by the tidal surge in 2013. More people were flooded out in my constituency than in the whole of Somerset, and I believe more than in the whole of southern England. We were hit by floods in Goole in 2010 and 2011, and we were hit in 2007 and 2008 and were on flood warnings again this time. Thanks to investment, the river defences fortunately held, but we are repeatedly hit in my area. As I said in interventions, we must change the whole way in which we address flood defence funding in this country.

Under the last Government, as under the current one, flood defence funding peaked after an event and then fell. The Labour Government cut flood defence funding before the massive 2007 floods, which devastated more homes in Yorkshire than the flooding we have just had. It then went up again, then was reduced, then spiked to a record high post-2013. All Governments have been guilty of that, and we have to change it.

I again make the pitch I have made on numerous occasions. In our area, we drain 20% of all England and we are at extreme risk of flooding. We flood repeatedly, and it has got to end. We need the special strategy for the Humber that the Secretary of State has committed to, which I welcome, but what people in my area really need—I say this as somebody who was born and bred there and is proud of it—is not politics but cross-party consensus to be made out of flood victims so that we do not have the devastation we have seen too many times in my area.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am going to reduce the time limit to three minutes to give everybody equal time.

6.17 pm

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): Many communities, families and businesses in my constituency have been affected by the recent flooding caused by Storm Frank and the persistent rain in the days following it. The worst of the flooding has been in Deeside. In Ballater, many residents had to be evacuated from their homes, and cars and other possessions were washed away. The 16th-century Abergeldie castle, not far from Balmoral, now teeters on the edge of the River Dee after land between it and the river was swept away, and work to save that historic building is going on as I speak.

Braemar was also badly affected, and for a while was completely cut off from the east, with no accessible roads, no phone lines and no internet. In Aboyne this has already been the wettest January on record, and it is only 6 January. Further down the Dee, Corbie hall, which is used by a number of groups including the Maryculter Rainbows, Brownies and Guides, was completely overcome by water, and the shed in which equipment was kept was swept downriver. Farmers have also been badly affected, and the suddenness of some of the flooding meant that some lost large numbers of livestock.

Unfortunately it is still raining, so residents across Deeside are bracing themselves for further flooding. I am sure Members will join me in sending our thoughts and sympathies to my constituents at this time.

At this difficult time, I must also pay tribute to the emergency services, Braemar mountain rescue, the community off-road transport action group and the coastguard, which all worked tirelessly over Hogmanay and into the new year to assist those in immediate danger. Tribute must also been paid to Aberdeenshire Council and SSE engineers, who have been working hard to co-ordinate clean-up efforts and restore power to homes that have been flooded.

The greatest tribute, however, must be paid to the volunteers. Among all the loss and devastation, we have seen the very best in people, with communities across Deeside and in Aberdeenshire more widely coming together to assist those affected by flooding. Whether that has been through donations of food, essentials, dehumidifiers and heaters, through offers of free services or through driving many miles to get sandbags, it has been fantastic to see. The Hope Floats Facebook page has more than 5,000 members, many of whom have been actively involved in volunteering or giving donations. Furthermore, the Ballater Charitable Chieft JustGiving page has raised more than £20,000.

The Scottish Government are providing money for flood-hit communities to allow local authorities to help businesses with their business rates and to relieve council tax payers of their council tax bills, but those affected by floods will want to know all the assistance available. That is why I again urge the Government to make an application to the EU solidarity fund. When I asked the Secretary of State about that yesterday, she said that it could take more than seven months to get the money. For communities facing the impact of the flooding, that money will still be useful seven months down the road. It is worth noting that the EU solidarity fund website states:

“Emergency measures may be financed retroactively from day one of the disaster.”

6.20 pm

Robert Jenrick (Newark) (Con): I am fortunate that my Newark constituency has not been seriously flooded in this winter’s flooding, but it has been among the worst-flooded of any constituency in the country over the past few years. Forty towns and villages in my constituency have been flooded in the past three years alone, including the beautiful cathedral town of Southwell, which was devastated in 2013. More homes were flooded in that small town than were flooded in all the Somerset levels in 2014. Some residents are still not home.

As other hon. Members have said, being flooded is not only a terrible inconvenience, but can be an individual tragedy. Some of those tragedies do not become apparent until sometime later. I have met constituents whose elderly parents were rescued from their homes by the emergency services and taken elsewhere, very confused and scared, and died in temporary accommodation or nursing homes, having never returned to their own homes. Essentially, their lives were washed away by the floods.

Some good things have undoubtedly come out of the floods, particularly in Southwell, which I hope gives a glimmer of hope to other communities. That community was brought together wonderfully by those events. A very important and award-winning flood forum was founded.
In the short time I have, may I make three observations drawn from our experiences in Nottinghamshire? As this is an Opposition day debate, inevitably a blame game crops up, but the Secretary of State and more recently the Minister could not have been more helpful to my communities. They have had the greatest and most helpful can-do attitude. Together, we have begun to achieve quite a lot for those communities.

My first point is that we need a more local approach to prevention and maintenance, as well as to the implementation of new flood protection schemes. In communities such as Southwell where there are superb flood forums, I ask the Secretary of State please to make use of them in her flood review and gain the benefit of their experiences. I ask her to make small amounts of money available to them. They need that money immediately to create websites and fliers and so on. Those are invaluable. Where we have those groups and they do such a good job, I ask her to use them and not simply to rely on the Environment Agency and such large, often excruciatingly slow, organisations. We should use those forums and the internal drainage boards. I heard from someone or other in the Labour party over the winter that IDBs are hopeless and out of touch, and that they are dominated by biased landowners. The opposite is true in my area: the Trent valley IDB is superb.

Secondly, I ask the Secretary of State please to use local people so that we can use public money better. This debate should be about getting value for money for the taxpayer, rather than simply about the quantities.

My last point in the dying seconds that I have available is this: we need to explain to the public that many people will be flooded—

**Mr Deputy Speaker (Mr Lindsay Hoyle): Order.**

6.23 pm

**Barry Gardiner** (Brent North) (Lab): The hon. Member for Newark (Robert Jenrick) said that we should not play a blame game. The floods were unprecedented, but they were not unpredicted. It is the job of the official Opposition to hold the Government to account. We have listened to hon. Members backslapping in the Chamber this afternoon, saying, “We have learnt the lessons. We have seen the damage.” That is not the point. The point is that this is a national tragedy that, according to KPMG, is likely to cost the country £5 billion, £2 billion of which will simply repair the existing defences and restore them to their pre-flood inadequate level. Twelve years of the entire 2014 maintenance budget of £1.71 billion will be squandered. So, follow the money. In the last full year of the Labour Government we spent £633.1 million in cash, £703.4 million at 2015-16 prices.

**Rory Stewart:** Will the hon. Gentleman please expand on where this £2 billion figure for repairing flood defences comes from? I have no recognition of the figure whatsoever.

**Barry Gardiner:** It comes from KPMG.

In 2010-11, we spent £670.1 million in cash, £724.4 million in today’s prices. In no year since then did this Government exceed that in either cash or real terms until last year, when they put in emergency funding of £140 million to repair the damage done by the 2013-14 floods. Without that emergency money, the budgeted figure was only £662.6 million. Again, that figure is lower. If the Minister wants to check where it comes from, I can tell him that it comes from his own DEFRA figures on his own website. That emergency money cannot be equated with normal maintenance. We are talking of wholesale repairs, rebuilding bridges and floodwalls after they have been destroyed. Most people would say that when someone repaints the windows of their house or repoints the chimney stack that is maintenance, but when a bulldozer slams into their living room that is a disaster. Only this Government appear to count the rebuilding of the living room as normal maintenance. It is not. That is the con trick—the smoke and mirrors that the Government are using. Instead of congratulating themselves on spending that money in the first and only year in which they spent more than we did in 2010-11, the Government should be apologising for cutting the programme so badly.

In 2014, the Government’s long-term investment scenarios report recommended an optimum overall investment—the Secretary of State was right to point out that it was an overall investment—of £750 million to £800 million a year. If that were to be achieved, the Government would need to spend £417 million a year on maintenance, which is also in her report. That adds up to a £2.5 billion gap in flood defence spending between 2015 and 2021, exactly as my hon. Friend the shadow Secretary of State said.

Grouse moors and sheep farming lead water to run straight off hills into populated valleys. Burning back heather reduces areas of peat and the ground’s ability to retain water. Climate change affects how much rain falls and how much water ends up in our towns and cities. That is our problem. We need catchment management and we absolutely need to see what the Natural Capital Committee will do and what it will advise the Government, but we must take on board the fact that land can no longer ignore the public good that it must provide. The grousing moor economy brings £100 million a year into this country, but its cost is incalculable. The Minister must take note and sort this out.

6.27 pm

**Rachael Maskell** (York Central) (Lab/Co-op): I praise people across York for the generosity that they have shown over this Christmas period, as well as the businesses that have given so much to help with the clear-up operation and the recovery. However, it would be a dereliction of my duty if I did not ask the difficult questions that result from the crisis. I have pages upon pages of concerns from constituents to which I am trying to seek answers.

We have been able to establish that the risk that the Foss barrier would fail was known. It was understood through successive reports over many years that the capacity of the pumps at the barrier could not match the challenges of climate change and the volume of water coming down the River Foss. That has now been established as fact through the Environment Agency and reports from the local authority, but questions remain. Why was the barrier not upgraded sooner when its capacity was known for more than 12 years? Why were there only two mechanisms to operate the pump and why have no steps been taken to raise the level of the
electrics in the nearly 30 years since the barrier was established? York needs answers to those questions and I trust that we will hear them later.

Today, I also want to focus on the additional help needed now by families and businesses who have experienced devastation this Christmas. As I have gone door to door, I have seen the damage and smelled the rancid waters, but £50 barely touches the initial costs that families face now. Many will not be able to claim the £5,000, but the £50 for people without insurance barely buys them anything. Many people in my constituency have only the clothes that they stand up in, and £50 will not go far enough. They are too poor to buy insurance. What additional resources will the Minister make available to the poorest people in my community? To do nothing is not acceptable, and they cannot rely on charity.

The Traveller community in my constituency lost everything, including their homes. The rescue operation did not happen among that community, and I want to know what additional support will be provided for Travellers. Victims of poverty and flooding should have a Government who will not abandon them in their time of need or leave them to rely on charity. They need a Government who will take action. I also want to know how the Government will support businesses more. I want a guarantee that the Government will seek to prevent businesses from going into administration, as many in my constituency are likely to do. Finally, the local authority plans in York did not work well on the ground, and I would like an external audit of those plans to ensure that they will be efficient and effective when the need arises.

6.30 pm

Liz McInnes (Heywood and Middleton) (Lab): Just a few weeks ago, on 15 December 2015, we spoke in this Chamber about the devastating effects of Storm Desmond in Cumbria. Sadly, we are now here again debating the aftermath of Storms Eva and Frank and the devastation that has been wrought in Lancashire, Yorkshire, Greater Manchester and Scotland, along with many other areas in the north. During that debate on Storm Desmond, I welcomed the announcement of a national flood resilience review to assess our infrastructure, with particular reference to electricity substations. I mentioned that because many areas of Lancashire, including the hospitals, many homes and businesses and the university, suffered from long power cuts caused by unforeseen flood damage at a substation in Lancaster. I made the case for electricity substations to be better protected from flooding, to avoid disruption to our healthcare, education and business institutions.

Unfortunately, on Boxing day, my constituency was battered by Storm Eva. Roads were flooded, people’s homes were damaged and a 20-foot sinkhole opened up on the M62, causing massive disruption to travellers on Boxing day. Rochdale town centre was also hit extremely badly by the unprecedented rainfall. One major issue affecting my constituency was a prolonged loss of power, again caused by flood damage to an electricity substation. Around 20,000 homes in the borough of Rochdale lost power, and Electricity North West worked day and night to try to restore services. Again, this has emphasised the importance of adequate defences for our power stations and of a properly funded flood defence policy, with the north getting its fair share.

I would like to use my final minute to pay tribute to our emergency services, whose response over the holiday period was incredible. Two days before Christmas, I visited Heywood firefighters to wish them well for the festive season, not quite anticipating what was in store for them. Heywood fire station is one of only two Greater Manchester fire service stations that has a water rescue unit and firefighters who are fully trained in its use. The water rescue unit was deployed to help with the widespread flooding in areas of Greater Manchester, and its response was magnificent. However, those same firefighters are extremely concerned about further cuts to their services. They are worried that there may come a point when they simply do not have the workforce to be able to deploy their specialist vehicles. It is all very well having the latest kit, but without sufficient numbers of firefighters to operate it, that kit becomes redundant. Finally, it will come as no surprise to the Secretary of State that I again call for the creation of a statutory duty on the fire and rescue service to respond to flooding.

Tom Elliott (Fermanagh and South Tyrone) (UUP): The hon. Member for Spelthorne (Kwasi Kwarteng) spoke earlier of a fatality in his constituency two years ago. I had a fatality in my constituency last month, when Mr Ivan Vaughan’s car was trapped in a flood. It appears that he got out of the car and was washed away. Sadly, he died.

Questions have been asked today about whether dredging works or not. Yesterday, the hon. Member for Taunton Deane (Rebecca Pow) said that the flood prevention programme following the devastating flooding in Somerset in 2013-14 was working and that dredging was proving effective. I know that the hon. Member for Newbury (Richard Benyon) indicated earlier that he was less enthusiastic about dredging, but certainly in my constituency in Northern Ireland we need further dredging, and I have been campaigning for that in Lough Erne. I know the Secretary of State and the Minister will say that that is a devolved issue, and I accept that, but the Electricity Supply Board and the Republic of Ireland Government have a role, and therefore so, too, do the UK Government; this is a four-party agreement. There are aspects that this Government need to look at.

We have had a dispute here today about finances, and about who is right and who is wrong, some of it between the Opposition and the Government, and some of it between the Labour party and the Scottish National party. I do not want to get into that argument, but I do know that there is a serious difference between the compensation or the money available to homeowners who have been affected in Northern Ireland compared with the money available here in England. Here, it is up to £5,000 for businesses and homeowners, whereas in Northern Ireland it is only up to £1,000, and that is limited to homeowners.

I asked yesterday about the Barnett consequentials. I know that the Secretary of State said that it was a devolved issue for Northern Ireland, but if additional money is going into flood defences and repairs in England, surely the devolved institutions of Northern Ireland,
Scotland and Wales are entitled to the Barnett consequentials of that. I would like a specific answer on that aspect, just to see whether that can boost the support and help that we and the devolved institutions receive.

6.36 pm

Richard Burgon (Leeds East) (Lab): More than 2,000 homes and up to 400 businesses in Leeds were hit by the floods, but what a fantastic, heroic job the emergency services, public sector workers and local volunteers did in Leeds, as they did around the country. Locally, we still await estimates of the financial cost of the flooding, but we know that in human terms it has hit people and businesses hard. We need to ensure that Leeds residents and businesses are properly protected, and we need an urgent review to put in place changes that prevent it from happening again.

Five years ago, the Environment Agency estimated that 3,000 properties in Leeds were at risk and that a major flood of the River Aire could cause £500 million of damage in Leeds city centre alone. Five years ago, given the estimates of the scale of the potential cost of flooding in Leeds, it proposed a £180 million flood defence plan, designed to deliver protection against a one-in-200-year flood event—the Government rejected it. Why? It was because of spending cuts. My Leeds East predecessor, George Mudie, raised concerns about the risk of flooding at that time—half a decade ago—as did Councillor Richard Lewis, Leeds City Council’s executive member for development, who condemned the Government as “short-sighted”.

We are now halfway through the construction of the smaller Leeds flood alleviation scheme, which is designed to deliver flood protection against a one-in-75-year event. That itself will now undoubtedly need repair work, and the Government review, working with Leeds City Council, must consider the following: whether the scheme, if it had been completed, would have been sufficient to prevent flooding in the city centre; whether it would have helped in any way in Kirkstall; whether it will be sufficient to protect against future floods; and whether that one-in-75-year figure is still appropriate and, if not, what further funding is needed for improved defences.

I welcome the fact that my hon. Friend the Member for Leeds West (Rachel Reeves) is seeking a meeting for Leeds MPs and council representatives with the Minister, and I hope we can have that soon. My right hon. Friend the Leader of the Opposition asked the Prime Minister three times today whether he would commit to funding fully plans to give the whole of Leeds the protection that we need, and three times the Prime Minister failed to give a clear answer. People in Leeds and people across the country deserve better.

Neil Parish (Tiverton and Honiton) (Con) rose—

Mr Speaker: Very briefly, Mr Neil Parish.

6.39 pm

Neil Parish (Tiverton and Honiton) (Con): May I thank the Secretary of State, the Prime Minister and the floods Minister for all the work they have done on the flooding in the north of England? We now need a fundamental review on floods, as they are occurring more often. In the past, there may have been a flood every 25 years or 50 years, but now there is one every five years or 10 years. The frequency may be down to climate change or it could be part of a pattern, but something is fundamentally wrong.

We must ensure that internal drainage boards have more powers, so that more can be done locally and that more dredging can be done. We must also learn the lessons from Somerset, where large pumps were brought in from the Netherlands. If we need pumps, let us move them around the country and ensure that we can pump out all the water. Rivers close to the sea and inland rivers are very flat and silty and tend to need dredging.

My hon. Friend the Member for Newark (Robert Jenrick) was quite right to say that chalk streams and rivers do not need the same amount of dredging.

We must also look at land management. At the moment, farmers are given compensation only when there is a loss of earnings. We need to look at that land and say, “Why don’t you farm that land in a way that allows you to have an income from it?” I am talking about planting trees or retaining water in the peat. Farmers might then view managing flood protection in a much more positive way. If we can put all these things in place, we could slow down the amount of flooding that is happening, but if we have 13 inches of rain in 36 hours, it is very difficult for any flood protection scheme to protect everybody.

What the people of Cumbria were absolutely certain about today when they attended an Environment, Food and Rural Affairs Committee was that they have all worked so well together and that their communities and their emergency services have performed well. They were delighted that Ministers had turned out to support their local communities. It is essential that we work together to change what is happening and to put enough money in place.

I plead with the Chancellor to view flood protection as very much part of our infrastructure. If we are to build infrastructure, we need to protect it from inland floods and the sea. We need look only at the Netherlands to see that if we want to protect the country, we need sea and coastal protection. These floods have been a wake-up call.

My very final point is that if we look at the amount of spending on flood protection, we will see that it began very slowly during the last Labour Government, but then it started to rain and the flood money went up, and the same happened under the previous Government. Now we are seeing a bit of tit for tat between the Government and the Opposition, but what this Government need to do is put together a package that will ensure that we have the right funds in place to protect us.

6.42 pm

Alex Cunningham (Stockton North) (Lab): We have heard already that David Rooke, deputy chief executive of the Environment Agency, recently called for a “complete rethink” in our approach to flooding. I could not agree more. More than an entire month’s rainfall fell in a single day on one Saturday in early December, resulting in many of the main rivers across Cumbria exceeding their highest levels ever recorded. As my hon. Friend the Member for Bristol East (Kerry McCarthy) said, the Government appear to have been caught short by the changing weather.
The extensive flooding that followed at the end of December and into the new year across Cumbria as well as in Lancashire, Yorkshire, north-east England and throughout much of Scotland confirmed that building higher walls will not, on its own, provide the protection that our towns and cities need. There are thousands, if not tens of thousands, of people in the north of the country and in Scotland who have seen with their own eyes the evidence that the Government have not done enough. We should not overlook how sick they are of the Government’s excuses. Let us not forget that areas of Cumbria assessed as having a one-in-100 years’ chance of such flooding have experienced these events three times in the past decade.

Similarly, people are tired of the frantic efforts to persuade the public that spending is greater now than it was under the previous coalition and Labour Governments that went before them. As my hon friend highlighted, the Government are constantly chipping away at the three-quarters of capital spending by 2011 and spending actually increased, by 27% between 2007 and 2008 and 2009 and 2010, reaching £633 million, with £766 million budgeted for in 2010-11. What was the Prime Minister’s first action on flood defences when he came to power in 2010? Yes, he handed out a £96 million cut in the budget, leaving the Government lagging behind thereafter and struggling to keep pace. According to the House of Commons Library, subsequent years’ spending was hundreds of millions below what the Environment Agency said it needed, even when the extra millions in response to the tragic floods in Somerset are considered. The Secretary of State said earlier that others have contributed to make up the difference. I ask the Minister who has made these contributions and how much have they contributed to the overall budget.

While money was no object for the Prime Minister a couple of years ago, it does seem to be an object now. As we have heard from hon. Friends, on three separate occasions today he refused to confirm that he will fund the full Leeds flood defence scheme. The hon. Member for Newbury (Richard Benyon) told us that that project had been over-engineered, but we still need action, and we need it now. The Prime Minister has no excuse for the failure to act on the upgrading of the Foss barrier several years ago, yet he seemed pleased with himself today when he said that the work is now being tendered—little consolation for those who saw the waters invade their homes.

The Government are even less enthusiastic about revealing precisely how much of the capital spending is simply maintaining existing flood defences at their current level without providing increased protection. As the Committee on Climate Change has identified and the events of recent weeks have confirmed, the impacts of a changing climate will see defences that might otherwise provide protection against a one-in-100-year flood provide a much lower level of protection, risking their being overtopped more frequently.

Hon. Members on both sides of the House have spoken on a number of different issues. There has been much praise for volunteers, local authority workers, the military, and the Environment Agency. A great example came from my hon. Friend the Member for Halifax (Holly Lynch), who talked about the pop-up charity shop providing goods but also raising cash for victims. All this is Britain at its best.

I am glad that the hon. Member for Selby and Ainsty (Nigel Adams) talked about the small communities affected, because many of them feel abandoned. I am looking forward to my meeting with the Minister, I believe next week, to talk about the proposals to help smaller communities. My hon. Friend the Member for Leeds West (Rachel Reeves) talked about the River Aire and spoke of businesses ruined. Sometimes we forget that jobs are lost as a direct result of these things, with machinery ruined and insurance protection not really in existence.

The hon. Member for Ribble Valley (Mr Evans) spoke of a field under flood where planning permission has already been granted for more housing development. I wonder what mitigation is in place for the houses that are going to be built there and on the other floodplains where housing has permission to be built. My hon. Friend the Member for Workington (Sue Hayman) also spoke about floodplain development, as well as insurance, which was covered by other Members.

I was interested to hear my hon. Friend the Member for Copeland (Mr Reed) talk about the threat to health services in Cumbria—we know how remote places there can be. He also mentioned the potential damage to the oncoming tourist season. It is not just people’s holidays that are going to be lost, but people’s livelihoods as well.

My hon. Friend the Member for Brent North (Barry Gardiner) referred to Members saying how great the response had been, and it was, but the spending on that response has been counted as maintenance whereas in fact it was repairing damage.

As I argued in the House during the debate on the Housing and Planning Bill only yesterday, we need measures aimed at prevention as well as at defence. The havoc and devastation that have engulfed vast swathes of the northern regions is testament to that, underlining the need for in-built resilience when new developments are planned and constructed. The Minister for Housing and Planning said that sufficient legislation is in place, yet we continue to see planning permissions for floodplain development and no real requirement on developers to build into their schemes the measures needed in the immediate and longer term.

The commitment from the Secretary of State to revisit the modelling used by the Environment Agency and to review its fitness for purpose off the back of these repeated unprecedented weather events, as well as to a national flood resilience review that will update worst-case-scenario planning, is welcome, if not overdue. What are the timescales for this review? When can we expect some outcomes and some news?

**Elizabeth Truss:** This summer.
Alex Cunningham: Well, this summer is better than next year.

I offer this challenge: what happened to the innovative thinking of the previous Labour Government who left office in 2010 and who had accepted the recommendations of the Pitt review that would have seen much greater resilience of this kind? Let us take, for instance, the catchment management plans within the Flood and Water Management Act 2010. Despite giving the Environment Agency responsibility for building an understanding of current and future flooding risk, and informing policies for managing this risk within the catchment area, those plans were axed post-2010 as the agency’s funding was cut. The Secretary of State spoke about this, and I hope the Minister will tell us a little more. What thought has been given to changing the incentives for farmers and landowners in river catchment areas, particularly in the upper reaches of river catchments, which play a key role in determining flood risk?

I need to wind up now. It is time to recognise that our rivers, streams and watercourses are natural infrastructure assets, and the Treasury and others have to treat them in the same way as motorways, trunk roads and other infrastructure if we are going to build resilience into the future.

6.50 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): May I begin by paying tribute to the debate, which has been very detailed and serious and has properly reflected the fact that this has been a very unusual and very complex situation? The hon. Member for Stockton North (Alex Cunningham) talked about the unprecedented nature of the rainfall. As has been said repeatedly, every kind of record has been broken, including those for rainfall in 24 and 48 hours and that for rainfall in a month.

As right hon. and hon. Members across the House have emphasised, it has been the most extraordinary and horrendous experience for people. I pay tribute to the hon. Member for York Central (Rachael Maskell) for highlighting the impact on the Traveller community in York Central, who are among thousands of people affected—we now know that more than 12,000 separate homes were affected by this extraordinary experience.

The emergency services have been astonishing. The hon. Member for Leeds North West (Greg Mulholland) has paid tribute to the fire and rescue service. We should also pay tribute to the police gold commanders and the sergeant’s and policemen standing on the streets, in the rain, day in, day out, securing the safety of communities, and to the Army, from the company sergeant-major standing in the streets of Appleby and the 100 men clearing out houses, to the commanding officer of the Light Dragoons working his way up and down the Calder valley. We also note the work of the Environment Agency and people such as Adrian and Phil, who struggled with the problems with electricity to the Foss barrier, and, as my hon. Friend the Member for Shipley (Philip Davies) has said, the actions of councils up and down the country. The council response has been fantastic.

The hon. Members for Rochdale (Simon Danczuk) and for Wakefield (Mary Creagh) paid tribute to the Muslim communities, which in their different way have contributed, as have the Sikh and Hindu communities. In the constituency of my hon. Friend the Member for Carlisle (John Stevenson), I saw church representatives out with hot cross buns at 4.30 in the morning. We also note the sea cadets standing up to their waists in rain water, as well as mountain rescue, the boats and Team Rubicon, which was mentioned by my hon. Friend the Member for Selby and Ainsty (Nigel Adams). Moreover, as my hon. Friend the Member for Ribble Valley (Mr Evans) has pointed out, we also note the thousands of anonymous members of the public who got out of their cars and then continued on their journeys.

I also want to take a small moment to pay tribute to Members of Parliament themselves. On that first evening, I saw the hon. Member for Workington (Sue Hayman) out on the streets of Cockermouth. I saw the hon. Member for Copeland (Mr Reed) raised the issue in respect of insurance, which we are dealing with along with the Association of British Insurers.

I also pay tribute to the Flood Forecasting Centre and the work done by the Met Office, which gave us the important warning. That was also central for our colleagues in the devolved Administrations. The floods in 1953-54 killed 450 people, and one of the reasons we have been more fortunate this time is that we have the warning systems in place.

In the short time available to me, I want to touch on some of the issues raised by right hon. and hon. Members in relation to recovery. Elland bridge was mentioned by my hon. Friend the Member for Calder Valley (Craig Whittaker) and the hon. Member for Halifax (Holly Lynch). I reassure them that we are working very hard, particularly on the telecoms challenges in relation to that bridge. My hon. Friend the Member for Selby and Ainsty raised the issue of Tadcaster bridge. I reassure him that we have been able to get Ballour Beatty to work for the next three days. We have located a temporary footbridge, which will be put in place.

The hon. Member for Copeland (Mr Reed) raised the issue of the A591. For the first time ever, Highways England has agreed to take over, from beginning to end, the project management of a county council road, and it will deliver that in the quickest time possible.

The hon. Member for Heywood and Middleton (Liz McInnes) mentioned the challenges with regard to electricity. My hon. Friend the Member for Carlisle and for Calder Valley raised the challenges for schools. I am pleased that the Secretary of State for Education will be there to deal with those issues herself. My hon. Friend the Member for Shipley mentioned household grants and the hon. Member for Rochdale raised some of the challenges for businesses. I am pleased that the Minister for Small Business, Industry and Enterprise, who is in her place, is addressing that problem directly. The hon. Member for Workington mentioned insurance, which we are dealing with alongside the Association of British Insurers.

I want to set all the other issues in context in the very limited time available. Whether, like the many right hon. and hon. Members from Leeds, we are talking about specific defences; fairness in other parts of the country, as was raised by the hon. Member for Dumfries and...
Finally, this debate is about localism. It is about local knowledge. Every scheme and every response needs to respond to local knowledge. In one community it might be about dredging, in another it might be about a pump, in another community it will be about the clearing of trees and in another it will be about upland storage. We need to look at what we are doing with forestry and what we are doing with peatland restoration. We need to understand that some schemes take 25 or 50 years to succeed, but that they should be undertaken nevertheless.

As the Secretary of State said, we need to start the 25-year planning now.

Whatever our other disagreements, this country has responded very well to the emergency nature of the floods. There has been a good emergency response in Scotland, a good emergency response in Wales, a good emergency response in Northern Ireland and, I believe, a good emergency response in England. The only way in which we can go forward is with the utmost seriousness—seriousness about science, seriousness about evidence and seriousness about the formulas we use to allocate the funding in a way that is fair to the entire United Kingdom. If we get that determination correct, I believe that we can move forward with the humility and seriousness about the formulas we use to allocate the funding in a way that is fair to the entire United Kingdom.

Whatever our other disagreements, this country has responded very well to the emergency nature of the floods. There has been a good emergency response in Scotland, a good emergency response in Wales, a good emergency response in Northern Ireland and, I believe, a good emergency response in England. The only way in which we can go forward is with the utmost seriousness—seriousness about science, seriousness about evidence and seriousness about the formulas we use to allocate the funding in a way that is fair to the entire United Kingdom. If we get that determination correct, I believe that we can move forward with the humility and seriousness about the formulas we use to allocate the funding in a way that is fair to the entire United Kingdom.

These decisions cannot be made through party politics. The resources must be allocated on the basis of flood risk, the number of households that will be protected, the position of those households on the deprivation index, the businesses that will be affected, the agriculture that will be affected, and the impacts on productivity, infrastructure and electricity. Those issues of cost and complexity will be central to the debate.

Barry Gardiner: Will the hon. Gentleman give way?

Rory Stewart: I am afraid that I have only a minute and a half to go, but I am happy to continue the discussion with well-informed Members such as the hon. Gentleman.

Perhaps a hundred different arguments have been raised in the House today, but to come to a close, there seem to be four main conclusions to be drawn from this debate. The first is that in an emergency situation, we must, above all, act decisively. We must think big and we must think early. It was very important that the Environment Agency moved 85% of its assets up immediately. The Cobra meeting was held on 23 December, even when there was uncertainty about the floods, to deal with an issue that would come up on Boxing day. The military deployed immediately.

The second thing to be taken from the debate is the importance of understanding and compassion. This can become a technocratic debate about numbers, but it is really about the horror that is experienced in individual households. Our ability to listen to those households will be central to our ability to go forward.

The third lesson from this debate is one of humility. We are dealing with extraordinary issues of climate and uncertainty. We are breaking records in a way that has never been seen before in this country. There needs to be a joint cross-party response that is not limited to this House, but that reaches out to the very best scientists, commentators, experts and members of the Environment Agency who are available to deal with the challenge.
Flooding

Tellers for the Ayes:
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Nandy, Lisa
Onn, Melanie
Osamor, Kate
Peace, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Shah, Naz
Sharma, Mr Virendra
Sherriff, Paula
Shuker, Mr Gavin
 Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Mr Robert
Smith, Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, Mr John
Starmer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, Mr Michael
Tami, Mark
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twig, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Watson, Mr Tom
West, Catherine
Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Vicky Foxcroft and Angela Rayner

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cambichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehan
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Mims
Davies, Philip
Dinenage, Caroline
Donelan, Michelle
Donnes, Nadine
Double, Steve
Dowden, Oliver
Drex, Richard
Drummond, Mrs Flick

Flooding

Tellers for the NOES:
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Mr Nigel
Everett, rh Mr David
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garner, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hail, Luke
Hammond, Stephen
Hancock, rh Matthew
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Holloobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
7.13 pm

Mrs Caroline Spelman (Meriden) (Con): This petition declares that healthcare professionals under investigation for negligence should not be able to work in either the NHS or the private sector until disciplinary procedures have concluded satisfactorily. More than 1,000 women underwent inappropriate breast cancer surgery, and while many NHS patients have already been compensated, those treated in the private sector have been caught up in protracted litigation during which time some have sadly passed away.

The petition would require every insurance company to provide affordable cover for every aspect of healthcare professionals’ work, including where it is found to be negligent, and those under investigation would be suspended until the complaint had been fully resolved.

Following is the full text of the petition:

[The petition of residents of the UK, declares that private healthcare patients have less access to adequate redress and compensation following negligent treatment in comparison to NHS patients; further that insurance companies can withdraw cover from healthcare professionals who are alleged to have breached the terms of the insurance policy; and further that healthcare professionals under investigation for negligence should not be able to work in either the NHS or the private sector until the disciplinary proceedings have concluded to the satisfaction of the General Medical Council and patient or patients concerned and, in case of fatalities, the patients’ families.]

The petitioners therefore ask the House of Commons to legislate to require insurance companies to provide affordable cover for every aspect of healthcare professionals’ work including in cases where the work was found to be negligent, and for all healthcare professionals under investigation for negligence to be suspended until the complaint has been fully resolved.

And the petitioners remain, etc.]
Park and Ride Scheme on Bathampton Meadows

7.14 pm

Mr Jacob Rees-Mogg (North East Somerset) (Con): The petition reads as follows:

The petition of residents of the UK,
Declares that Bathampton Meadows are an area of cultural and historical importance; further that the proposed park and ride scheme on Bathampton Meadows will negatively affect the local landscape; further that the plans will negatively impact local tourism; and further than an online petition on this matter was signed by over 6,000 petitioners.

The petitioners therefore request that the House of Commons urges Bath and North East Somerset Council to withdraw plans to build a park and ride scheme on Bathampton Meadows.

And the petitioners remain, etc.

Susan Elan Jones (Clwyd South) (Lab): On a point of order, Mr Speaker. A couple of hours ago I was informed by email that HSBC was proposing to close branches in Ruabon and in Chirk, which is in my constituency. We have, of course, seen many such bank closures, especially since the Government changed their policy of working with banks to keep the last branch in every community open. Can you tell me, Mr Speaker, whether any Minister has proposed to come to the House to discuss that change in policy?

Mr Speaker: I am sorry to disappoint the hon. Lady, but I must advise her that no Minister has given notice to me of an intention to make a statement to the House about the matter. However, the hon. Lady is herself a notably dexterous and versatile Member who is very familiar with the arsenal of weapons that is available to her so that she can raise matters of concern, one of which weapons she has just deployed by means of an ingenious but entirely bogus point of order. She will therefore know that she can continue to pursue the matter through questions, and possibly through debates. I have a keen hunch that she will pursue the course of action that I have recommended.

Vauxhall Bus Station

Motion made, and Question proposed, That this House do now adjourn.—(Julian Smith.)

7.17 pm

Kate Hoey (Vauxhall) (Lab): I am pleased to have this opportunity to bring to the attention of the House and the Minister the anger that is felt by my constituents, and by many other people in a much wider area, about the plans of Transport for London and Lambeth Council to demolish Vauxhall bus station. It is also an opportunity for me to express publicly our concern about the series of misleading statements about the matter that are currently on the TfL website, and, indeed, to raise widely the view of, I believe, thousands of people that TfL consultations are clever exercises which do not give the public an opportunity to answer the real question, but are designed to give the answer that is wanted by TfL.

In London, 2014 was celebrated as a year of the bus, but now, in 2016, there seems to have been a cultural change in both City Hall and TfL from championing bus passengers to scrapping bus lanes. We are seeing more and more buses being forced into general traffic lanes, slower journey times, frequencies being cut, and, now, the incredible decision to demolish Vauxhall bus station.

Just 15 years ago, Arup Associates won a public competition to build a new bus station within the gyratory. The commissioning statement from TfL said that the purpose was “to create a coherent and efficient interchange for bus, rail and Underground users...to promote the use of public transport” and to be “a landmark structure to enhance the local environment and amenity.”

Less than 12 years ago, the bus station was completed at a cost of £4.5 million, and was opened by Ken Livingstone. It was immediately hailed by architects and public transport users as inspired. Jonathan Glancey, The Guardian’s architectural correspondent, said that it was “a trumpet blast”, but that what made it “so special is the fact that it is localised...the Vauxhall bus station does show what can be done as public transport in London is taken increasingly seriously...it points to a new ambition, however crudely expressed by politicians, to make London’s public transport system among the finest in the world.”

That was 12 years ago.

By the way, the ski-slope roof is not just a gesture. It is studded with photovoltaic cells which, angled towards the sun, help to generate electricity for the station’s lighting.

At the time, those who had used the previous dreadful facilities expressed their delight. Peter Hendy, then in charge of TfL, said then that “The Vauxhall Cross interchange has been an ambitious project for TfL. For passengers at Vauxhall Cross, changing between bus, rail and Tube had been difficult for a long time.”

The view was that following the changes the interchange would “provide easier access to, and transfer between, bus, Tube and rail services”.

I want to mention some key facts. Vauxhall is the second busiest interchange in London, after Victoria.
Fiona Mactaggart (Slough) (Lab): I have a home just the other side of Vauxhall bus station from Westminster. Twelve years ago, when it was being built, there was a big hole in the road, and people who lived at the other end of Wandsworth road were unable to escape south London. If TfL is to knock the bus station down, I fear that again people across south-west and southern London will be cut off from the centre of London for months.

Kate Hoey: I thank my right hon. Friend for that intervention. That is another important reason why the whole scheme is so ridiculous.

Vauxhall is the second busiest interchange in London, after Victoria. It is used by 2,000 buses per day. Nearly one in four of London’s buses use the station. It serves 14 bus routes, 11 of which are daytime routes. Three routes offer a 24-hour service. The three night routes are used frequently by many of the LGBT community who visit the clubs in that area. Every day, 712 Victoria line tube trains and 739 mainline trains go through Vauxhall. It really is a hub. Forty-five thousand commuters go through it each day. The largest group by far are bus users, who include the most vulnerable—the old, disabled people, parents with young children—all of whom make disproportionate use of buses because of the ease of access and frequent stops. Many change from bus to bus at Vauxhall. Others change from the tube or the train. Getting the bus interchange right is crucial to keeping traffic moving across a wide area of central and south London.

So where does the proposal to demolish the bus station come from? It did not originate from TfL. It was first made public in Lambeth Council’s draft supplementary planning document way back in 2012. That talked about looking at replacing the bus station with “a series of relocated bus stops.”

In November 2013, in the local plan, the council stated that it wanted to work “towards the removal of the gyratory. At the outset this will involve remodelling the bus station so that the canopy is removed and bus stops and stands are relocated to allow for the introduction of the high street”.

That intention was repeated in presentations time after time. In 2014, there were initial consultations. Now, finally, TfL is consulting on a scheme that looks at getting rid of the gyratory. However, it claims that to do that the bus station must be removed. Artists’ impressions, but no detailed designs, of the plans for the bus station show a series of bus stops around two or more high-density, multi-storey commercial developments.

Interestingly, the Secretary of State’s inspector, reporting on the Lambeth local plan submission in 2015, concluded that it should be reworded so that it stated that removal of the gyratory “may” be necessary, not “will” be necessary. Although we understand that Lambeth has accepted the inspector’s changes, that has not been published on the website. Lambeth is obviously trying to disregard that change of emphasis.

A majority of people, including local residents, agree that replacing the one-way roads—the gyratory—at Vauxhall is desirable. But that does not mean they want the bus station to go. They have never been asked whether they want it to go. A local community group, Our Vauxhall, which includes local architects and traffic engineers as well as residents, has produced an ambitious plan for the area which goes much further than the one put forward by Lambeth and TfL. Its plan has been enthusiastically backed by local residents, including at well-attended public meetings that heard repeated demands to keep the bus station.

TfL obviously wants to rubbish Our Vauxhall’s plan. TfL put all sorts of wrong things on the website about it. It has tried to pretend that it has modelled the scheme. We know it has not. It has stated that it would not work, without giving any reasons. It has just done what it assumes it can get away with—that is, say what it wants to say and people will have to go along with it.

On 19 December, TfL published a statement about the scheme claiming to have done a comprehensive review. That contained some blatantly false and misleading statements that are now subject to a formal complaint. We have raised the matter with the Transport Commissioner and Leon Daniels. I am confident that in a straight competition Our Vauxhall’s plans would outperform TfL’s on a range of measures, including overall road safety and total distance travelled. They would also be much cheaper and quicker to implement and would avoid some of the issues that my right hon. Friend raised.

So what does TfL or Lambeth get out of abolishing the bus station? The proposal seems to be linked to the huge developments at Nine Elms and plans for the Northern line extension to Battersea and Nine Elms. Lambeth used the opportunity of the Northern line extension to negotiate a deal with TfL which culminated in an agreement about Vauxhall’s redevelopment in November 2013. Lots of discussions have been going on about that.

TfL is a landowner in the area. The consultation does not include any new commercial development over and above what is needed to support the transport interchange. If any further development is proposed in the future, it would be subject to planning permission. That is what TfL says. Londoners, including local residents, are being asked to accept a pig in a poke—“Agree to the plans to demolish the bus station and then we’ll show you what our plans involve.” TfL wants to get rid of this fine facility just to free up the land for some unspecified private development.

What do bus passengers get out of Transport for London’s plan? What is being proposed is not a new bus station. That is perhaps the most shocking part of the whole exercise. There will be bus stops on pavements in four separate locations. Half the buses will stop at the side of heavily used main roads—Wandsworth Road and Kennington Lane. There is to be a huge high-rise development between some of those stops and the others near Bondway. Changing buses will be less straightforward, especially for those with mobility problems. There will be less space to wait in. Passengers will be waiting on crowded roadside pavements which will be less safe, more polluted and with less shelter, even in the planned new central area. The present canopy is very good because it extends over the roadside as well as the waiting area, so passengers do not get wet as they get on to the bus.

There is a feeling of safety in that station. Yes, we could make it greener and make other improvements, but it certainly does not need to be knocked down. The most important aspect is that Lambeth and TfL have not played fair in their consultation. At no stage has the option of retaining the bus station in its current form
The community’s solution for Vauxhall shows that it is possible to retain the existing bus station structure by modifying certain entrances and exits and to get rid of the gyratory system. If the current plans for Vauxhall go ahead, the Minister must know that the second busiest bus station in London will be converted into a building site for several years, with a reduction in bus services and unacceptable disruption for all passengers.

The consultation period on the plans began in December and is due to end on 17 January. We have repeatedly asked for that to be extended because it covered the Christmas holiday period and was deliberately set up to confuse people. Arranging meetings was very difficult. There is some sharp practice here, I believe.

On the maps that have been produced, interestingly, all the symbols denoting the bus stops have been placed as far apart as possible on the maps of the existing area, and as close together as possible on the proposed plan. The maps do not show accurately what will be there and how bad it will be. TfL has sent out emails to those on its Oyster card database, but that database does not include freedom pass holders, pensioners and the elderly, who we know are heavy users of the station.

At the recent public meeting people were very angry with TfL because they felt they were being—I know that I cannot use the expression “lied to”, but whatever the equivalent parliamentary term is, they felt that.

Mr Speaker: Order. The hon. Lady is perfectly entitled to accuse people outside the House of lying. She cannot accuse someone in the House of lying. So she was in order, even if she did not know she was.

Kate Hoey: Thank you, Mr Speaker. I am very pleased to say that and I will do so because people felt that very strongly.

TfL said that it was trying to get the consultation on the plans “out of the way” by March—that means before the mayoral elections, as public bodies will enter a period of purdah in March. It has refused to extend the deadline and there has been no wider consultation in the area of Waterloo, Westminster or Southwark. Today the first meeting was held in Wandsworth in the Clapham library near Clapham Junction, and I understand that one person turned up in the first half hour.

Paul Flynn (Newport West) (Lab): Does my hon. Friend acknowledge that the current bus station is a splendid example of what is rarely achieved in urban planning—an integrated transport system where the buses are above the trains? It is also a fine iconic building.

Kate Hoey (Vauxhall) (Lab): My hon. Friend is right. How can everybody’s attitude to it have changed so much in a short space of time, especially now it has been used?

I could quote all sorts of users who say how good it is, how much better than in the past, and how angry they are. For example, there are the users who go to St Thomas’ hospital. People from right across south London attending appointments there tend to use it, because south London does not have the network of tubes that other parts of London have. At present they can do that straightforwardly, all on one level and under cover. We should try to imagine what it must be like having to cross roads and pass through a multi-storey block to change buses, with a sick child in a buggy or while on crutches. All these things have genuinely not been looked at. I believe that TfL is letting down bus users, including by reducing the area available.

The bus station is on the border of Wandsworth, Westminster and Lambeth. A lot of children change buses there in the morning to go to school, and their situation has not been looked at. No one has been properly consulted. From our experience so far with the plans and the way the gyratory has been looked at, we genuinely do not think that TfL can be trusted to do the best, because it is not doing this for the right reasons.

I ask the Minister to intervene right away with his colleagues in City Hall, the current Mayor of London and TfL to halt what I call a sham consultation. It is something that will affect transport users across London, and indeed outside London, which is why it is not just a local London issue. This should not be railroaded through.

It is going to fall to the next Mayor to implement whatever is decided, and I think the next Mayor and the mayoral candidates should have a part to play in reviewing what TfL is planning. We want them to be involved in this even leading up to the mayoral elections.

The consultation should be started properly, and it should start with one simple question: “Do you want to retain the bus station?” That has never been asked. No one has had a chance to answer that. This has all been smoke and mirrors.

The bus station should not be demolished, even if this is gone ahead with, before there are the new owners of the island site, which has been put up for sale again, and before TfL has published its plans of what it wants to do with it. This is irresponsible; this uncertainty should not be allowed.

There is absolutely no certainty, and no reason has been given as to why the bus station has to be demolished, other than we know somewhere there is money involved and there is obviously interest in land and development and future plans. Well, the people of Vauxhall and the general area, including Wandsworth, are sick, sore and tired of developers coming in and making huge developments which end up doing very little for people who cannot afford those properties and are on a long waiting list. It would be an irresponsible waste of public money to knock down something that works.

Will the Minister get the Minister for London—who obviously is not in his place so he cannot respond tonight—to come and visit in the next two weeks, before 17 January? I want him to get the period extended, and then to visit and meet the people who have done so much work on a voluntary basis to get this campaign out there in the country.

This is being pushed through by smoke and mirrors. All the people who use the station—from outside London and all over London—will be horrified when they discover what is being suggested. I am suggesting the Minister should get involved now—should come along and talk to people and learn what an irresponsible waste of public money this would be. The bus station is entirely
[Kate Hoey]

functional, and appreciated by its users from all over London, and especially by the residents of Vauxhall who remember the time before it was built.

I want to end by saying that I wrote to Leon Daniels, managing director of Surface Transport, in November—I have been involved with him many times over different things—and said:

“When is someone like you going to stand up for bus users?”

He wrote back:

“I am! I have called a halt to new schemes which materially disadvantage bus passengers. Poorer reliability and slower journey times are affecting bus passengers negatively as is worsened interchange when stops are moved to less convenient places. I am now sending back such proposals with a clear message that permanent material worsening is not acceptable.”

That was what Leon Daniels said on 6 November 2015, yet TfL has not stopped the consultation and sent it back. Mike Brown, the new head of TfL, should take a lesson from the now much missed Peter Hendy, who was involved when the bus station was built and said things that were proved right about how important it was.

Thank you for the opportunity to raise this issue, Mr Speaker. I hope that the Minister will take it seriously, because it is not just a little local issue. It concerns Londoners, and it will concern more than just Londoners when it gets out into the public domain. We need proper, genuine consultation. We can have changes and get rid of the gyratory, but we have to keep the bus station. The Minister must not allow us to go back to the situation before it was built.

7.35 pm

The Parliamentary Under-Secretary of State for Transport
(Mr Robert Goodwill): I congratulate the hon. Member for Vauxhall (Kate Hoey) on securing this debate about the effect on London and its transport network of the proposed demolition of Vauxhall bus station. It follows a slightly more convivial debate that we had on the same subject last night in a different location in the building.

This debate is particularly timely, because Transport for London’s consultation on its proposals is open for another 10 days or so. If anyone has been misled during the process, I am sure the hon. Lady has clarified matters. I will ensure that a transcript of her comments and of the whole debate is sent to those she mentioned.

Transport is London’s lifeblood, and London’s transport network is critical to the rest of the UK. We know that London contributes about 20% of the UK’s GDP, and that its population is set to grow to 9 million by 2020 and 10 million by 2030. We all understand the need for continued investment in transport infrastructure to allow London and the rest of the UK to continue to prosper. I do not need to tell hon. Members that transport in London is much improved from just a few years ago. We have better bus services, Boris bikes and transformational tube modernisation.

I turn now to London buses in particular. There are at least 6.5 million journeys a day on the London bus network, compared with 4 million on the tube. That amounts to 2.4 billion journeys a year on the London bus network, which is more than half of all bus journeys made in England. I am proud that some of the buses are manufactured in Scarborough in my constituency, and some Members in the Chamber will know that a number are manufactured in Ulster. I will not comment on which might be the better buses.

Vauxhall bus station is owned and maintained by Transport for London and is, as the hon. Member for Vauxhall said, the second busiest in London after Victoria. As she will be aware, in 2013 her comrades on Lambeth Council and TfL announced plans to demolish the bus station to build a new high street as part of Vauxhall’s regeneration plans. Those plans include redesigning the transport interchange, including a new central bus station. TfL’s plans also include providing more cycle and pedestrian crossings, providing segregated lanes and parking for cyclists, and improving existing public spaces and providing new ones. As a cyclist myself, when I was down there last week I had a look at how difficult the area currently is for cyclists, despite the fact that we have a new cycle superhighway into the area.

TfL ran an initial consultation on its proposals in 2014 and is currently running a further public consultation on detailed design proposals. It received more than 2,000 responses to the initial consultation, with the majority supporting the proposals.

Kate Hoey: Will the Minister give way on that point?

Mr Goodwill: By all means. I thought the hon. Lady might want to intervene.

Kate Hoey: The Minister must understand that in that consultation no one was asked whether they wanted to see the bus station removed.

Mr Goodwill: I am aware that that is the hon. Lady’s view. I have not looked at the consultation in detail, but I hope that her making these points will help her constituents respond in the time available. I encourage them to take part in TfL’s consultation and express their views before it closes on 17 January. I understand that TfL has hosted several drop-in sessions to discuss the consultation with local parties in detail—there is one tomorrow night. I encourage her constituencies to attend those sessions.

The proposed changes to the bus station are an integral part of TfL’s wider plans to transform the wider Vauxhall Cross area. In turn, that is part of TfL’s £4 billion road modernisation programme, which is the biggest investment in London’s roads for a generation and which, among other things, aims to make London more cycle-friendly. The road modernisation programme consists of hundreds of projects to transform junctions, bridges, tunnels and pedestrian areas. The Government’s financial support to TfL has helped to enable it to deliver that programme, the tube modernisation programme and all other investment in London’s transport infrastructure.

For many years, Vauxhall Cross has been heavily dominated by motor vehicles. The gyratory system can be difficult to navigate and the area is very unwelcoming to pedestrians. The existing pedestrian crossings do not always follow the most direct or popular routes, which can lead, as I have observed, to pedestrians crossing...
roads away from crossings. That leads to a large number of collisions involving injury to pedestrians and cyclists in London.

The overall aim of the proposals is to create a thriving, more pleasant and safer public space, with better facilities for pedestrians, cyclists and bus users alike. I should like to assure the hon. Lady that improving the area for bus users is a top priority for the Mayor and for Vauxhall’s town regeneration scheme. Redesigning the transport interchange will bring benefits for not only bus users but cyclists, pedestrians and vehicles.

A new bus station will benefit bus users in a number of ways. It would be fully integrated with the new pedestrianised square and two-way road system, and would have facilities including public toilets, seating, information displays and maps, and an information kiosk. All that would mean a safer and easier interchange at the centre of Vauxhall.

TfL will ensure that bus passengers are inconvenienced as little as possible. Temporary bus stop locations will be incorporated in the construction phasing plan and consideration will be given to the ease of interchange for users, minimising alterations. The stop locations and any changes to routes will be fully communicated to all bus passengers with clear signage on site.

The hon. Lady mentioned her concern that TfL’s proposals, particularly the removal of the distinctive ski-jump canopy, will mean that bus passengers have less shelter from the weather than they do today. I understand from TfL that its proposals include a new canopy in the main bus station, with a contemporary look and feel to it, that will provide shelter from the rain.

Kate Hoey: I know the Minister has the TfL briefing, but if he knew as much about TfL as we do, he would not believe it. The briefing is wrong. The proposed canopy will not go over everywhere—it will be like little bus stop covers that he can find at any bus stop. The proposal is not for a bus station or interchange, but for a hotch-potch of bus stops put together.

Mr Goodwill: I hear what the hon. Lady says. There will also be canopies providing shelter between the different parts of the new bus station. I should like to assure her that the canopies have been designed to provide a better level of weather protection than the current canopy. As the current canopy is so high, when it is a windy day, the rain can blow under it. I have observed that when I have been in the area.

The design of the bus station may be iconic, but it is certainly not universally popular. I understand that it won a certificate of merit in the structural steel design awards in 2006 in recognition of its high standards of structural and architectural design, with the judges noting that “the bus station elegantly gathers together all the elements of public transport within an overall umbrella surface which weaves its way overhead”.

In my view, however—a view that I think will be shared by the Prince of Wales—winning an architectural design award is not always a guarantee of long-term popularity for a structure. Although I would not go so far as to describe the current bus station as a “monstrous carbuncle”, I am prepared to say that I am not the biggest fan of the current design, but that is personal taste. Having seen artists’ impressions of the proposed bus station, I would argue that it is much more pleasing to the eye than the current one.

Paul Flynn: On a point of order, Mr Speaker. Is it in order for the Minister to call in aid members of the royal family? I understood that it was forbidden under our house rules.

Mr Speaker: Ministers should certainly tread with great care in such territory. I think that the Minister was referring to a known public statement of the Prince of Wales, but I am sure that he was not seeking to invoke his support with reference to the future of the Vauxhall bus station. I am sure that he will disavow any such intention immediately.

Mr Goodwill: Absolutely, Mr Speaker. Indeed, if one hears the word “carbuncle”, there can be only one name that comes to mind.

It might be helpful to the hon. Member for Vauxhall if I explain what TfL plans to do following the consultation. TfL has told me that it will publish a report on the results and analysis of responses in spring 2016. It plans to start construction in 2018, and it is also its firm intention that a bus station will remain in some form throughout the entire construction period.

The spending review settlement shows that we recognise that London is a city on the move. The capital’s economy is moving emphatically in the right direction, and our support is helping to transform London’s transport network. I am proud to be part of that transformation, together with all our partners, including TfL, although I understand that the hon. Lady is not its biggest fan. The investment we are making for the next five years will not just keep London mobile but equip the city for the challenges of the future, to compete and win in the 21st century global economy.

Kate Hoey: Will the Minister come and visit, with the Minister responsible for London, to meet the people who understand the issue much more than some of the experts at TfL?

Mr Goodwill: I will certainly extend the hon. Lady’s invitation to my noble friend Lord Ahmad, who covers this area in the Department. I am sure that he will consider it carefully.

TfL’s plans for Vauxhall bus station are an important part of its wider road modernisation programme and I strongly encourage all interested parties to let TfL have their views on the proposals before the consultation closes on 17 January.

Question put and agreed to.

7.46 pm

House adjourned.
House of Commons

Thursday 7 January 2016

The House met at half-past Nine o’clock

PRAYERS

[Mr Speaker in the Chair]

Oral Answers to Questions

ENERGY AND CLIMATE CHANGE

The Secretary of State was asked—

Fuel Poverty

2.

Marion Fellows (Motherwell and Wishaw) (SNP):
What steps she is taking to reduce the level of fuel poverty.

[902819]

The Secretary of State for Energy and Climate Change (Amber Rudd): A reformed domestic supplier obligation—ECO, or energy company obligation—from April 2017, which will run for five years, will upgrade the energy efficiency of more than 200,000 homes per year, tackling the root cause of fuel poverty. Our extension of the warm home discount to 2020-21 at current levels of £320 million per annum will also help vulnerable households with their energy bills. We intend to focus our efforts through ECO and the warm home discount more effectively on the fuel poor, and will be consulting on our future approach this spring.

Marion Fellows: I thank the Minister for her answer. Fuel poverty is a sign of inequality. New research by the national charity Turn2us has found that one in two low-income households are struggling to afford their energy costs, despite being in work. Many of these households rely on in-work social assistance. Has she or her Cabinet colleagues made an assessment of the effect of welfare reform on low-income households judged to be in fuel poverty?

Amber Rudd: I thank the hon. Lady for her question. My Department works closely with the Department for Work and Pensions to ensure that the support we give goes to the most vulnerable. Energy costs are always at the centre of our minds in this Government, in order to make sure we put as little pressure as possible on hard-pushed households, and that will remain so.

Mr Philip Hollobone (Kettering) (Con): When Hastings, Motherwell and the rest of the United Kingdom vote to leave the European Union in the referendum, we will be able to abolish the 5% VAT on domestic fuel bills, which will really help those suffering from fuel poverty. Would my right hon. Friend welcome that?

Amber Rudd: My hon. Friend will be aware that this Government are always focused on ensuring that bills are kept down for householders in all constituencies. I would tactfully suggest that my right hon. Friend the Chancellor might have something to say about reducing VAT income on such a service.

Mr Mark Williams (Ceredigion) (LD): Evidence has suggested that rural communities are disproportionately adversely affected by fuel poverty. One way of combating that is through the development of domestic energy syndicates and the collective purchasing of oil. What proactively could and should the Department be doing to support such initiatives?

Amber Rudd: The hon. Gentleman is right in what he says, and we do ensure that there is a focus, through ECO, on rural areas, which often face the largest problem with fuel poverty. My Department works closely with various community energy schemes to ensure that we assist them, be that in group buying or in setting up their own renewable energy schemes, and we will continue to do so.

David T. C. Davies (Monmouth) (Con) rose—

Mr Speaker: David “Top Cat” Davies. [Laughter.]

David T. C. Davies: That’s fine by me, Mr Speaker.

Does my right hon. Friend agree that renewable energy sources are two to three times more expensive than fossil fuels and therefore the more renewables we use, the more fuel poverty we will create?

Mr Speaker: The explanation should be intelligible to the people beyond, and the explanation is that the middle initials are T. C. My apologies to the hon. Gentleman, who seems duly delighted.

Amber Rudd: I do not share my hon. Friend’s view. I think it is essential that energy supplies are a mix, and that means a combination of fossil fuels, for now, and renewable energy. Investing in renewable energy is an essential part of energy security, as well as of decarbonising and meeting those targets.

Paris Climate Conference

3.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): What assessment she has made of the implications for her policies of the outcomes of the COP 21 climate conference in Paris.

[902820]

18.

Caroline Lucas (Brighton, Pavilion) (Green): What assessment she has made of the implications for her policies of the UK’s contribution to achieving the goals on limiting global warming set out in the Paris agreement on climate change.

[902835]

The Secretary of State for Energy and Climate Change (Amber Rudd): We are currently considering the implications of the Paris outcome domestically and with our EU partners. Our 2050 target of at least an 80% reduction in emissions from a 1990 baseline is already set in statute. We are committed to meeting it, and I look forward to setting out this Government’s proposals and policies for meeting our carbon targets later this year.
Debbie Abrahams: The floods over the past few weeks are a reminder of the effects of climate change and, as we have known for a while, these extreme weather events are here to stay. Given the Government’s proclaimed UK ambition at the Paris climate change talks, why at the same time were they undermining policies on, for example, subsidies for renewables and low-carbon technologies?

Amber Rudd: I do not accept that we are undermining those policies. What we are trying to do is get the right balance to support policies—to support renewable energy—while also looking after bill payers and ensuring that not too much is added to their bills. I also remind the hon. Lady that the UK is responsible for 1% of the world’s emissions, and the success at Paris was that we were dealing with nearly 100% of the world’s emissions. That is where we will get the real difference and change on carbon emissions.

Caroline Lucas: I hope the Secretary of State will agree that delivering the Paris climate agreement requires a cross-departmental and economy-wide approach. If that is the case, will she explain why there appears to be absolutely no mention of climate change in the remit of the National Infrastructure Commission? Will she urge her colleagues to remedy that, and confirm that the urgent need for rapid decarbonisation will be a non-negotiable criterion for every single one of its projects?

Amber Rudd: I thank the hon. Lady for bringing up the National Infrastructure Commission. I have had a preliminary meeting with the head of it, and know that it will shortly be consulting on which projects to prioritise. The project that it has already said it will be looking at in our sector—interconnectors and systems operations—will be important for delivering on our decarbonising future, and will play an important role in achieving cross-party consensus on making the much-needed investment in infrastructure.

David Mowat (Warrington South) (Con): The Secretary of State will be aware that the legally binding UK commitment is about 30% to 40% faster than that signed up to by the rest of the EU in Paris. Indeed, some countries in the EU, such as Austria, have increased their emissions by something like 20% since 1990. What discussions does she plan to have with her colleagues in Europe on getting their processes up to the same level as those of the UK?

Amber Rudd: I do not accept that we are undermining those policies. What we are trying to do is get the right balance to support policies—to support renewable energy—while also looking after bill payers and ensuring that not too much is added to their bills. I also remind the hon. Lady that the UK is responsible for 1% of the world’s emissions, and the success at Paris was that we were dealing with nearly 100% of the world’s emissions. That is where we will get the real difference and change on carbon emissions.

Amber Rudd: I know that the hon. Lady will be concerned about offshore wind, as it is so close to her constituency. I hope that she will welcome the fact that DONG Energy has publicly stated that it intends to invest a further £6 billion in the UK by 2020, which is encouraging news for her constituents who are so close to its important offshore wind development. What she can take from this is the fact that, having signed up to the Paris agreement and with the UK’s commitments on this basis, we are seeing more investment, from which her constituents will benefit as well.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): If Paris had happened a year ago, would the Secretary of State still have made the same announcements that she has made in the past six months, adversely affecting onshore wind and solar energy, which has impacted badly on jobs and investor confidence?

Amber Rudd: I do not accept the hon. Gentleman’s interpretation of the announcements that I have made. We have set out a clear path to getting a balance between ensuring that we continue to support renewable energy and ensuring that we get the investment we need, and also that we look after people’s bills. Paris has been a great triumph; let us not knock it. Let us recognise the fact that it starts to bring other countries up to the high standards that the UK has placed on it, and that it will encourage further investment.

Callum McCaig (Aberdeen South) (SNP): On the decision to pull £1 billion from carbon capture and storage, the Prime Minister said to me at Prime Minister’s questions:

“You have to make decisions about technology that works and technology that is not working.”—[Official Report, 16 December 2013; Vol. 603, c. 1548.]

How was that assessment made, given that the competition had not yet been completed?

Amber Rudd: We do not rule out carbon capture and storage in the future. This Government have made substantial investments through our entrepreneur fund in early-start carbon capture and storage. We have industrialised carbon capture and storage projects operating and testing in Teesside. The fact is that the decision was made not to have a £1 billion investment. It was a difficult decision made in a difficult spending round. None the less, we recognise that carbon capture and storage will still have an important future in a low carbon economy.

Callum McCaig: The Prime Minister said that CCS was not working, but the Secretary of State says that it will work, so one of them is clearly wrong. In his list of technology that was working, the Prime Minister included small-scale nuclear reactors. Where is that technology working, and if it is working as the Prime Minister has claimed, why does it require £250 million of taxpayers’ money?

Amber Rudd: I think I can bring together some of the hon. Gentleman’s questions by highlighting the investment that we are making in innovation, which is an area in which we think there can be great steps forward in renewable energy. We can help to develop important new renewable energy technologies. For instance, in
Paris, under “mission innovation”, various countries came together and agreed to double their investment in innovation, and I believe that carbon capture and storage and small modular reactors will benefit from that investment.

Barry Gardiner (Brent North) (Lab): Now that DECC has accepted that the energy reset has pulled us further away from achieving the fourth carbon budget by some 54 million tonnes of CO2, meaning that we are on track to fall short of it by some 10%, or 187 million tonnes, and now that it is predicted that we will also miss our 2020 EU renewables target, will the Secretary of State explain precisely what steps she will take in the remainder of this Parliament to make good the Prime Minister’s boast that the UK is “leading the way” in work to cut emissions?

Amber Rudd: I do not accept the hon. Gentleman’s depressing interpretation of our progress towards our important targets. Our EU renewables targets are difficult to meet, but we have exceeded the interim target. We know that we need to make more progress, which is why I am working with other Departments across Government to ensure that action is taken on heat and transport.

It was recognised in 2011 that there was a problem with the fourth carbon budget, and we now need to ensure that we put in place the policies necessary to meet it. Be in no doubt that we remain committed to achieving that.

Paris Agreement on Climate Change

5. Ms Margaret Ritchie (South Down) (SDLP): What discussions she has had with her ministerial colleagues on the financial implications of the UK’s commitments under the Paris agreement on climate change.

The Secretary of State for Energy and Climate Change (Amber Rudd): The hon. Lady will be aware that the cost of UK action to reduce emissions is already committed to through the setting of our carbon budgets. The Paris agreement will help to ensure that all other countries are also acting. That will help to ensure that climate change is effectively addressed, help level the playing field, reduce the costs of climate action such as on technologies, and provide much greater opportunities for UK business in low carbon transformation.

Ms Ritchie: I thank the Secretary of State for her answer, but does she accept that the estimates suggesting that the UK is on track predate the cuts to DECC’s budget and are out of date, meaning that meeting the 2°C target will require further Government support, particularly for low carbon generation and carbon capture and storage?

Amber Rudd: I do accept that the Government need to put in place more policies to ensure that we meet our carbon budget, which we have just referred to. I point out to the hon. Lady that the Paris climate change agreement is not as ambitious as what we already have in place through the Climate Change Act, which is legally binding and is delivered in our carbon budgets.

Mary Creagh (Wakefield) (Lab): The Secretary of State rightly says that the Paris climate change agreement is not as ambitious as the Climate Change Act. The national action plans agreed to in Paris commit the world to no more than 2.7°C of warming. Will she outline what steps she has taken and what conversations she has had with her EU ministerial counterparts to increase the EU’s ambition for those nationally determined plans before the next stock-take in 2018?

Amber Rudd: The hon. Lady raises an important point. The current proposals from Paris would actually only achieve an increase of no more than 2.7°C. Not only are we ambitious to ensure that we reach a maximum of 2°C, but we would like to see the rise restricted further. There will be conversations in the EU this year to ensure that we meet the EU renewables targets, and we have the “effort share” discussions ahead of us. The real triumph of the Paris agreement is that it involves not just the UK and the EU but the whole world. The largest emitters, such as China and India, are also participating.

COP 21 Climate Conference

7. James Berry (Kingston and Surbiton) (Con): What steps her Department is taking in response to the outcome of the COP 21 climate conference in Paris.

13. David Mackintosh (Northampton South) (Con): What the outcomes for the UK were of the COP 21 climate conference in Paris.

The Secretary of State for Energy and Climate Change (Amber Rudd): My hon. Friends will be aware that the agreement reached in Paris in December was an historic step forward. Almost 200 countries committed to climate action, which, for the first time ever, they all agreed to review, the transparency and the need to come back all the time with an improved offer are the right way to go, and I am confident that we will be able to deliver on that. I am excited about the prospect of talking further to my international partners to make sure that we have in place the right system for delivering that over the next few years.

James Berry: Does my right hon. Friend agree that the deal in Paris sees the world signing up to the approach to tackling climate change adopted by the UK? Is she confident that her approach will ensure that we meet the goals agreed in Paris?

Amber Rudd: My hon. Friend is right. The UK can take pride in the structure that was put together in Paris because it mimics in some ways the Climate Change Act that we put in place so many years ago. The five-year review, the transparency and the need to come back all the time with an improved offer are the right way to go, and I am confident that we will be able to deliver on that. I am excited about the prospect of talking further to my international partners to make sure that we have in place the right system for delivering that over the next few years.

David Mackintosh: Does my right hon. Friend agree that ensuring that all countries which have signed up to the agreements submit regular and full updates, and that data on progress are crucial so that we can see which countries are sticking to the agreement?
Amber Rudd: My hon. Friend raises an important point. Transparency in these reviews is essential and it is something that the UK fought hard for during the Paris negotiations to ensure that when other countries come back with their five-year reviews, they have made them clear in a way that we can examine so that we can be certain that the carbon emissions are being reduced.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): New figures from the Department have shown that renewables were the biggest source of electricity in Scotland last year. The industry is a real Scottish success story and will play a significant part in helping to meet the targets set in Paris. Will the Secretary of State show her Department’s own commitment to this vital sector by accepting the case for the inclusion in the grace period for the renewables obligation of projects which have attracted significant investment and achieved all the technical requirements to meet the Government’s cut-off date of 18 June 2015, including the Binn eco farm in my constituency?

Amber Rudd: The renewables industry, the solar industry and onshore and offshore wind are indeed a great British success story, and other countries wanted to talk to us about them. There is a great opportunity for exports for business. I am happy to say that a number of wind farms or proposals, I must ask the hon. Lady to write to me separately so that I can look at those, but I gently remind her that the Government are committed to making sure that we deliver on our renewables target and onshore and offshore wind are indeed a great story and will play a significant part in helping to meet our decarbonisation targets and we will continue to support them.

Anaerobic Digestion and Biogas Sector

8. Andrew Stephenson (Pendle) (Con): What steps she has taken to support the anaerobic digestion and biogas sector.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): First, may I say how delighted I am to see my hon. Friend fully recovered and back in his place?

We support AD and biogas through the feed-in tariff scheme, the renewables obligation and the renewable heat incentive. The Government have provided £124 million of support under the renewables obligation, £53 million under the renewable heat incentive, and enough support under the feed-in tariff scheme to deploy 161 MW since 2010. These technologies can make a valuable contribution to our decarbonisation targets and we will continue to support them.

Andrew Stephenson: I thank my hon. Friend for her kind remarks. I recently met Salterforth resident Peter King, along with representatives of Kirk Environmental, at my Earby advice surgery to discuss anaerobic digestion and biogas. Does my hon. Friend agree that, compared with wind or solar, biogas has significant benefits in delivering predictable and consistent amounts of renewable energy into the network?

Andrea Leadsom: Indeed. There are real benefits for the UK in having a wide range of renewable energy sources, but my hon. Friend is right to point out that as the sector develops in the UK, biogas technologies could bring additional benefits, including providing baseload energy, injection into the gas grid and potential use as transport biofuels.

Dr Alan Whitehead (Southampton, Test) (Lab): In her letter to other Departments on 29 October the Secretary of State—who I congratulate on stressing in her letter the importance of reaching EU renewables targets in perhaps more recalcitrant Departments—she indicated that the highest potential for additional renewable heat is from biomethane injection into the grid, but she also said that we will face a shortfall against the part of that target that is related to the heat sector, even if support for her proposed measures was agreed by the Chancellor in the comprehensive spending review. Now that she has a reduced amount of money for the renewable heat incentive up to 2020, does she consider that that amount will enable us to reach our heat targets by 2020 and, if not, what new proposals will she bring forward to make sure that there is investment in this sector that can enable us to reach that target?

Andrea Leadsom: The hon. Gentleman is right to point out that we had a good settlement in the comprehensive spending review. We were very pleased with the commitment to enhancing—increasing—the renewable heat incentive each year between now and 2021, and we are making good progress towards that. He will realise that the fourth carbon budget is for 2023 to 2027. He would not expect us to be meeting it today, but we are putting plans in place and working towards that progress as we speak, and we will continue to set out plans during this year.

Mark Pawsey (Rugby) (Con): Despite more effective use of packaging, better date labelling and programmes by the supermarkets to distribute and sell food, we still generate substantial quantities of food waste. Does the Minister agree that using this resource to generate electricity is better than sending it to landfill?

Andrea Leadsom: I completely agree. In fact, just recently I went to see a proposed new project in my own county of Northamptonshire that is looking to use landfills to create a renewable heat scheme. Some fantastic new ideas are coming forward, and my officials and I are always very keen to hear about them and support them where we can.

Shale Gas Drilling

9. Kevin Hollinrake (Thirsk and Malton) (Con): What steps she is taking to prevent shale gas drilling at the surface in areas of the greatest environmental value.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): First, I commend my hon. Friend for the personal commitment he has shown to researching best practice in this area. I can assure him that the Government are committed to protecting our most valuable spaces from surface drilling of wells for fracking. On 4 November, we set out how we plan to do this via petroleum exploration and development licences. We will issue a response to our industry consultation as soon as possible.
Kevin Hollinrake: I very much welcome the Minister’s comments. The Task Force on Shale Gas has called for a single regulator and increased levels of independent monitoring. Does the Minister agree that this would improve public confidence and provide further protection, particularly for our most sensitive areas?

Andrea Leadsom: The task force’s 2015 report says that the regulatory regime is currently fit for purpose, but my hon. Friend rightly points to its proposal that if the shale gas industry does develop the Government should consider creating a bespoke regulator. I can absolutely assure him that we will keep the regulatory regime under review to make sure that it remains fit for purpose. On his second point about independent monitoring, I entirely agree, and that is why we are already grant-funding baseline monitoring in North Yorkshire and Lancashire.

Mr Dennis Skinner (Bolsover) (Lab): Does the Minister accept that there is widespread opposition to fracking in all parts of Britain? Will she congratulate, as I have, the residents of Calow in Bolsover for refusing to allow a drilling operation and getting it stopped not only by the local authority but by her own inspectorate?

Andrea Leadsom: It is quite extraordinary that Opposition Members continually talk about the potential for shale gas as if it is some kind of disaster. The hon. Gentleman comes from a very honourable and long-standing mining area. Mining has a legacy that we will be dealing with for many years to come. The shale industry, on the other hand, offers the opportunity to create a new home-grown energy source that is vital for our energy security into the next decades.

Cat Smith (Lancaster and Fleetwood) (Lab): When will the Secretary of State produce some legally enforceable protection against surface-level fracking in our national parks and sites of special scientific interest?

Andrea Leadsom: I hope that the hon. Lady heard my initial comment, which was that we have been able to put forward our proposal to restrict surface drilling in any of our most protected areas, not limited to national parks but including many other valuable spaces, through licensing. As things stand, we are waiting for our report in response to the industry consultation that closed on 16 December, and we will make our announcements very soon.

National Grid

10. Liz Saville Roberts (Dwyfor Meirionnydd) (PC): What assessment she has made of the effect of increased energy generation on the national grid.[902827]

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): As more domestic, community and business generators come on stream, the demand for grid connection is increasing, as the hon. Lady rightly points out. Accommodating this is the responsibility of the network companies, overseen by Ofgem. Network companies publish long-term plans setting out how new generation and demand will be managed. She might like to take a look at National Grid’s annual electricity 10-year statement as a good example of this.

Liz Saville Roberts: Let us face it: National Grid is notorious for stifling new energy projects at birth in rural Wales. Given that the draft Wales Bill proposes devolving generating stations up to 350 MW but not transmission, how will the Minister work with the Welsh Government to ensure that that is not an empty promise?

Andrea Leadsom: I can absolutely assure the hon. Lady that the Government are committed to the Welsh devolution Bill, as set out in the Silk commission, and that is going through. Specifically, Ofgem, through the electricity distribution network price control, has approved about £24 billion of investment in the distribution network for between 2015 and 2023, and about £1.7 billion of that is for the distribution company responsible for north Wales, including the hon. Lady’s constituency.

Nic Dakin (Scunthorpe) (Lab): Does the Minister share my concerns that, in the short to medium term, our energy security may be put at risk if the capacity market that is being put in place to bring forward new gas capacity not only fails to do that, but makes current gas capacity, such as that provided by the Glanford Brigg power station in my constituency, no longer worthwhile and results in it coming off-stream?

Andrea Leadsom: We have just completed the second capacity market auction and achieved a very competitive price for consumers; as the hon. Gentleman will know, it is a top priority for this Government to keep the bills down. At the same time, we have ensured that National Grid has the tools at its disposal to be able to ensure energy security, which is our overriding concern. I do not share his concerns. We are reviewing the capacity market to make sure we bring on new gas, but there are no concerns about energy security.

Small-scale Solar Sector

11. Daniel Kawczynski (Shrewsbury and Atcham) (Con): What recent steps she has taken to support the small-scale solar sector.[902828]

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): Solar is an enormous UK success story that this Government continue to support. As my right hon. Friend the Prime Minister said yesterday, 98% of all solar deployment has taken place since 2010. In December, we announced that the feed-in tariff scheme would remain open and continue to support small-scale solar up to a value of £35 million of subsidy, potentially delivering an additional 1.2 GW across 220,000 installations by 2019.

Daniel Kawczynski: I thank my hon. Friend for that answer. I had the opportunity recently to meet a company in the solar sector industry in my constituency, ESP Energy in Dorrington, and I was very impressed with its technology, innovation and job creation. Will my hon. Friend assure me that the Government will do everything possible to continue supporting this very important energy source?
Andrea Leadsom: As my hon. Friend will know, it is a key priority to keep consumer bills down, so there must always be a balance between supporting a superb UK industry and making sure that consumer bills remain affordable. We will continue to support the further growth of the sector, but not at any price. The changes we have made to the feed-in tariffs seek to maintain the solar industry, which in the medium term can continue to reduce its costs and therefore move towards a subsidy-free deployment.

Mr David Hanson (Delyn) (Lab): Will the Minister update the House on what steps she is taking to ensure that the rate of VAT on solar installations does not rise, as proposed, from 5% to 20%, which could add £900 to an average solar installation?

Andrea Leadsom: The right hon. Gentleman is exactly right to raise that very important point. He will know that it is the result of proceedings by the European Commission, which believes that our VAT rates on solar installation should be higher. Her Majesty’s Revenue and Customs is looking closely into the issue and consulting on it. Once we have taken into account the outcome of that consultation, we will have to look further at the regime.

20. [902838] Huw Merriman (Bexhill and Battle) (Con): My constituency has a number of thriving solar businesses, some of which I have worked with during the recent changes to feed-in tariffs. As the Government look to the industry to expand, and in response to a query from Solar UK in Battle, will the Minister explain how she will support the development of energy storage solutions for existing and future solar systems?

Andrea Leadsom: My hon. Friend is exactly right to point out the huge potential for energy storage to enhance the value of solar PV installations. My Department has provided more than £18 million of innovation support that enhances the value of solar PV installations. My Department has provided more than £18 million of innovation support that enhances the value of solar PV installations. My Department has provided more than £18 million of innovation support that enhances the value of solar PV installations. My Department has provided more than £18 million of innovation support that enhances the value of solar PV installations. My Department has provided more than £18 million of innovation support that enhances the value of solar PV installations.

John Pugh (Southport) (LD): The Minister is in danger of sounding complacent on this subject. Many small and medium-sized enterprises in my constituency fear the end of solar. Has she had a chance to consider small and medium-sized enterprises in my constituency?

Andrea Leadsom: As my right hon. Friend of State and I have made clear on so many occasions, there is a fine balance. As the costs of a new technology come down, as they very much have in the excellent UK solar industry, so we must focus on the need for people in this country to be able to afford their energy bills. Fuel poverty is an enormous problem, but we do not want to over-subsidise, so it is a fine balance. We think that our response to the consultation in December provides that fine balance: giving a 5% investment return to solar installations is fair to consumers and fair to the industry.

24. [902842] James Heappey (Wells) (Con): EU minimum import prices on Chinese, Taiwanese and Malaysian photovoltaic cells inflate the cost of an average solar installation by £385. The Minister is working to extract the UK from that, but will she update the House on her progress and set a date by which she hopes to end these price controls?

Andrea Leadsom: I certainly agree with my hon. Friend that the MIP is an unwelcome drain on the UK solar industry. My right hon. Friend the Secretary of State made that point in her letter to the Trade Commissioner in November. I also agree that it would be fairer and simpler to remove the MIP while the current expiry review is under way. Unfortunately, however, the decision to launch an expiry review is one for the Commission, not for member states. Anti-dumping and anti-subsidy regulations require the Commission to maintain existing trade defence measures while the expiry review takes place, so it could be some months yet.

Clive Lewis (Norwich South) (Lab): Last year, the Solar Trade Association estimated that 27,000 workers would lose their jobs as a result of the Government’s proposed 87% cut to the feed-in tariff. Following a public outcry, including from Members on both sides of this House, the Department reduced the cut to 64% saving about 8,000 jobs. I am sure the Minister would like to take the credit for that, but what is her message to the remaining 19,000 solar workers who face redundancy this coming year as a result of the tariff cut?

Andrea Leadsom: UK solar is a huge success story. It has grown rapidly since 2010, with enormous support from energy consumers in the UK. As we have said time and again, there is a balance. We absolutely welcome the jobs and growth that have been provided in the sector, but we cannot continue to support jobs just through bill payer subsidies. That would not be fair. Our measures will ensure that there is good potential for the industry to continue to grow and for jobs to continue to be supported, while at the same time making sure bills remain affordable.

Energy Tariffs

12. Sir Oliver Heald (North East Hertfordshire) (Con): What steps the Government are taking to ensure that energy consumers are on the best-value tariffs.

The Secretary of State for Energy and Climate Change (Amber Rudd): The Government are making it quicker and easier for energy consumers to switch supplier and move to the best-value tariffs. We have delivered a national switching campaign and worked with industry to cut the time it takes to switch to 17 days, and we are now working with Ofgem to move to reliable next day switching. We are also working with industry to develop an energy-switching guarantee, which will be launched later this year.

Sir Oliver Heald: Does my right hon. Friend agree that it is particularly important for vulnerable customers to be able to find the best-value tariffs? Will she say a little more about what the Government are doing to spread that message and to ensure that such consumers get the best deals available? Does she agree that carers’ organisations and children’s centres, which support vulnerable younger families, may have a role to play?
Amber Rudd: Yes, I do agree with my hon. and learned Friend. It is absolutely essential that we improve access for vulnerable people to the switching that can provide such great benefits. It is no good people being able to benefit from a saving of about £200 on their energy bills unless they can actually access it. We launched the big energy saving network and put in £2 million to make sure that vulnerable people, who particularly need the improvement that this can deliver to their energy bills, can access it. One of the ways in which that can be done is through citizens advice bureaux, but in addition we will look at his other suggestions.

Caroline Flint (Don Valley) (Lab): But the Competition and Markets Authority has identified something I have been speaking about for quite a long time: that that sticky customer base is not being served well by energy suppliers. The CMA has said that about 70% of customers on the standard variable tariff are paying over the odds, so has the Secretary of State looked into the suggestion I have made in the past year and previously that we need to protect those customers as well, and that a default or protection tariff could ensure that suppliers provide tariffs that are fair to their customers, and particularly those ones?

Amber Rudd: The right hon. Lady makes an important point and the suggestion about the CMA is helpful—it has just begun to include in its consideration vulnerable customers on pre-payment meters. We are interested in the recommendations it will make—we hope—in the next few months, to ensure that we look after those vulnerable customers who are unable to switch. We have said previously that we will take seriously and act on the CMA recommendations to ensure that we look after those customers who have not engaged in switching but should do so. We look forward to seeing the CMA suggestions for remedies.

Lisa Nandy (Wigan) (Lab): I welcome the concern expressed by Members on both sides of the House for consumers and best value. Last month, the Secretary of State agreed to hand out hundreds of millions of pounds in new public subsidies to diesel and coal power generators to the tune of £175 million, paid for by increasing family energy bills. Will she answer this question: are those companies expected to make returns of more than 20% at the expense of bill payers?

Amber Rudd: What is astonishing is the hon. Lady’s lack of understanding of the fact that the capacity market is needed because of the Labour Government’s woeful under-investment in infrastructure. We are left with the consequences and need to ensure that energy security is completely reliable. The capacity market is essential to ensuring that that hole is filled. We are proud of the way in which it has delivered—the second auction has just completed. As I have said, it will cost a few pounds—under £10—and we will ensure that energy security will never be in question under this Government.

Smart Meters

14. Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): What progress is being made on the roll-out of smart meters.

Amber Rudd: I can say very clearly to the hon. Lady that good progress is being made. Energy suppliers have now installed over 2 million meters in homes and small businesses across Britain, ahead of the main installation stage starting later this year.

Meg Hillier: In September 2014, the Public Accounts Committee raised concerns about the roll-out of smart meters, but very recently, Alex Henney, a former Conservative energy adviser, warned the Secretary of State that the roll-out would at best be regarded as a waste of money and that it is “a ghastly mess”. Does she agree with Mr Henney, and what is she doing to resolve those problems?

Amber Rudd: I can say very clearly to the hon. Lady that I do not agree with that position. Smart meters will have a great future in this country. We discussed in earlier questions energy security and fuel poverty. Smart meters will be a very good way for people to reduce their bills and use less energy, therefore creating fewer carbon emissions. Smart meters are an important part of that.

Mr David Nuttall (Bury North) (Con): I have no doubt that the introduction of smart meters will help customers to control their energy bills, but, just so that they are aware of the background, will the Secretary of State confirm that the UK is rolling out smart meters because of European Union directive 2009/72/EC?

Amber Rudd: My hon. Friend is right that the European Union has directives that give us guidance on this matter, but there is no question but that the initiative of smart meters is of huge advantage to UK customers. UK customers and consumers will always be put first.

Near Na Gaoithe Offshore Wind Farm

15. Chris Law (Dundee West) (SNP): If she will take steps to encourage companies associated with the Neart Na Gaoithe offshore wind farm to base their operations at Dundee port.
The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): As my right hon. Friend the Secretary of State announced in her November speech, we are committed to the continued growth of UK offshore wind. Britain is already the world leader. This industry is a huge potential source of jobs and growth, and we will always focus on maximising UK content in the supply chain. The hon. Gentleman will appreciate that the decision on where one company’s operations will be based is a commercial decision for that company. However, my officials are working closely with the developer and the Scottish Government to maximise the use of UK content in this wind farm.

Chris Law: Does the Minister agree that, should the outstanding legal challenge be overcome, Dundee and its deep port are ideally placed to provide operations, maintenance and suppliers?

Andrea Leadsom: I absolutely agree with the hon. Gentleman. I am extremely keen on that. Recently, I visited one port in Scotland, Aberdeen port, to hear how it is trying to expand to accommodate not just the growth of offshore wind, but potential decommissioning in the future. It is vital that whatever our energy policy is, we focus as far as possible on maximising the UK content in the supply chain.

Oil and Gas Industry

19. Hannah Bardell (Livingston) (SNP): What her policy is on the future level of Government support for the oil and gas industry.

Andrea Leadsom: The oil and gas industry is vital to our economy and provides more than 350,000 jobs. The Government are committed to supporting it. Our latest projections show that in 2030, oil and gas will still be a core part of our energy mix, providing nearly 70% of the UK’s primary energy requirements. Our commitment to the industry is the precise reason why we have established the Oil and Gas Authority, which is charged with working with the industry to maximise the economic recovery of the UK’s oil and gas resources.

Hannah Bardell: The oil and gas industry has asked the Government for further tax reliefs to incentivise exploration activity. Professor Alex Kemp of the University of Aberdeen has described them as “clearly necessary to exploit the remaining physical potential” of the North sea. What consideration has the Minister given to a refundable tax credit for exploration?

Andrea Leadsom: The hon. Lady will be aware that the Chancellor has already improved the fiscal regime significantly to encourage further exploration in the North sea basin. Just before Christmas, we had a series of meetings with North sea basin participants, the Oil and Gas Authority and others to discuss what other measures could be taken. Further fiscal measures are certainly on the table, but so too are vital measures such as getting production costs down, making more efficiencies and sharing infrastructure. The OGA is absolutely focused on doing those things.

Peter Aldous (Waveney) (Con): I am grateful to the hon. Member for Livingston (Hannah Bardell) for raising this question and to the Minister for her reply. I acknowledge the work that the Government have done in the sector, but will the Minister give me her assurance that in the lead-up to the Budget in March, she will leave no stone unturned in ensuring that this vital industry secures the support that it needs at this difficult time?

Andrea Leadsom: I am grateful to my hon. Friend, who has focused so much on this important sector. I assure him that we are totally focused on looking at what more can be done in all areas to support this vital UK sector.

Topical Questions

T1. [902893] John Mann (Bassetlaw) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for Energy and Climate Change (Amber Rudd): My thoughts are with all those who have been affected by the recent flooding. Energy security is our No. 1 priority. We are working closely with the energy industry to assess the range of potentially disruptive risks, including severe weather, put protections in place and improve the response to electricity disruptions. The industry worked to ensure that power was restored to customers who were disrupted by the recent storms as quickly as possible, in very challenging circumstances.

John Mann: Everyone in the Chamber will benefit this year from electricity generated by coal burnt in the Bassetlaw, West Burton and Cottam power stations. What contingency agreement has been reached with EDF to ensure that in 2026 and beyond, when we do not have enough power available, the decision to close coal-based power stations can be reversed?

Amber Rudd: Can I reassure the hon. Gentleman that we are moving to a consultation on ending coal-fired power stations by 2025? I am sure that he will want to participate in it. This Government are taking the long-term view on getting the right mix of decarbonising and having energy security. That is why we are making this plan well ahead of time—it is 10 years ahead.

T2. [902894] David Warburton (Somerton and Frome) (Con): Given the revisions to the feed-in tariffs that will shortly come into force, has the Minister made any assessment of the likely effects on the solar industry, particularly in the south-west, where the sun nearly always shines?

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): Of course, my hon. Friend. Friend is absolutely right—the sun nearly always shines there. It is a great place for solar, which has been a spectacular success there. The tariffs aim to give generators with well-sited projects appropriate rates of return, so around 5% for solar. We believe that that will save bill payers between £130 million and £430 million a year by 2021, while at the same time enabling up to 220,000 new installations to be subsidised under the new feed-in tariff.
Lisa Nandy (Wigan) (Lab): I welcome the Secretary of State’s update to the House on the actions taken in response to the floods. I particularly welcome the Prime Minister’s decision to set up a Cabinet-level review of the Government’s approach to flood defences, which will consider the rising flood risk that climate change poses. We know now that the last review in 2014, which was also led by the right hon. Member for West Dorset (Mr Letwin), met just three times and did not publish a single finding. Will the Secretary of State confirm that she personally attends this committee? Will she tell us whether it has met yet, how often it plans to meet, which independent experts are on it, and what, this time, she expects it to achieve?

Amber Rudd: As the hon. Lady will know, the Government take very seriously climate change and its devastating impact in terms of the recent flooding. I can reassure her that the Department participated in regular meetings of Cobra on almost a daily basis to ensure that electricity sources were restored as quickly as possible. The review will take place, and we will keep a careful, watchful eye on ensuring that it does meet and that it looks carefully at what impact it has had.

T3. [902895] Daniel Kawczynski (Shrewsbury and Atcham) (Con): What steps are the Government taking to address the increasing shortage of skills in the nuclear industry?

Andrea Leadsom: We have already taken a lot of action to tackle the skills problem at all levels, from programmes to attract more schoolchildren to science, technology, engineering and maths careers to apprenticeships and training at all levels, as well as setting in train work to determine the scope for transfers of skills from wider sectors. My hon. Friend is right to highlight the need for more nuclear skills. Hinkley C alone will provide up to 25,000 jobs and 1,000 apprenticeships.

T4. [902896] Neil Coyle (Bermondsey and Old Southwark) (Lab): The Department’s impact assessment suggests that 18,700 jobs could be lost as a result of the 65% reduction to the solar feed-in tariff. That affects jobs in my constituency. What loss in national insurance contributions and income tax will that mean for the Government, particularly in light of the £16 billion shortfall in tax receipts last year? What assessment has been made of the combined effect if Her Majesty’s Revenue and Customs presses ahead with the increase in VAT to 20% on domestic solar installations?

Andrea Leadsom: I can assure the hon. Gentleman that the Government remain committed to the ongoing success of the solar industry. As I explained in an earlier reply, we cannot simply keep jobs going as a result of subsidy, but our best guess is that our new feed-in tariff will support up to around 23,000 jobs in the solar sector. Of course, it is for the sector to bring down the cost as far as possible to reach a subsidy-free stage by 2020. We will do everything that we can and, as I have also said, if the VAT rate has to go up, we will look at what more we can do within the tariff to ensure that we do not penalise the sector.

Graham Stuart (Beverley and Holderness) (Con): I refer the House to my entry in the Register of Members’ Financial Interests. I am chairman of GLOBE International, which recently held a successful summit in Paris as part of the COP process. Does the Secretary of State agree that the world’s leading network of parliamentarians devoted to legislative leadership on climate change has a key role to play in ensuring that the intended nationally determined contributions—INDCs—turn from aspiration to reality? Will she meet me to discuss work between the Department and GLOBE, internationally and nationally, to ensure that that is achieved?

Amber Rudd: I am aware that GLOBE International is one of the largest forums for parliamentary engagement devoted to legislative leadership on sustainable development and climate change, and I recognise my hon. Friend’s important role in chairing it. I would, of course, be delighted to meet him to discuss how we can further promote parliamentary international engagement on this important subject.

T5. [902897] Mr Douglas Carswell (Clacton) (UKIP): I was absolutely delighted when the Minister said in June, at a renewable energy summit, that we were going to remove subsidies. When does she expect onshore and offshore wind subsidies to have disappeared completely?

Andrea Leadsom: Projects such as Gunfleet Sands, just off the coast of the hon. Gentleman’s constituency, provide enough clean electricity for over 100,000 homes following hundreds of millions of pounds invested by the developer, much of which was spent locally. I am sure he will have welcomed that. As we have made clear, however, we have to get the right balance between supporting newer technologies such as offshore wind and being tough on subsidies to keep bills as low as possible. We will always be working towards making technologies subsidy-free.

David Mowat (Warrington South) (Con): By far and away the dominant source globally of low-carbon electricity is nuclear power. In the EU, a third of electricity comes from that source and China has approximately 50 stations under construction. We also need small modular reactors. Will the Minister set out what her plans are in that regard and how the UK can provide leadership?

Amber Rudd: My hon. Friend is absolutely right. Nuclear is an incredibly important part of our energy future and I am very proud that we have signed the first new nuclear deal in over 20 years. We believe small modular reactors will have an important part to play. I am delighted to say we are using part of our substantial innovation funding to make sure we bring them on as early as possible, but that will not be at the expense of existing plans for nuclear reactors. We will be aiming for a mix of larger nuclear and smaller nuclear.

T6. [902899] Marion Fellows (Motherwell and Wishaw) (SNP): Earlier this week, the SNP Scottish Government agreed a support package to retain staff at Dalzell and Clydebridge steel plants. The package will include measures to address energy use and costs. Energy costs are a substantial expense facing business.
What consideration has been given by the Secretary of State or her Cabinet colleagues to bringing forward a coherent strategy to address the high energy costs facing business across the UK?

Amber Rudd: We are well aware of the importance of keeping energy costs down to support businesses and households. My right hon. Friend the Prime Minister announced recently that energy-intensives would be given a specific support package. That has recently got state aid clearance and will be put in place as soon as possible.

T7. [902900] Mike Weir (Angus) (SNP): The Minister will be aware that just before Christmas the European Commission announced new import tariffs, backdated to May last year, on Taiwanese and Malaysian solar panels. That could result in many solar companies having an unwanted and potentially devastating tax bill. Will she take action to assure that that will not happen?

Andrea Leadsom: The hon. Gentleman is right to raise this matter. It is a real concern that, in spite of the fact that the cost of solar panels has dropped so dramatically, the cost in Europe remains higher than elsewhere in the world as a result of the import tariffs. As I mentioned earlier, my right hon. Friend the Secretary of State wrote to the Trade Commissioner explaining how very bad this is for the ongoing success of the UK industry. We will do everything we can to try to ensure the tariffs are removed as soon as possible.

T8. [902902] Diana Johnson (Kingston upon Hull North) (Lab): We were disappointed in the Humber last year not to be granted the national college for wind energy, especially in light of the fact that renewables are so important to the future of the area. Will Ministers agree to meet me and representatives of the local enterprise partnership to discuss what more can be done to promote a national wind college that might attract local funding?

Andrea Leadsom: Yes, I would certainly be delighted to meet the hon. Lady and colleagues. I can tell her that I recently had the huge pleasure of seeing the new Siemens turbine blade site in Hull, which is fantastic and so impressive. It is a real injection of enthusiasm, new jobs and apprenticeships in her area. We should do everything we can to promote the northern energy powerhouse that is taking off and doing so well.

Several hon. Members rose—

Mr Speaker: Order. There is a veritable army of Opposition Members seeking to catch my eye, but as a practitioner of diversity and inclusion I say to the right hon. Member for Hitchin and Harpenden (Mr Lilley) that I do not want him to feel excluded. He wished to contribute earlier. If he wishes to contribute now, we will happily hear him.

Mr Peter Lilley (Hitchin and Harpenden) (Con) indicated dissent.

Mr Speaker: Not at the moment. Very well, but as soon as he wants to he can.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): The rate of fuel poverty across the UK is very high, which is why I welcome the Scottish Government’s £200 million warm homes scheme to help reduce bills for low-income households. Such households are more likely to pay their bills using prepayment meters, but these are more than £200 per year more expensive than the cheapest direct debit bill. What measures will the Secretary of State introduce to ensure that customers using meters have access to the lower energy prices available to those using other payment methods?

Amber Rudd: I am well aware of the issue of fuel poverty. In Paisley and Renfrewshire North, there are energy company obligation measures in place that I believe will help the hon. Gentleman’s constituents. By September 2015, some 119 measures per 1,000 households had been installed compared with the average of 77 per 1,000 in the rest of the UK. He can rest assured, however, that we are focused on making sure that bills stay low and fuel poverty is addressed, and the ECO system is one of the best ways for us to do that.

Jim Shannon (Strangford) (DUP): In Northern Ireland, one in five pensioners are defined as living in income poverty, and 62% of them are in fuel poverty. What discussions has the Secretary of State had with her counterpart in Northern Ireland to help address these issues?

Amber Rudd: I know the hon. Gentleman cares as much about this as we do. Keeping fuel poverty at bay and bills down are absolute priorities. On the statistics he mentioned, I will have to write to him.

Alan Brown (Kilmarnock and Loudoun) (SNP): Outside Hinkley Point C, for each of the five proposed new nuclear power stations the Government are considering, they are discussing having a single supplier for each one. This means that yet again they will be held hostage, with no guaranteed programme, high profits for suppliers and extortionate strike rates agreed, which will be picked up by electricity users. Should the Government not do the decent thing and rethink this “nuclear at all costs” policy?

Amber Rudd: The Government think that nuclear reactors are an important part of delivering a low-carbon future, but we also have a great opportunity to ensure we develop skills, as my hon. Friend the Minister mentioned. I will ensure that my Department considers the hon. Gentleman’s point carefully and gets back to him with some answers.

Caroline Lucas (Brighton, Pavilion) (Green): In her attempt to explain the hugely unpopular cuts to solar, the Secretary of State constantly pretends this is about reducing costs to householders, yet industry analysis shows that solar will cost half as much as Hinkley over 35 years and save consumers about £15 billion. How can she keep justifying such blatant double standards when it comes to nuclear power?

Amber Rudd: I am sorry, but the hon. Lady is not dealing with the facts. The solar changes will still deliver a 5% yield to those who put them up, but nuclear provides an important base-load, even when the sun does not shine or the wind does not blow. She can have her own views, but she cannot have her own facts.
Several hon. Members rose—

Mr Speaker: Last but not least, and never forgotten, I call Mr Skinner.

Mr Dennis Skinner (Bolsover) (Lab): With the Chinese economy hitting the buffers week after week, does it make sense to continue with this Chinese connection and nuclear power in Britain? Is it not time it was abandoned? The shine is being knocked off it every single day. Will the Secretary of State change her mind?

Amber Rudd: I can reassure the hon. Gentleman that we are ambitious for this country, we are confident in our regulation and we are open for business, and if the Chinese want to make a substantial investment in delivering new nuclear, we will take it and make a great success of it.
Business of the House

10.33 am

Chris Bryant (Rhondda) (Lab): Will the Leader of the House give us the business for next week—and the week after and all the rest?

The Leader of the House of Commons (Chris Grayling): Surely not all the rest, but the business is as follows:

Monday 11 January—Remaining stages of the Armed Forces Bill, followed by general debate on local government funding for rural areas. The subject for this debate was nominated by the Backbench Business Committee.

Tuesday 12 January—Conclusion of remaining stages of the Housing and Planning Bill.

Wednesday 13 January—Opposition day (15th allotted day). There will be a debate on trade, exports, innovation and productivity. The debate will arise on a motion in the name of the Scottish National party.

Thursday 14 January—Business to be nominated by the Backbench Business Committee.

Friday 15 January—The House will not be sitting.

The provisional business for the week commencing 18 January will include:

Monday 18 January—Second Reading of the Energy Bill [Lords].

Tuesday 19 January—Opposition day (16th allotted day). There will be a debate on an Opposition motion. Subject to be announced.

Wednesday 20 January—Remaining stages of the Psychoactive Substances Bill [Lords], followed by, if necessary, consideration of Lords amendments.

Thursday 21 January—Business to be nominated by the Backbench Business Committee.

Friday 22 January—Private Members’ Bills.

I should also like to inform the House that the business in Westminster Hall for 18 January, decided by the Petitions Committee, will be:

Monday 18 January—Debate on e-petitions relating to the exclusion of Donald Trump from the United Kingdom.

Chris Bryant: I am certainly up for that one!

Happy new year, Mr Speaker, and if you are a Russian, happy Christmas. Also, many congratulations to the hon. Member for North West Norfolk (Sir Henry Bellingham) and to our wonderful Chief Whip who proves, of course, there’s nothing quite like a dame! Warm congratulations, too, go to our new Serjeant at Arms elect, Kamal El-Hajji—we look forward to working with him. In the words of Stephen Sondheim, “I’m still here!” [Interruption.] Division? No.

I am delighted that the hon. Member for Stratford-on-Avon (Nadhim Zahawi) yesterday joined my call for a proper parliamentary commemoration of the 400th anniversary of the death of William Shakespeare, although I thought he rather marred the effect by referring to Shakespeare as “our greatest living bard”, which I notice Hansard has corrected for him. May I suggest that we have a St George’s day Shakespeare debate, which would give us a chance to consider the Government’s own rather special use of the English language? After all, yesterday the Leader of the Opposition asked about the £190 million flood defence project on the River Aire in Leeds that was cancelled in 2011. The Prime Minister stated quite categorically:

“No flood defence schemes have been cancelled since 2010”.—[Official Report, 6 January 2016; Vol. 604, c. 277.]

But that is not quite the case, is it, Mr Speaker? In fact, the Prime Minister’s official spokesman had to dig him out of that hole by resorting to the most extraordinary bout of circumlocution yesterday afternoon, claiming that

“Jeremy Corbyn’s suggestion was that the scheme had been cancelled”,

whereas in fact:

“There was a proposal made, it wasn’t adopted.”

In Shakespeare’s English, that does mean it was cancelled, does it not? The truth is that families do not want spin; they want proper protection from flooding.

That was not all. When my hon. Friend the Member for Cardiff West (Kevin Brennan) asked the Prime Minister about the number of special advisers, the Prime Minister said:

“There are fewer special advisers under this Government than there were under the last Government.”—[Official Report, 6 January 2016; Vol. 604, c. 283.]

He obviously meant us all to believe that he had cut the number of special advisers since he came to power. Oh no, he can’t have meant that, can he, Mr Speaker, because under the last Prime Minister there were 71 special advisers, and now there are 97. I know the Secretary of State for Education cannot do her times tables, but even she must be able to work out that that is a net increase of 26. The Prime Minister’s words yesterday can be true only if when he said “the last Government”, he did not mean the Labour Government but the Government he led last year. It is as if he has not existed for five years. I have heard of people being airbrushed out of history by their opponents, but this is the first time I have ever heard of a Prime Minister airbrushing himself out of his own history books.

I note that yet again the Leader of the House has given us only the dates for the Easter recess and not for the prorogation for the state opening of Parliament or, for that matter, for the Whitsun recess. Is that because he does not yet know when he will table the motion for the date of the EU referendum? Will he now come clean and tell us when he is going to vote? It is not a matter of conscience for him any more; he will even be able to keep his two special advisers, his ministerial car and his salary. He can tell us—in or out? It’s an out, isn’t it? He is an outer. Come on, come out!

May I suggest that after every recess, the first day back should be devoted to no business other than statements from Ministers and urgent questions? That might stop the Government piling up bad news announcements for the very last day before the recess. This December was the worst ever, with 36 all in one day. In one day, we learned that immigration officers had given up hunting for 10,000 missing asylum seekers, that HMRC had lost out on £16 billion of tax, and that there would be a massive expansion of fracking for shale gas. During the recess, we learned that the Government had abandoned the Financial Conduct Authority review of the culture of banking, and that half the Cabinet had gone to pay tribute to Rupert Murdoch, bearing gifts of
a licence fee cut, an end to Leveson, and an inheritance tax cut for millionaires. Is it not time that they learned that Rupert isn’t the Messiah but a very naughty boy?

On Tuesday, we shall debate the remaining stages of the Housing and Planning Bill, and for the first time in our history, some Members will be barred from voting in a Division in the Chamber. Was it not preposterous that we started to debate the Bill at 8.30 pm last Tuesday, and that over the recess the Government tabled 65 pages of amendments to a Bill that is only 145 pages long? Moreover, there was not a single amendment on resilience and sustainable drainage.

Will the Leader of the House clarify a few aspects of the operation of English votes for English laws next Tuesday? Because of the programme motion that the Government have tabled, we shall have to proceed on the basis of manuscript motions from the Government and manuscript amendments, if there are any. That is right, is it not? Surely it is wrong for us to proceed on the basis of manuscript business when we are dealing with such important measures and when EVEL is operating for the first time. Would it not be far better to devote the whole of Tuesday to the Report stage, and to keep the remaining stages for another day?

Could there be a clearer symbol of how incompetent Conservative Ministers are than the events of Monday afternoon, when two of them visited flood victims in Pooley? Not only did they arrive late, but they turned up at the wrong end of a bridge that had been washed away a whole month ago. A farmer had to be dispatched on a quad bike to fetch the two MPs—it involved a 30-minute ride—while their bewildered entourage of civil servants, bag carriers and party hacks had to trundle along in a minibus. I suppose one could have just about understood the confusion had it not been for the fact that the two Ministers concerned were the Secretary of State for Transport, who really should know when a bridge has disappeared, and the local MP, who had visited the bridge once before when it had already disappeared! I gather that there was some signalling from the villagers on the other side of the river, although it is not entirely clear what they were trying to suggest. As Mr Leeroy Fowler put it, “You couldn’t make it up.”

Four new elements in the periodic table were discovered this week, and scientists are looking for names for them. Apparently, these elements are dangerous and short-lived, rather like the policies of the Leader of the House when he was at the Ministry of Justice—so may I suggest that one of them should be named “Graylingium”?

Chris Grayling: A happy new year to you, Mr Speaker, and to everyone in the House. Welcome to day four of the Labour reshuffle. I imagine that this has been a rather frustrating week for the shadow Leader of the House. As Oscar Wilde so famously said, the only thing worse than being talked about is not being talked about. But never mind: I believe that the hon. Gentleman will be making a return to the newspapers on Monday. It is his birthday, and I expect that he will appear in the Court Circular. I wish him a very happy birthday for next week.

Mr Speaker, may I echo your comments yesterday about the new Serjeant at Arms? I worked with him—he was my head of security when I was Secretary of State for Justice—and he is a fine man and a consummate professional. When I discovered that he was in the frame for this job, I was delighted. It is an excellent appointment, and he will serve the House admirably. I am very grateful to all who were involved in the recruitment process for the work that they did and the choice that they made, and I commend this new appointment to the House.

May I also ask colleagues from Northern Ireland to convey my congratulations to the new Northern Irish First Minister, who took up her position during the Christmas period? She takes up a difficult and challenging role, and I think it is in the interests of everyone in the House to wish her well for it. We all want stability to continue in Northern Ireland, and to continue to succeed in future.

The shadow Leader of the House referred to the European Union. The Labour party has a leader who has changed his mind twice in the last few months. Labour Members claim to support a reformed European Union, but will not say what they want to reform. They did not even want a referendum. The Prime Minister has done the right thing this week, and I will take no lessons from Labour Members. When will they ever do the right thing for their people? I would just remind him of what it means in the Labour party when people say something. In the Conservative party a free vote means we can vote according to our own conscience; in the Labour party a free vote means they can vote according to the Leader’s conscience.

On the flooding issue, I am proud of the response this country has made to a devastating situation in so many parts of the country. Our emergency services, voluntary services, local communities and our armed forces have come together to deal with a dreadful situation effectively and well. The Government have committed to provide financial support to all the communities affected in a way that goes far beyond what has taken place in the past. I am distressed about what has happened in this country but proud of the way the country has responded, and I am happy to say to the Opposition party that I think we have done a better job than has been done in the past. We will learn the lessons for the future, but it is imperative that we do the right thing when troubles like this strike.

On the question of the announcements made before Christmas, I just remind the hon. Gentleman that I have stood at this Dispatch Box week after week listening to the Opposition asking, “When can we have an update? Can we have an announcement before Christmas? Can we have the publication of a report before Christmas?” However, when before Christmas we actually produced a whole range of announcements, publications and reports and confirmations of Government policy, they complain about it; it is an absolute nonsense. We will do the right thing by this country; they will no doubt carry on complaining about it. That is their prerogative in opposition, but frankly I am taking no lessons from them.

As for the Housing and Planning Bill, let me first remind the hon. Gentleman that we are having a two-day debate on it, something that is often called for in this House. The Chief Whip and I believed it was necessary to make sure that the House had two days to debate a substantial Bill with changes being made to it. I just remind the hon. Gentleman that at 1 o’clock on Wednesday morning while we on this side of the House were
debating those measures, most of the Opposition Members had gone home to bed, so I will take no lessons from him when they say we should be offering more time for debate, given that we were debating and they were asleep.

The hon. Gentleman brought up the question of Shakespeare. Listening to the hon. Gentleman on Thursdays I am reminded of the great quote from “King Lear”:

“Have more than you show, speak less than you know.”

Mr Speaker, this week of all weeks we should express our thanks to the Labour party. Having come back to work after the Christmas period, you and I perhaps think, in the words of the song, “I wish it could be Christmas every day.” On the Conservative Benches, looking at the Labour reshuffle, frankly it is.

Alex Chalk (Cheltenham) (Con): Successful local businesses in Eagle Tower, a prominent office building in my constituency, have recently been informed that they will have to vacate so that floors can be converted under so-called permitted development rights. May we have a debate to consider whether the planning system affords adequate protection to high-quality occupied business space, which is vital for generating jobs in places like Cheltenham?

Chris Grayling: I understand the concerns my hon. Friend raises. The change we have brought forward has been to ensure that redundant office buildings, which exist in many parts of the country, can be quickly used for residential purposes given the nature of the housing challenge we face in this country. We all agree that we need to step up house building and make more housing available. However, I take note of what my hon. Friend says. He will shortly have an opportunity to question the Secretary of State for Communities and Local Government. My hon. Friend makes a valid point, but I do think this is a policy we need in order to make sure that there are no empty commercial buildings while people are struggling to get on the housing ladder.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing the business for next week. May I too take this opportunity to properly wish you a happy new year, Mr Speaker, and extend that to all the staff who work so diligently to properly wish you a happy new year, Mr Speaker, this week of all weeks we should express our thanks to the Labour party. Having come back to work after the Christmas period, you and I perhaps think, in the words of the song, “I wish it could be Christmas every day.” On the Conservative Benches, looking at the Labour reshuffle, frankly it is.

Chris Grayling: First, let me wish the hon. Gentleman and his colleagues a happy new year. I hope they all had an enjoyable Hogmanay—I am sure they did—and it is good to see the hon. Gentleman back in the House. I have to tell him that we are going to disagree on many things this year, as we always do, but I agree with him on his final point. There has been an utter shambles in the Labour party. In fact, there is one thing that has not been a shambles, and I should have congratulated the Government Chief Whip—[Hon. Members: “Oh!”]—I mean the Opposition Chief Whip on her well-deserved honour. The right hon. Member for Doncaster Central (Dame Rosie Winterton) has been an excellent servant of this House, in opposition
and in government, and this honour has been welcomed on both sides of the House. I offer her my sincere congratulations.

Chris Bryant: What about North West Norfolk?

Chris Grayling: The shadow Leader of the House can never resist talking in this place. More than anyone else, he likes the sound of his own voice. He cannot stop talking. If he will just be patient, I was about to say that I am also delighted by the honour that has been awarded to my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham). That, too, is well deserved. He is a long-standing and distinguished Member of the House. Both he and the right hon. Member for Doncaster Central very much deserve their recognition in the new year’s honours list, and I apologise for not saying so earlier.

The spokesman for the Scottish nationalists and I clearly agree that there has been an utter shambles in the Labour party. We are now on day four, and it still has not finished making appointments. I notice that the shadow Leader of the House’s Parliamentary Private Secretary seems to have disappeared, so perhaps he is in the process of being moved around—

Neil Coyle (Bermondsey and Old Southwark) (Lab): I am here!

Chris Grayling: Ah, I beg his pardon. He is not sitting in his usual place. But you couldn’t make up the idea of a reshuffle that lasts for four days. It is a sign of how utterly incompetent the Opposition are. That said, the hon. Member for Perth and North Perthshire (Pete Wishart) is back on some of his usual themes this week. I just remind him that the United Kingdom will vote on our future in the European Union, and Scotland voted to be a part of the United Kingdom. I know he has never quite adjusted to or accepted that reality, but none the less the reality is that Scotland chose to be part of the United Kingdom and we will vote as one United Kingdom.

On the economy, the Chancellor is prudently talking about some of the challenges we face internationally. I remind the hon. Gentleman that unemployment—the number of people claiming jobseeker’s allowance in this country—has almost halved since 2010; the number of children growing up in workless households has fallen by more than half a million; and the level of employment in this country has mushroomed under this Government. The emergency services, the local authorities and all those involved in south-west Scotland did an excellent job. The last flood resilience review did not report to Parliament, because that was the recommendation. By abolishing that tradition we are also putting out of work a number of workers in Milton Keynes, who are the last remaining experts in this matter. You will recall that in answering a point of order, you made it clear that “for the recommendation…to be implemented, the matter would have to be brought to the Floor of the House, as it was in 1999.”—[Official Report, 26 October 2015; Vol. 601, c. 39.]

You made it plain that this could not proceed unless the matter were debated here in the House of Commons on a substantive motion. Will the Leader of the House therefore tell me whether the Government have any plans to make time available for such a debate? Will he confirm that if they do not and there is no such debate on the matter on the Floor of the House of Commons, the recommendation cannot go ahead?

Chris Grayling: That is a matter for discussion by the relevant Committees, and it is on their agenda. As of today, I have had no request to make time available for a debate about it. This is of course a difficult decision; there is a balance to be found between maintaining traditions of this House and this country, and making sure that what we do is cost-effective. It is a matter for lively debate and I am not aware that any final decision has been reached.

Mary Creagh (Wakefield) (Lab): May we have a debate, perhaps in Government time or as Back-Bench business, on flooding—[Hon. Members: “There was one yesterday!”]—with a particular focus on the resilience of major critical infrastructure assets? A quarter of all bridges, 10% of all emergency stations and 6% of hospitals are in areas susceptible to flooding. The last flood resilience review did not report to Parliament, because of national security issues. Can the Leader of the House ensure that the next flood resilience review, which is about to be carried out, does report to this place and is dealt with by the Intelligence and Security Committee, and that we treat the issue as the national security threat that it actually is?

Chris Grayling: One thing we are going to have to do is learn lessons from the flooding, and issues have arisen. For example, mobile phone networks have come down in areas of the country because key parts have been affected by the floods. These things are already being looked at carefully in the Cabinet Office and in government. We had the debate yesterday and there will be further opportunities to discuss this issue in future, but I assure the hon. Lady that work is taking place to make sure that lessons arising from the most recent floods are learned and that we do everything we can to protect our critical national infrastructure—she is right.

Mims Davies (Eastleigh) (Con): May we have a debate on the effect of air pollution on health and the action needed to deal with it? About 7 million people worldwide are dying each year because of the effects of air pollution, and locally we face terrible consequences arising from standing traffic, including in my constituency.
Chris Grayling: I know that my hon. Friend has been a tireless campaigner since her election on trying to secure local improvements, and that she has campaigned on the issue of the Chickenhall Lane link road in her constituency and will carry on doing so. Many of these decisions are now taken locally, in discussions with county councils about what projects should be prioritised for the future, but we will continue to look for ways of investing nationally and providing financial support for local and regional authorities to ensure that we provide the improvements to infrastructure that we need to keep the traffic flowing and to ease the kind of air pollution pressures that come from long traffic jams.

Ian Mearns (Gateshead) (Lab): I thank the Leader of the House for the business statement and for notice of the two days of Backbench Business Committee debates to be held on 14 and 21 January. I am glad to say that, before the Christmas recess, we were pretty much up to date with our waiting list of debates to be tabled, and we now have almost a clear deck. I am therefore putting out an appeal to hon. Members across the House for applications for business on those two days.

Chris Grayling: I commend the hon. Gentleman and his Committee for the work that they do. I also echo what he says. For the Backbench Business Committee system to work well, we do need colleagues from all parts of the House to come forward with topics for debate. In recent weeks, we have seen requests for the traditional annual debates on veterans, policing and so on. It is very much my hope that those traditions will continue, so I encourage Members to go through the appropriate channel of the Backbench Business Committee, where I suspect there will be a receptive ear.

Mr Andrew Turner (Isle of Wight) (Con): Is the Leader of the House aware that the European Commission is attempting for the third time to impose damaging and wasteful regulations on the UK’s ports? Employers and workers’ representatives agree that those measures will damage investment and jobs. The European Scrutiny Committee, of which I am a member, has called for the measures to be debated on the Floor of the House, not in Committee. Will he look urgently at that matter and ensure that it is properly scrutinised by the whole House?

Chris Grayling: I am aware of the issue. In the past couple of days I have had a number of discussions with colleagues who represent ports and who have particular concerns about the matter. The Chief Whip and I are considering those representations. I can assure my hon. Friend that that matter is on our agenda. We must ensure that we get it right. The Prime Minister is absolutely right when he talks about the need for deregulation and subsidiarity in Europe. It is not entirely clear to me why we should have European regulation of our ports anyway, and it certainly has to be the right regulation if it has to happen at all.

Diana Johnson (Kingston upon Hull North) (Lab): The Leader of the House will be delighted to know that the “Rough Guide” has put Hull in the top 10 cities of the world to visit, alongside Vancouver and Amsterdam. [Interruption.] I can see that he is delighted by that, given the comments that he is making to the Government Chief Whip. On that basis, can we please have a statement from the Minister responsible for local growth and the northern powerhouse, the hon. Member for Stockton South (James Wharton), in order to discuss how to improve transport links to a global city and the UK city of culture 2017, including electrifying the railway lines and scrapping the tolls on the Humber bridge?

Chris Grayling: First, let me congratulate the hon. Lady and all the people of Hull on a remarkable achievement. It is always a matter of pride to this country when one of our great cities receives worldwide acclamation. We can all be proud of Hull’s achievement. We should also be proud of Hull’s preparations for the city of culture year. It promises to be a great year for the city. I know that my colleagues in different parts of the Government will do what they can to help ensure that, for the people and the authorities in Hull, it is a moment of great historic importance and great enjoyment.

Mr Ian Liddell-Grainger (Bridgewater and West Somerset) (Con): The Prime Minister has quite rightly made the decision that all Members on the Government Benches can speak with their conscience over the European debate. Given that, can we have a series of debates on the European Union and what it will mean for this country come the referendum, so that people will be aware of what they can and cannot vote for and why they should vote with their conscience, as we will?

Chris Grayling: I suspect that we will have extensive debates on the matter in this House and around the country over the next few months, and rightly so. It is perhaps the key issue for our generation. The disappointing thing is that, while there appears to be debate in much of the country, there seems to be very little debate coming from the Opposition Benches. Labour Members do not know what they stand for and they are not interested in engaging in debate. They call for a reformed European Union, but they will not say what they are prepared to reform.

Jim Shannon (Strangford) (DUP): First, may I thank the Leader of the House for his kind comments about Arlene Foster’s election as the leader of the Democratic Unionist party and her shortly becoming the First Minister? We look forward to a confident, brighter future in Northern Ireland, taking everybody forward together.

The Leader of the House will be aware, because I know he is interested in the matter, of the High Court decision to grant a buzzard control licence, which took five years to happen. In light of that decision, will he agree to a statement being made in the House to ensure that all future applications for buzzard control licences will be looked upon sympathetically under the criteria that exist?

Chris Grayling: The hon. Gentleman makes an important point. I will ensure that the Secretary of State responsible takes a look at that and writes to him with a proper response.

Pauline Latham (Mid Derbyshire) (Con): As somebody who is interested in international development, Mr Speaker, you will be interested to know that I have just returned from Uganda, where I looked at the terrible situation of the malaria epidemic in the north of the country. May
we have a debate on the health systems in Uganda, which are failing people? Mothers and children are dying from malaria, which should not be happening in this day and age. May we have an urgent debate in the House to discuss the situation?

Chris Grayling: First, I commend my hon. Friend for her work. Malaria is a scourge in many parts of the world and is particularly bad in Uganda at the moment. It is a terrible disease that can cost the lives of young people and blight communities. She makes an important point, and I know that she is looking for a debate on Uganda in the House. Of course, a broader debate on the global impact of malaria will take place in the House in the near future, but she makes a good point that the situation in Uganda merits attention in the House. I hope that the fact that we are as prominent a donor of international aid as any country in the world will enable us to do something to help Uganda, a country with which we have historic ties.

Paul Flynn (Newport West) (Lab): When can we debate whether Parliament is slipping back into its bad old ways that led to the expenses scandal? In recent cases involving Malcolm Rifkind, Jack Straw, Tim Yeo and Lord Blencathra, bodies in this House took lenient decisions but independent voices outside, including a court and Ofcom, took harsh decisions. The Committee that adjudicated on Lord Blencathra was chaired by Lord Sewel, who now has his own difficulties. If we do not look at the fact that the Advisory Committee on Business Appointments, which is meant to be a watchdog, is in fact a toothless pussycat, and at the uselessness of the Independent Parliamentary Standards Authority, which is an expensive ornament, is there not a grave danger that we will slip back and have new scandals in the future?

Chris Grayling: I think we probably now have the most regulated system of operation of any Parliament in the whole of Europe. Cases can always be made for improving the situation—I am not going to discuss individual Members of this House or the House of Lords—but there are proper processes in the House for making representations on change and improvements, particularly through the Committee on Standards, which has responsibility for deciding not only on individual cases but on the overall approach. I am sure the hon. Gentleman will make representations to that Committee.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): This Christmas, news headlines were dominated by the floods. Obviously I am concerned about the amount of wildlife that has been lost, including hedgehogs.

Although Plymouth has not faced the type of problems that saw the railway line at Dawlish washed away, over the past two years the walls have been falling into the sea at both Devil's Point and Devonport in my constituency. May we have a statement from the Government about how local authorities can apply for money to look after their heritage?

Chris Grayling: I saw over Christmas that my hon. Friend has continued his valuable campaign on protecting the hedgehog, and I have no doubt that we will hear a lot more about that work in the coming months.

I know that last year the impact of the floods was very much about the south-west, and this year it is about challenges further north. It is important that we learn lessons, and we have ensured that we have made compensation available to communities affected by flooding. Of course, there are various mechanisms and funds available to local communities for the protection of historic buildings and sites. I know that there are many of those in my hon. Friend’s constituency, and I will be happy to ensure that the relevant Minister talks to him about the options that are available.

Tom Brake (Carshalton and Wallington) (LD): The Leader of the House will be aware of significant concerns that the UK might be in breach of international law for supplying the Saudis with weapons that are being used in Yemen. Has he any intelligence about when the Arms Export Controls Committee will be re-established? We need that Select Committee to look at these issues and to ensure that the UK is not in breach of international law.

Chris Grayling: That Committee is effectively a conglomeration of four different Select Committees, which is free to meet whenever it wishes. Its decision to meet or not to meet is not a matter for the Government. It is a matter for the Chairs of those four Committees to come together, to constitute the Committee and to hold meetings. There is no reason why that cannot happen now.

Mr David Burrowes (Enfield, Southgate) (Con): I was disturbed last night when I visited a winter night shelter hosted by churches across Enfield. I spoke to Artur, who told me that if it was not for that night shelter, he would be travelling round on the night buses tonight and on future nights because he is not young or vulnerable enough to get housing. May we have a debate to consider developing a cross-departmental strategy on homelessness which will prevent people such as Artur becoming homeless in the first place, which should not be tolerated in 2016 Britain?

Chris Grayling: I commend my hon. Friend, who is typical of many people in the House who do unsung and unseen work in the community, visiting shelters, spending nights out with the homeless on the streets, and so on, in other situations. I commend my hon. Friend on what he is doing and on bringing the issue to the House. The best solution to homelessness is more homes and that is the incentive for what this Government are doing, but I will ensure that the relevant Ministers engage with my hon. Friend to discuss what he has learned and to try to ensure that we do what we can to end the blight of homelessness.

Mrs Madeleine Moon (Bridgend) (Lab): May we have a debate on how we improve support for and the dignity of people who suffer incontinence? Sadly, there is a postcode lottery across the UK as to how long they wait to access support and advice. There is also a problem with how often they can access the products they need to deal with their incontinence. In England alone just short of 200,000 people have been admitted to hospital with urinary tract infections. If we tackled this problem, we could give people dignity, respect and save considerable sums of money. May we look at the problem across Government and see how we can begin to tackle it?
Mr Philip Hollobone (Kettering) (Con): My constituents in Kettering are outraged that an illegal immigrant from Sudan who broke into this country by walking through the channel tunnel has this week been awarded asylum and allowed to stay here. This sends an appalling signal to the staff at Eurotunnel and our hard-working border staff both in this country and in France. What is the point of intercepting these people if they are going to be given permission to stay? Also, it sends a green light to illegal immigrants from across the world that they might as well give it a go because if they make it here, they will get asylum. May we have an urgent statement from the Home Office on this matter?

Chris Grayling: That’s you—I’m not south London.

Chris Grayling: The hon. Lady makes an important point. Suffering from the conditions that she describes is enormously disruptive to life and enormously distressing. These matters are devolved not only to the different parts of the United Kingdom, but to local clinical commissioning groups, which take the decisions about how to operate policies in their local communities. Where Members have situations in their constituencies which they think are not right, they need to take those up with local clinical commissioning groups and try to get a change of practice in those communities.

Mr David Anderson (Blaydon) (Lab): I am sure, Mr Speaker, that you and the rest of the House were as delighted as me to hear the news that my hon. Friend the Member for Blyth Valley (Mr Campbell) has won the Plain English award for speaking in this House. In line with that, may we have a debate in Government time on the use of language in this House so that we can find out what the Prime Minister means when he says he is going to look into something and what Ministers mean when they constantly say they are reviewing something? We could also discuss what is meant when someone asks a question to which they want an answer but gets something completely unrelated to it?

Chris Grayling: Nobody could accuse Labour Members of a lack of plain speaking this week. Member after Member has lined up to say that their leader is hopeless. The question is whether they are actually going to do anything about it.

Mr David Nuttall (Bury North) (Con): May we have a debate on the health benefits of eating black pudding? My right hon. Friend the Member for Leeds Central (Hilary Benn) loyally supports his leader by disagreeing with him again, he is going to move from the Front Bench to the Back Bench. In European debates, if the Leader of the House is summing up in future, will he move from the Dispatch Box to the Back Benches? Will he be joined by the Home Secretary and the Foreign Secretary if they join his rebellion? Call me old-fashioned, but instead of playing musical chairs, could we not go back to the previous practice? When Government Ministers did not agree with the policies of their own Government, they just tendered their resignation.

Chris Grayling: If I understand it correctly, we are about to move on from the days of “call Nick Clegg on LBC” to “call Alex Salmond on LBC”. The question is, whether the right hon. Gentleman gets a call from Chris of south London or whatever, we can—

Chris Bryant: That’s you—I’m not south London.

Chris Grayling: Perhaps it is north London. Anyway, I look forward to hearing the programme. We are all going to have a lively debate over the next few months, and it is right and proper that we have a debate as a nation, but on the Government Benches we are a united party in government, while on the other side of the House we have an Opposition who are not fit to be an Opposition.

Julian Knight (Solihull) (Con): Three quarters of all pension tax relief goes to those who least need it—those paying 40% tax and above. May we have a debate on addressing this unequal situation and proper reform of pension tax relief so that we move to a single-tier relief to benefit millions of ordinary British workers?

Chris Grayling: The Chancellor of the Exchequer is currently undertaking a review of pension tax relief and the way our pensions system works. My hon. Friend has great expertise in this area, and I urge him to discuss his views with the Chancellor to make sure they are included in the review. When it comes to discussing proposals brought forward by the Treasury, there will be extensive debates in this House.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Given that 21 Members stuck it out until half-past 2 yesterday morning to take part in an Adjournment debate on the world’s only Welsh language television channel, S4C, only to receive the blandest of brush-offs, surely there should be an opportunity to discuss and vote on the Government’s policy of whittling the channel to death.
Chris Grayling: I heard, and the hon. Lady will have heard, the Prime Minister’s comments about S4C yesterday. Welsh language broadcasting is of course important, and any changes that are brought forward would clearly be a matter for discussion and debate in this House.

Jason McCartney (Colne Valley) (Con): Last month I chaired a meeting of the all-party parliamentary group on fair fuel for motorists and hauliers in an inquiry into pump prices, where we heard that the number of independent petrol retailers has fallen from 14,000 to 8,600 in the past decade. We were told that automated car washes have been a much-needed source of income for independent petrol retailers, but the Valuation Office Agency calculates that 30,000 people are now employed in the hand car washing industry, and the Petrol Retailers Association calculates that the Treasury could be missing out on £200 million of tax. May we therefore have a debate on the hand car washing industry?

Chris Grayling: Of course, there will be an opportunity to raise that issue at Treasury questions shortly. The important thing is not to say that we should not have hand car washing in this country, but to make sure that the people and businesses doing the hand car washing are operating properly and appropriately within the tax system and have a legitimate right to do that work, in order to ensure that they perform like any other business.

Geraint Davies (Swansea West) (Lab/Co-op): This week the Department of Justice in the United States filed a civil law suit on behalf of the Environmental Protection Agency against Volkswagen, because 600,000 of its car engines were illegal as a result of defeat devices. In the light of the fact that 30,000 people a year die in Britain as a result of diesel particulate emissions—much of the contribution towards which is extra emissions from the illegal defeat devices—what legal action are the Government going to take, in line with the Americans, against VW; and may we have an urgent debate on the matter?

Chris Grayling: Let us be clear: what VW did was unacceptable and shocking and it has done immense damage to that company. It is utterly inappropriate for any major corporation to act in that way. Prosecution decisions in this country are a matter not for Government, but for the relevant authorities. I am sure they will have noted what the hon. Gentleman has said, but it would be wrong of politicians to get directly involved in whether prosecution decisions should be taken.

Dr Matthew Offord (Hendon) (Con): Over the Christmas period, I was contacted by two constituents—one was Muslim and the other Jewish—about problems they had with the out-of-hours coroners service. People of those religions need a death certificate within 24 hours in order to comply with their religious beliefs and to dispose of the body. Could a Minister come to the Dispatch Box and explain how the Government are ensuring that a 24-hour coroners service is available to everyone across the whole of the United Kingdom?

Chris Grayling: I am well aware of the issues and some of the challenges, particularly those faced by some of the communities in north London. The issue is now subject to review by the Ministry of Justice, and I hope it will suggest ideas to improve the situation.

Kirsten Oswald (East Renfrewshire) (SNP): May we have a debate in Government time on the plight of the 3,000 refugees living in soaking tents and knee-deep in mud in the Grand-Synthe camp near Dunkirk? There are restrictions on the aid allowed in, 90% of people there are suffering from scabies and 80% this week tested as hypothermic. Does the Leader of the House think that is how people should live? Does he not accept that the UK Government must do more?

Chris Grayling: I have a simple view on this. We are providing more support to refugees in and around Syria than any other country except the United States, and we are taking thousands of refugees into this country to provide a route for the most vulnerable to escape that environment, but I do not believe that people should simply be able to come through France and into the United Kingdom. If someone is a genuine refugee, they are seeking safe haven. France is a safe haven. It is not clear to me why we should throw open the borders and simply allow people to travel through France and arrive in the United Kingdom.

Bob Blackman (Harrow East) (Con): Honeypot Lane forms part of the border between my constituency and that of the hon. Member for Brent North (Barry Gardiner). It is also part of the borough boundary between the London borough of Brent and Harrow. Brent Council has proposed a parking exclusion zone on Honeypot Lane. All of the residents on the Brent side have been fully consulted and have, unsurprisingly, objected to it, because they have no off-street parking at all, but there has been no consultation whatsoever on the Harrow side, other than a tatty notice applied to a lampost. Could we have a debate in Government time on the implementation of controlled parking zones and the need for public authorities to properly consult people before anything is done?

Chris Grayling: Clearly, that is a matter of local controversy and perhaps one on which the two Members can work together. On the overall rules, the practicality will have to be dealt with at local level, but my hon. Friend will have the opportunity at the next Communities and Local Government questions to raise the duties on local authorities to properly consult people before anything is done.

Andy Slaughter (Hammersmith) (Lab): On Tuesday the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood), told the House that “there is no agreement on judicial co-operation”—[Official Report, 5 January 2016; Vol. 604, c. 97.] in the memorandum of understanding between the UK and Saudi Governments, but the Ministry of Justice report to Parliament states: “The Secretary of State visited Riyadh in September 2014 to sign a Memorandum of Understanding on Judicial Cooperation”. The Government have refused to publish the memorandum, so may we have a statement to explain that stark contradiction, unless the Leader of the House wishes to do so now, given that it was he, as the then Lord Chancellor, who signed it for the UK?
Chris Grayling: There will of course be plenty of opportunities in the coming weeks to question the current Lord Chancellor about what the Ministry of Justice does.

Andrew Stephenson (Pendle) (Con): Following the recent local government finance settlement, Lancashire County Council will have £730 million available to spend in 2019-20, compared with £704 million this year. Yet the Labour-run council continues to slash services and waste money. The latest example of that is spending £6.6 million on consultants to help it to identify cuts to make. May we have a debate on local government finance so that we can discuss the appalling way in which some of our local councils are run?

Chris Grayling: We have a debate coming up on funding for rural areas. It is quite noticeable that Conservative councils, with the financial challenges we all face across the country, have risen to those challenges and still deliver high-quality services at a lower price, but Labour councils are struggling even to operate with the money they have.

Barry Gardiner (Brent North) (Lab): Driven grouse shoots damage wildlife sites, increase water pollution, increase greenhouse gas emissions, increase water bills, result in the illegal killing of hen harriers and shed water off hillsides, which causes millions of pounds of damage in floods—we have seen such floods in recent weeks—so may we have a debate and a vote on whether to abolish driven grouse shoots?

Chris Grayling: Conservative Members believe that we should support our countryside and our country traditions. Labour Members have absolutely no interest in rural communities or the people who live in them, and every time they are in power they damage those communities.

Chris Stephens (Glasgow South West) (SNP): A good new year to you, Mr Speaker. May I bring to the Leader of the House’s attention the fact that on 9 June 2015, my constituent Mr Majid Ali, who was studying at City of Glasgow College, was removed from the UK, despite a major campaign by the National Union of Students, back to Pakistan on the basis that his life would not be in danger? Since his removal, his home and those of his relatives have been raided by the Pakistan authorities, and Mr Ali now finds himself on the run. Will Ministers make a statement or hold a debate in Government time for Swansea West (Geraint Davies), during the Transport Committee’s inquiry we received evidence from industry experts that manufacturers were cheating the safety regulations in order to get around them. Do we not now need a debate in this House on the regulation of cars and other vehicles on the road in respect of emissions software and cheating devices, because the list of countries across the world that are taking action is getting longer and the UK Government’s silence is getting more deafening?

Chris Grayling: The hon. Gentleman talks about the UK Government’s silence. It is, of course, not the job of the UK Government to take decisions about prosecutions.

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Mr Mark Williams (Ceredigion) (LD): May we have a debate on the excellent work done during the past 38 years by the charity Motability in providing disability-compliant vehicles and, critically, on the outcome of assessments for the personal independence payment? In such circumstances, many of my constituents have lost vehicles—only to have them restored at a later date, following an appeal—which causes huge distress and, in my area, a very real sense of isolation.

Chris Grayling: Motability is of course an important scheme—indeed, the welfare support we provide to people facing disability challenges is very important—but it is right and proper to have gateways in place. One of the reasons why we moved from the disability living allowance to PIP was that a very large number of people receiving DLA and accessing the support provided to people with disabilities had self-referred or self-diagnosed and, in the end, we had no certainty that those people genuinely needed such support.

Andrew Gwynne (Denton and Reddish) (Lab): May we have a statement about the excellent work done during the past 38 years by the charity Motability in providing disability-compliant vehicles and, critically, on the outcome of assessments for the personal independence payment? In such circumstances, many of my constituents have lost vehicles—only to have them restored at a later date, following an appeal—which causes huge distress and, in my area, a very real sense of isolation.

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Chris Grayling: We have a record in government of encouraging the growth of renewables in this country that is second to none. In the last year, the level of electricity generated by renewables has risen above 25%. Building regulations and standards have improved, developed and changed, but there has to be a degree of flexibility for building firms to decide what products they will actually build.

Stewart Malcolm McDonald (Glasgow South) (SNP): Following on from the question from the hon. Member for Swansea West (Geraint Davies), during the Transport Committee’s inquiry we received evidence from industry experts that manufacturers were cheating the safety regulations in order to get around them. Do we not now need a debate in this House on the regulation of cars and other vehicles on the road in respect of emissions software and cheating devices, because the list of countries across the world that are taking action is getting longer and the UK Government’s silence is getting more deafening?

Chris Grayling: The hon. Gentleman talks about the UK Government’s silence. It is, of course, not the job of the UK Government to take decisions about prosecutions.
We have looked at these issues very closely and worked with the United States on them. The Transport Secretary takes this matter very seriously. If the hon. Gentleman feels the need to bring this matter to the House further, he should talk to the Chair of the Backbench Business Committee and try to secure a debate in the near future.

Nic Dakin (Scunthorpe) (Lab): If the EU were to confer market economy status on communist China, it would cause a detrimental threat to UK steel jobs. May we have a statement in the House to update us on the discussions in Europe on this matter and on the Government’s position?

Chris Grayling: The hon. Gentleman will have the opportunity to raise that matter on Tuesday, because the Foreign Secretary will be here to take questions. I encourage him to put that point to the Foreign Secretary.

Greg Mulholland (Leeds North West) (LD): A debate on the Parliamentary and Health Service Ombudsman is long overdue. We have the nonsensical situation in which it is supposed to be the ombudsman for Parliament and parliamentarians, yet the system can be changed only if the Government decide to bring forward legislation. That must change. Parliamentarians in this House must be able to make decisions on how the ombudsman is structured and on the funding for it, without interference from Government.

Chris Grayling: The hon. Gentleman is free to bring that matter to the Floor of the House at any time. It may be that going to the Backbench Business Committee is the right way to test the view of the House to see how many people share his opinions. The future of the ombudsman, how it is structured, and how it works is a matter of debate, and I do expect it to be discussed and debated in the coming months.

Alan Brown (Kilmarnock and Loudoun) (SNP): As we know, this House relies on tradition and convention. Following on from the comments of my right hon. Friend the Member for Gordon (Alex Salmond), may we have a statement that allows the Leader of the House to explain his understanding of collective Cabinet responsibility, what has traditionally happened to Cabinet members who disagree with Government policy and how that compares to a weak Prime Minister who has traditionally happened to Cabinet who disagree with Government policy and the Government’s position?

Chris Grayling: We have a grown-up approach to politics on the Government Benches. We will have a great national debate and the Prime Minister has set out his position. If we look at the Labour party—I do not blame the Scottish nationalists for this—it decided to have a free vote on Syria, yet the people who spoke and voted against the view of the leader got sacked. That is not my idea of a free approach to Parliament.

Mhairi Black (Paisley and Renfrewshire South) (SNP): I beg to move,

That this House, while welcoming the equalisation of the state pension age, is concerned that the acceleration of that equalisation directly discriminates against women born on or after 6 April 1951, leaving women with only a few years to make alternative arrangements, adversely affecting their retirement plans and causing undue hardship; regrets that the Government has failed to address a lifetime of low pay and inequality faced by many women; and calls on the Government to immediately introduce transitional arrangements for those women negatively affected by that equalisation.

I thank the Backbench Business Committee for giving us the time to debate this important issue. I especially want to take a moment to thank the WASPI team—Women Against State Pension Inequality. Pensions are incredibly complicated, as most people would imagine, but these ordinary women have taken the time to sift through all the information and have drafted one of the most comprehensive and articulate briefings that I have seen since being elected. I thank them for articulating their arguments so well.

Mrs Madeleine Moon (Bridgend) (Lab): The hon. Lady is making a very important statement, given that the former Pensions Minister has admitted that he made a bad decision, based on inadequate briefing. Is it not therefore only right that the House considers this decision today, takes it seriously and reaches the right decision, with the right information before it?

Mhairi Black: That is why the debate is so important, and we should call on the Government to act. However, because pensions are so complicated, it is important, not just for the benefit of some Members, or people in the Gallery, or those watching at home, to try to explain why those women have found themselves in the position that they are in.

To do that, we must go back to 1995, when the Pensions Act increased the female state pension age from 60 to 65. The purpose of that was to equalise the pension age so that women retired at the same age as men. That is fair enough; it makes sense and I do not think anybody would disagree with that principle. The Turner commission recommended that 15 years’ notice be given to individuals if their pension arrangements were to change to give them adequate time to respond appropriately. The 1995 Act technically did that. The equalisation—the changes—was not to be brought in until 2010, which technically gave women 15 years’ notice. The problem is that nobody knew about that. As late as 2008, fewer than half of women knew that they would be affected. The National Centre for Social Research stated in 2011 that only 43% of women were aware of the planned change.

Helen Goodman (Bishop Auckland) (Lab): The hon. Lady makes an important point about people not being aware. It would seem that Government Front Benchers are not aware: there is no Equalities Minister here and there is no Department for Work and Pensions Minister here. That is greatly concerning.
The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): I am here.

Helen Goodman: You are not in the DWP.

Mr Vara: I am.

Mhairi Black: It is noticeable, and a pity, how few Conservatives have turned out.

It is important to highlight that the Government did not send out a single letter to women. There was no official correspondence between the Government and the individuals affected, alerting them to the changes that were going to happen to them. Even the previous Pensions Minister, Steve Webb, recognised that not everybody knew that the changes had happened in the 1995 Act.

A response to a freedom of information request states that the Department eventually wrote to individuals affected and that “Mail campaigns took place between 2009 and 2013.” That is 14 years after the 1995 Act. Women were not personally notified by anybody official until 14 years after the changes came in. That is 14 fewer years that women have had to prepare and to try to make alternative arrangements.

Andrew Gwynne (Denton and Reddish) (Lab): The hon. Lady is making an important point. In a nutshell, is not the injustice to that set of women the fact that they have had not one but two changes to the state pension age, that the process has been accelerated and that there are no transitional arrangements in place? Is not that the real unfairness?

Mhairi Black: I agree with the hon. Gentleman’s points.

Robert Neill (Bromley and Chislehurst) (Con): I have a great deal of sympathy with what the hon. Lady is saying. I am glad that she agrees that the need for equalisation is generally accepted and that it is right and proper. Does she think that it might be sensible to urge the Government to look at the sort of 10 to 15-year transitional arrangements that were made in public sector pensions reform? Would that be a constructive way forward?

Mhairi Black: As I said, I do not think that anybody here has a problem with the principle of transitioning towards equality. However, we are talking about women’s pensions, and it is important to bring the discussion back to that.

Many constituents who have written to me said that the information in the letters that they did receive was conflicting. They were getting different information. In one case, a constituent was told that they had enough contributions to receive their full state pension at 60, which was a few months away, only to receive a further letter three weeks later telling her that she will not get her pension until she is nearly 66. Many of the letters did not even get to the people they were supposed to reach. Some people were told by MPs and Ministers that they must have given the DWP the wrong addresses, but those women had been living in the same house for more than 20 years, so I find that difficult to believe.

Alison McGovern (Wirral South) (Lab) rose—

Yasmin Qureshi (Bolton South East) (Lab) rose—

Mhairi Black: I want to make some progress.

Some people say, “You should not have to be written to. It’s your pension, you should be keeping an eye on it. You should be looking out for reports and things, and take responsibility.” But when giving evidence to the Work and Pensions Committee, financial journalist Paul Lewis told us that after researching this himself he could barely find any reporting of the issue at all in 1995. There were a few small press cuttings from the business pages of the back of some newspapers. A freedom of information request revealed that the Government did fund “broader” awareness campaigns, which ran in waves between 2001 and 2004, but that these campaigns “did not focus on equalisation in particular”.

In fact, only one of the press adverts in those campaigns was focused on this issue—one press cutting roughly seven years after this had already been passed into law. It is quite evident that this whole thing became a total mess. I do not know whether it was not reported deliberately, for political reasons or fear of ramifications, or whether it was a genuine accident, but what I do know is that women were not notified. It was not reported and they were not given enough time to be able to make appropriate arrangements.

This brings us on to the Pensions Act 2007, which increased the equalised state pension age from 65 to 66 between 2024 and 2026. It gave all affected people 17 years’ notice. That is fair enough, but then we come on to what the hon. Member for Denton and Reddish (Andrew Gwynne) mentioned, the Pensions Act 2011. That came along and said, “Forget the 17 years’ notice, we’re going to rush this through. We need to do this right now.” The 2011 Act accelerated pension age equalisation for women and the subsequent increase to 66, effective from October 2016 onwards, meaning that affected women had only five years’ notice to try to remedy life plans that had been in place for years.

Geraint Davies (Swansea West) (Lab/Co-op): The hon. Lady is making an excellent speech and I welcome the debate she has brought to the House. Does she agree that many of these women have had a lifetime of low and unequal pay in low-paid jobs? They have had broken careers, because they have brought up children. Some may have got divorced or separated. Their whole life plan has been disrupted, destroyed and impoverished by this awful change.

Mhairi Black: I could not agree more with the hon. Gentleman and I will touch on that point later.

The 2011 Act made women wait an extra year to a year and a half to claim their state pension. However, we have to remember and take into account the context which is women did not know about the initial 1995 Act. We have a situation where there is a whole host of women who read about the 2011 Act and went, “Oh, God. Okay, I am going to have to be working an extra two years. I’d better start making plans. Oh no, wait a minute. I’m working till I’m 66. Where did that come from?” There is a whole host of women who have been given a double whammy. The Government have not and are not giving women enough time to prepare alternative plans. There have to be better transitional arrangements.
The Conservative ethos is to encourage independence and responsible choice, but how can that happen if we do not give people the time to make the responsible choices? By continuing this policy at such a high speed, the Government are knowingly and deliberately placing another burden on women who are already trying to deal with consequences of an Act passed 21 years ago that they have only now found out about. To put that into context, I am 21—that’s how old this is.

One of my constituents told me that she began working at 17 and chose to pay the full rate of national insurance on the basis that she would retire at 60. Other options were available to her, but she said, “I want to retire at 60 so I’ll pay the price, through national insurance, my whole working life.” She put it in a way that I think is a very good and accurate description of what is happening. She has now found out that she is not retiring until she is 66. She says:

“The coalition and this present Government have stripped us of our pensions with no prior warning and with no regard to the contract we all entered when we were 17.”

She uses the term “contract”. That is an important point, because pensions are not benefits; they are a contract. People enter into them on the basis that if they pay X amount of national insurance they will receive Y at a certain age.

Yvonne Fovargue (Makerfield) (Lab): That is also the case for my constituent who at 57-and-a-half realised she would no longer be able to retire at 60. She is a care worker doing an extremely physically demanding job. She now has to work until she is 66. She has had a low income throughout her life working as a care worker and now has to carry on doing this demanding job for a further six years.

Mhairi Black: I could not agree more. Every Member, if they contact their constituents, will recognise that this problem spreads across the whole of the UK and affects women of all classes, from different backgrounds and with different jobs.

In criminal law, if we want to send someone to jail, it has to be agreed beforehand how long that person is going away for, and if that needs to change, there are appropriate measures to deal with it. In civil law, if we enter into a contract, there are terms and conditions stating, “If you want to change this contract or break out of it, there will be a price to pay.” Why are pensions any different? This is a contract people have entered into, but it is now being broken and nothing is being done to allow them to transition. These women have done exactly what was asked of them—they have worked hard all their lives and paid their national insurance—but it is now being taken from them behind their backs.

What is worse, if the Government choose to continue with the policy, they will be completely ignoring the years of gender inequality these women have lived through. Another constituent of mine, Kathleen Birney, explains that she worked until her children came along. Her husband could no longer work because of a disability, but she was determined not to depend on state benefits, so she studied and became a primary school teacher. She cared for her husband and her children, and she never claimed a penny. She has based all her life plans and financial plans on the basis that she would be retiring at 60. She has now found out that she cannot retire until she is 66. Unpaid carers are the unsung heroes of our economy. They have saved consecutive Governments an absolute fortune time and again. Sadly, women in our society have had to live with years of performing gender roles, meaning that the vast majority of unpaid carers are women. They are the type of people this policy is hitting: people who cannot afford to go another six years without a pension. Some women, such as Kathleen, are being left penniless. They have nothing and are being forced to turn to the state for benefits. How does that fit into the logic of reducing public spending?

We will most likely hear the Government say, “It’s all okay because women will do better under the new single-tier state pension”, but there is a campaign called CARISP—the collection against real inequality and injustice of the state pension—which is a collection of women rightly pointing out that a person only receives the higher rate of the new pension if they have paid 35 years of national insurance, but many women have not had the chance to build up that level of contribution. It is a separate issue; I mention it, first, to raise awareness and, secondly, in the hope it will earn a debate on its own merits.

The Government have said:

“The policy decision to increase women’s state pension age is designed to remove the inequality between men and women.”

That is a strange definition of equality: I am being shafted and short-changed purely because of when I was born and because I am a woman. That is not my definition of equality.

To conclude, there are two problems at the heart of this. First, there is the poor communication over the years, but all we can do is learn from that. I accept that the 1995 Act has happened, and all we can do is reflect on the mistakes made and not repeat them. The second issue, however, is the 2011 Act and the rapid changes the coalition and this Government have made. We can do something about that. Unlike most things that come from this Government—I mean this sincerely—I do not believe that this policy was vindictive or done in the knowledge that it would hurt people. I genuinely think we have ended up in this mess purely because of mistake after mistake, but any mess can be cleared up. If they continue with this policy, however, in the full knowledge of everything that has been and will be outlined, it will become vindictive and deliberate, and it will be done in the full knowledge that people will be hurt.

I understand that we have to work in tandem and with responsibility when it comes to the economy, but that does not mean punishing people who are about to retire. Every topic we speak about in this Chamber comes down to: “Where are you gonna find the money?” I understand that, but the answer is always austerity, no matter how brutal or who it affects. In this Chamber since I was elected we have had a go at people on low wages, the disabled and women, and now we are having a go at pensioners. We can afford to send airstrikes to Syria and to pay for nuclear weapons, but we cannot afford to look after our pensioners? I just do not buy it.

The women up in the Gallery right now did not cause the financial crash, they are not responsible for the state of our economy and they did not make the irresponsible decisions that got us here. I understand the question,
“Where are you gonna find the money?”, but I refuse to accept or believe that it has to come out of the pensions of older women.

Several hon. Members rose—

Mr Speaker: Order. On account of the number of Members wishing to contribute, there will be a six-minute limit on Back-Bench speeches with immediate effect.

11.50 am

Tim Loughton (East Worthing and Shoreham) (Con): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on leading today’s debate, for which there is an extraordinary turnout, showing the considerable interest of so many Members in this subject. I became involved in this campaign somewhat by accident. I was approached, as were many other hon. Members, by several constituents who said they were going to be disadvantaged. None of us realised the extent of the hundreds of thousands of women who stand to be treated disproportionately unfairly.

I went along to the Westminster Hall debate, which was led by the hon. Member for Worsley and Eccles South (Barbara Keeley). I expressed my sympathies and I recorded a short podcast on the subject, which has now been followed by 145,000 people, many of whom have written to me about it—and not just my own constituents either.

I want to pay tribute to the Women Against State Pension Inequality campaign, which has articulated the case so well in front of the Select Committee. Its petition has now been signed, I believe, by more than 103,000 people. I want to thank the WASPI campaign for the help and support it gave me, not least in telling non-constituents to write to their own MPs rather than have them all writing to me—and I am exceedingly grateful for that.

We all agree with equalisation of the pension age. Large sums of money are involved and difficult decisions have to be made, but it is important that the rule of fairness is applied as much as possible, and it is clear that a sizeable group of women seem to be bearing the brunt of these changes disproportionately.

Alison McGovern: The hon. Gentleman is making an important speech. I would like to ask him, while he talks about fairness, whether he realises how this feels for women of my generation who owe everything to those women who were born in the ’50s and who fought for the Equal Pay Act 1970 and for all the advantages that have given us any chance. Does he feel that unfairness to those women, as I do?

Tim Loughton: I applaud the hon. Lady. I have had representations from constituents who were in low-paid jobs with huge caring responsibilities for children and other family members when they did not have access to free child care and other things—and we have them to thank. Yet it is those people for whom I believe there has been a breach of trust, as these changes hit them disproportionately. We have a large duty of care to them, but I do not think we are going to fulfil it.

Robert Neill: I very much agree with everything my hon. Friend is saying. Will he concede that in other pension reforms, we were anxious as a Government to make sure that there was protection for those who were not able to change their circumstances? This operates particularly unfairly on people such as one of my constituents who has worked all her life but is unable to return to work because of a pre-existing medical condition, so she cannot change her circumstances.

Tim Loughton: My hon. Friend is absolutely right. That is why fairness needs to be applied to everybody, and in this case, there is a cohort of women who are simply not being treated fairly. Our state pension system is funded on the contributory principle. This is not a state benefit for which no prior commitment is involved, yet this group of women who have been paying national insurance contributions over many years in good faith and who have fulfilled their end of the deal face being short-changed retrospectively.

We need to bear in mind many other factors. Fewer than one in four women who qualify for the new state pension in 2016-17 will get the full amount. Right up to 2054, fewer women than men will qualify for the full standard pension. Women are significantly more likely than men to work part time, and to do so for longer periods throughout their working lives, largely driven by caring roles, as hon. Members have mentioned. They therefore tend to be under-pensioned.

I welcome the fact that the new single-tier pension will recognise periods of time spent caring, which will help in the future, and I acknowledge that the Government have made progress on shrinking the gender pay gap—an issue on which consultation is in place. Progress has been made, with more women in work than ever before. We have seen lots of generous reforms—on entitlement to free child care, the national living wage and so forth—but all those are far too late for a generation of women who relied on work without many of the benefits that we now take for granted, while bringing up their families and discharging their caring responsibilities. Because of the number of women who are going out to work, many others have caring responsibilities for grandchildren as well as having to hold down part-time jobs.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Will the hon. Gentleman give way?

Tim Loughton: I will not give way again, because so many other Members wish to speak.

It is right for the rise in the pension age to reflect growing life expectancy, but a number of recent medical and actuarial studies show that life expectancy for women aged 65, 75, 85 and 95 fell in 2012, while rates among men continued to rise. There are big discrepancies in life expectancy among some of the poorest women in society, and, of course, those born in the 1950s—the ones whom we are discussing today—are the most reliant on the state pension, and therefore the most vulnerable to the changes. There are grounds for querying why members of that group are being hit disproportionately.

There is also the question of whether the women were given proper and adequate notice. I think we all agree that clearly did not happen. The money expert Paul Lewis, who has helped to articulate this campaign so successfully, has given details about how little notice some women received:
“Approximately 650,000 women worst affected by the speed up—those born 6 April 1953 to 5 April 1955—were written to in February 2012. That means they got their letters between the ages of 57 and almost 59 that their pension age would not be 60.” Some women received no notification at all.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Will the hon. Gentleman give way?

Tim Loughton: I will not give way.

Those women had precious little time in which to make alternative arrangements, even if they could afford to. That could not happen now because of changes introduced in the state pension review of 2015. However, Angela Heasman, one of my Shoreham constituents, pointed out:

“A very important point that I feel has been missed here is that if one considers what if ten or 15 years notice had been given? For the women, like myself, who are low earners in part-time work, they would not have had enough or any disposable income to pay into a private pension on top of the high and ever rising contributions to National Insurance.

To put this in perspective, in order to save enough into a private pension for an annuity of £6,000 pa you are looking at...£100,000. This is why for low paid people their National Insurance contributions are all they can afford and consequently totally dependent upon a state pension. Therefore even ten years notice is not enough time for the low paid to pay into a private pension that would equal the State Pension.”

She suggested that

“the reintroduction of Pension Credit, which is means tested, would alleviate, at a stroke, those who find themselves in this invidious position. If Pension Credit could be reinstated from 60, and add on Pensioner Benefits this would lift those who are genuinely hit the hardest out of extreme poverty.”

I ask the Minister to consider that suggestion.

It is difficult for many older women to stay in the workplace or get back into it. Unemployment rates among women over 50 are well above the national average. The gender pay gap is at its worst for women in their 50s—exactly the sort of women whom we are discussing.

Recent comments from Steve Webb, the former Pensions Minister, strongly indicate that he acknowledged that the Department for Work and Pensions had been at fault in failing to provide adequate notice for the women affected when he made a big fuss about negotiating a six-month concession at the time. That has been compounded by his recent comment that the Government had “made a bad decision” about the state pension age, and had been badly briefed.

During previous debates, when the last changes were made, the Minister gave strong indications that transitional arrangements would be made for the worst affected, but that has not happened. Why not? Will the Minister please revisit that undertaking?

As I said earlier, I have received many e-mails from around the country and from my own constituents. Let me end my speech by quoting the closing paragraph of a letter from a woman in Worthing. She wrote:

“I have also heard some MPs say that older people should downsize their homes to free up the housing stock for families. We did this so that our larger house, where my husband had lived all his life, could be enjoyed by a family but we are quickly using up any money for normal day to day expenses...It seems that we older women who have contributed to society are considered unimportant and not worth the financial support that we have earned over the years.”

I believe that we risk breaching the trust of women who have made many sacrifices, and who do not now have the expectations for their retirement that they were led to believe they would have.

Mr George Howarth (Knowsley) (Lab): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) first on securing this important debate, and secondly on the forceful way in which she put the case. She was strongly backed up by the speech of the hon. Member for East Worthing and Shoreham (Tim Loughton).

I just want to make two points by way of introduction. The first is to also congratulate Women Against State Pension Inequality—WASPI—on the powerful way it has put this case and conducted its campaign. Secondly, I want to say there is a basic unfairness in this problem that does need to be addressed. Into the bargain, there is a broken promise—or a broken contract, as I think the hon. Member for Paisley and Renfrewshire South described it—between the state and the women who are affected.

I received a very well put-together letter from a constituent. I will not name her as she marked it “Private and Confidential” and I think there is a message in that for me. Nevertheless, I thought it would be as well to use her words as much as possible, because this is someone who has been directly affected. The points she makes have already been reflected in the two speeches so far, but I think they bear repetition in her own words. The first point she makes is that she was given “Inadequate notice and communication regarding the age change—I received less than 4 years instead of the recommended 10-15 yrs. This has had disastrous consequences on the important financial and life changing decisions I made in anticipation of my retirement at 60 and receipt of state pension.”

Mr Jim Cunningham (Coventry South) (Lab): I am sure my right hon. Friend has, like me, had a number of women make representations to him. I met some women on Monday for whom this has changed their life for the worse. I am sure my right hon. Friend will agree that this is discriminatory against women.

Mr Howarth: I was going to come on to that very point.

The second point my constituent makes is that she was “Hit by 2 pension age increases first to 65 and rapidly in succession to 66 resulting in the loss of over £35,000”.

The final point she made that I want to highlight is that she is “No longer eligible to receive the old state pension into which I paid full contributions for over 40 years. I will not receive a full new state pension due to the shortfall of contributions between the ages of 60-66. A factor in my decision to retire at 60 was that I had paid in excess of the 39 years contributions that were required for a full state pension at that time.”

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): This is a crucial debate not least for my constituents Jackie Williams and Debbie Watkins who are active in
the WASPI campaign. My right hon. Friend might be pleased to know that the Minister responsible for this issue says the reason she cannot carry out the terms of this motion is that it would be impossible. He and the House might care to know that, as Ros Altmann, she was a very effective advocate on pensions issues when I was the Work and Pensions Secretary, and when we were arguing that the pension protection fund we had introduced should not be applied retrospectively, as she wished, I said it was impossible. Ros said to me, “That word doesn’t—.”

Mr Deputy Speaker (Mr Lindsay Hoyle): Order, Mr Johnson; come on, you are in the next debate as well. In the interests of fairness, we have a very tight time limit and must have short interventions so nobody drops off the list—and I know you would not want to do that to anybody.

Mr Howarth: Thank you, Mr Deputy Speaker. My right hon. Friend brings a wealth of experience and understanding of this subject to the contribution he has just made and I am very grateful for it, lengthy though it may have been.

If I can continue with the quote I was midway through from my constituent, she goes on to say:

“This requirement has now been reduced to 30 years. To be faced with an overpayment in the old pension requirements of 10 years contributions which I am no longer eligible for and to have a shortfall of 6 years in the new pension requirements is beyond belief.”

I want to conclude by quoting my constituent again. Her comments illustrate why the WASPI campaign is so reasonable. She says:

“I understand that the equalisation of state pensions had to be addressed but I object to the unfair way that this was handled creating more issues of inequality in the process. Future generations will be given 10 years notice on age changes whereas I and many like me were not. I am requesting that transitional protection/arrangements be provided for the 1950s women affected by these changes.”

Of course all Governments have to consider the financial situation, make proper arrangements and understand the economic difficulties that they face, but this is a basic question of inequality and unfairness.

Marie Rimmer (St Helens South and Whiston) (Lab): Will my right hon. Friend give way?

Mr Howarth: I cannot give way again.

This matter has to be addressed, and I hope that the Minister will understand the strength of feeling that exists not only among those out there who are affected but in this House. We feel that this is an injustice, and all injustices have to be put right, as this one should be.

12.5 pm

Julian Knight (Solihull) (Con): It is a great pleasure to follow the right hon. Member for Knowsley (Mr Howarth). I should like to praise the reasonableness of the Women Against State Pension Inequality—WASPI—campaign. Several campaigners have come to my constituency office, and they have put forward their arguments in a cogent, respectful and thoughtful manner.

Since 2010, this Government have been taking the difficult decisions necessary to get Britain’s deficit under control. This has often been contentious and involved many political disagreements with the Opposition. Since the Turner report, however, the one area on which Members on both sides of the House have in no small degree agreed is pensions. For more than a decade, MPs from all parties have been working together to tackle the challenges posed by an ageing population and to ensure the long-term financial security of elderly people. This quite unusual political consensus was both necessary and heartening in dealing with a long-term issue.

It is no secret that, without change, our current state pension arrangements will simply not be financially sustainable. People are living longer than ever: a teenager today can expect to live until the age of 90. That is to be celebrated, but it also imposes serious burdens on welfare systems that were designed in another age. In the last Parliament, the Government estimated the cost of abandoning state pension age reforms at a completely unaffordable £23 billion, the equivalent of putting 7p on income tax.

Much of this debate focuses on the impact of these measures on women, so perhaps we should reflect on how much this Government have done to improve the position of women in the pensions system.

Helen Goodman: Before the hon. Gentleman tells us that everything is okay, would he like to hear the experience of one of my constituents? She says:

“I have worked full time since leaving school at 16. I am now 61. I have worked through 10 years of kidney failure, dialysis and finally a kidney transplant. The effects have taken their toll. I cannot afford to retire without a state pension so I have another five years of my current life to look forward to, assuming my kidney does not fail or I die of something else.”

Surely that level of hardship is unacceptable.

Julian Knight: I thank the hon. Lady for putting the words into my mouth that everything was okay. I remind her that she is a member of the party that was in government from 1997 to 2010, and if there is anything amiss regarding the publicising of these changes, Labour Members ought to look to themselves in that respect.

The motion regrets that the Government have “failed to address a lifetime of low pay and inequality faced by many women”.

I really do not recognise that. Let us consider two central planks of this Government’s policy—namely, raising personal allowances and increasing the minimum wage to the living wage. Both those initiatives benefit women tremendously. In addition, the Government are looking at options to reform pensions tax relief, which was left unaltered by the Labour Government.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Following the Budget, research carried out by the House of Commons Library showed that women would be twice as likely—if not more—to be hit harder than men as a result of the Chancellor’s measures. If the disproportionate way in which women have been treated and the discrimination that they have suffered are not addressed by this Government, that will simply add to a long list of ways in which the Government have continued to fail the women of this country. Does the hon. Gentleman not agree with that?

Julian Knight: I really do not agree with what the hon. Lady says whatsoever. The raising of the personal allowance, combined with the rise in the minimum
wage, will give a huge boost to British workers and to women in this country, and she should recognise that fact.

In addition, the Government are looking at options to reform pensions tax relief. If Ministers choose the option that I am calling for, as others are, and they dispense with the top rate of tax relief and move to a single rate of relief, somewhere around the 30p in the pound mark, it will hugely advantage women in the workforce. It would be a real game-changer for the retirement savings of millions of hard-working British women. Equalising the pension age may pose short-term challenges, but it is an overdue acknowledgement of the role women play in the modern workforce. It is quite wrong for the Government to structure the pension system around the assumption that women’s careers—

Nusrat Ghani (Wealden) (Con): My hon. Friend made an important point about there being more women in the workforce. There is evidence to show that women directly affected by the state pension age equalisation have increased their employment rate by 6.8%, to 40.7%, according to the Department for Work and Pensions in November. Older working-age women are now more likely to be in employment than at any time over the past 30 years.

Julian Knight: I thank my hon. Friend for making that point. Let me add to it. Many people are coming to retirement age—this is before they collect the state pension—and we need to encourage older people’s involvement in the workforce as well.

Several hon. Members rose—

Julian Knight: I am sorry, but I cannot give way again.

One of the most encouraging things we have seen under this Government is that people are staying in work for longer. The move to equalise the pension age may pose short-term challenges but it was an overdue acknowledgement of the role women play in the modern workforce. We are also enacting very important reforms to reform pensions tax relief. If Ministers choose the option that I am calling for, as others are, and they dispense with the top rate of tax relief and move to a single rate of relief, somewhere around the 30p in the pound mark, it will hugely advantage women in the workforce. It would be a real game-changer for the retirement savings of millions of hard-working British women. Equalising the pension age may pose short-term challenges, but it is an overdue acknowledgement of the role women play in the modern workforce. It is quite wrong for the Government to structure the pension system around the assumption that women’s careers—

This decision means that almost a quarter of a million women who faced a sudden increase of 18 months or more in their pension age no longer face that possibility. We have also instituted the triple lock, which ensures that pensions are increased by the highest of three measures: price inflation, growth in earnings or 2.5%. That means no more of the sort of infamous bag-of-peanuts increases we saw under the Labour party. Also, we must not forget that the new state pension will be higher in value than the old one and far less complex.

We in Britain are rightly proud of the care we take of our elderly citizens, which has been shown by a marked reduction in levels of pensioner poverty in the previous two decades. It would be wrong to take serious risks with long-term economic sustainability and our pension system for the sake of winning short-term political battles.

12.13 pm

Barbara Keeley (Worsley and Eccles South) (Lab): First, I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on her outstanding opening speech, and the Backbench Business Committee on allocating time for this important debate. I am heartened to see the support from my Front-Bench colleagues, including my neighbour, my right hon. Friend the Member for Leigh (Andy Burnham), and my hon. Friends the Members for Oldham East and Saddleworth (Debbie Abrahams) for Newcastle upon Tyne North (Catherine McKinnell) and for Stretford and Urmston (Kate Green)—she is also my neighbour. I know that they all strongly support this campaign and the women in their constituencies who are affected by this issue. I congratulate the WASPI campaigners, who have worked tirelessly on this issue. They have now gained 107,000 signatures—perhaps 108,000 since the start of this debate.

The increases in the state pension age made by the Pensions Act 1995 and the Pensions Act 2011 have had a disproportionate impact on 1950s-born women. As we have heard, many received little or no notification of the changes, despite the Government saying that people must have 10 years’ notice of such changes. Indeed, the financial journalist Paul Lewis found that none of the 1950s-born women had been given 10 years’ notice. In the worst case—we have heard about one of the worst cases from my hon. Friend the Member for Bishop Auckland (Helen Goodman)—women were told at 57 and a half that their pension age would rise from 60 to 66. Women who expected to retire at 60 can now find themselves without a job, without a pension and without money to live on.

The former Pensions Minister, Steve Webb, has admitted that the Government made “a bad decision” over these changes. His excuse was that Ministers had not been properly briefed. It appears that civil servants did do a poor job on this legislation; astonishingly, the impact assessment for the 2011 Act states in its conclusion:

“Overall…based on the available evidence, the change to the previous timetable will not have a disproportionate impact on any group compared to another.”

Dr Huq: The fact that my hon. Friend had a recent debate in Westminster Hall on this very subject should send a message to the Government that people want action on it. Does she agree with my constituent Linda Gregory, who was born in 1953 and points out that she
has been working since the age of 15 and therefore is being penalised even more than people entering the workplace at the age, which is the normal standard nowadays?

Barbara Keeley: I absolutely agree with what my hon. Friend says and I thank her for coming to that earlier debate.

It seems unbelievable that civil servants and Ministers could believe that taking billions in pensions away from a particular group, adding years to their state pension age and then not informing them in good time would not have a disproportionate impact on that group.

Nic Dakin (Scunthorpe) (Lab): I raised these concerns, which had been brought to me by the class that left Foxhills comprehensive school in 1970, on Second Reading of the Bill that became the 2011 Act. When I did so, the Secretary of State for Work and Pensions, said:

“I have had letters from the public stirred up by a number of people”—[Official Report, 20 June 2011; Vol. 530, c. 51.]

Does my hon. Friend agree that this is not just something being stirred up by a number of people, but a very real issue that we have known about for some time?

Barbara Keeley: I do agree with my hon. Friend and I thank him for the work he has done on this matter since that Second Reading debate. These changes are having a disproportionate impact on my constituents and on his, and I have heard from WASPI campaigners who are also badly affected. As we have heard, many have health problems that stop them working and others have given up work to care. One of my constituents affected by the changes has worked for more than 44 years and has raised two children. She suffers with osteoarthritis and she tells me that she suffered the indignity of having to attend the jobcentre, where she was told that she was only entitled to six months’ jobseeker’s allowance. Unable to find work, she has to use her hard-earned savings. She has said:

“I must watch my savings dwindle on living costs rather than enjoyment, I wish I had not bothered being frugal all my life, as by the time I get my pension I will be broke or dead.”

Mr Gordon Marsden (Blackpool South) (Lab): I am grateful for the sterling work that my hon. Friend and others have done on this campaign. Does she agree that there is a particular problem here for women in places such as Blackpool who have only been able to work part-time for a long period and are nevertheless having to take on some of the carer and other issues that people have described?

Barbara Keeley: Before the 1995 Act changes, the independent Social Security Advisory Committee said that savings made on raising the state pension age should be spent on the most vulnerable groups, with help specifically for low-paid women, women returning to work and carers. That advice was not followed. Recently, a court in the Netherlands ruled that raising the state pension age could be considered a breach of the European convention on human rights. A woman in her 60s appealed against a two-year increase in her pension age because it created an “individual and excessive burden” on her. The court found in her favour. It is welcome that some Conservative Members who voted for the acceleration of the state pension age in 2011 are now supporting the WASPI campaign. However, other Conservative Members are blaming European legislation for the shabby treatment of the pensions of 1950s-born women—but the facts are against them.

When the Minister answered the debate on 2 December, he said:

“Equalisation was necessary to meet the UK’s obligations under EU law to eliminate gender inequalities in social security provision.”—[Official Report, 2 December 2015; Vol. 603, c. 145WH.]

The same point has been made to WASPI campaigners in replies from Conservative MPs. However, research done by the House of Commons Library and my own research show that that is not the case. EU law allows countries to have differences in their state pension age, and it also allows lengthy transitional arrangements to be made.

Library research notes that directive 79/7/EEC requires “the progressive implementation of the principle of equal treatment for men and women in matters of social security.”

Justin Madders (Ellesmere Port and Neston) (Lab): My hon. Friend is making an excellent point about the fact that we need to reach a level of equality on this issue, but she is absolutely right that it is the pace of change and the transitional arrangements that are so unfair. Does she not agree that the continual changing of the goalposts goes against the sense of fair play, justice and fairness on which this country should be based?

Barbara Keeley: Absolutely. Furthermore, this background of EU law is not really a cause of the problem. The directive allows for different state pension ages. Indeed, article 7 of the directive specifically states that the determination of the state pension age is the right of member states. A 2007 European Commission report confirmed that different state pension ages are allowed. Equalisation of state pension ages is therefore described as “an objective to be strived for”. The Netherlands, Portugal and France have no current difference in their state pension age, but Austria and Hungary are equalising the state pension age with long transitional arrangements. In other states, a difference in pensionable age is currently maintained, or changes are being made very slowly. State pension ages will not be equalised in Poland until 2040, or in the Czech Republic until 2041. Bulgaria and Romania are retaining different state pension ages. EU law therefore allows different state pension ages and long transitional arrangements, and the Government cannot hide behind it and use it to explain what I see as a £30 billion “pensions grab” from 1950s-born women.

Transitional protections were discussed during the debates on the Pensions Act 2011 but were not brought forward by Ministers. It is worth saying that other countries have had transitional arrangements, or have amended their legislation to help specific groups. The Netherlands has a bridge pension. Italy brought in extensive pension changes, but made exemptions for people who were made redundant or who had a defined level of contributions. Later, Italy realised that public sector workers with a contracted career exit pathway risked being left with no job and no pension owing to the reforms. It then legislated six adjustments between 2012 and 2015 to protect those workers, via special derogations. The UK can and should put in place additional transitional arrangements to address the unfair consequences of this Government’s Pensions Act.
One of the unfair consequences is having to continue to pay national insurance contributions even though many 1950s-born women have already contributed for more than 40 years. Unfair differences in pensioner benefits also exist at a regional level. In November 2012, the Greater London Authority restored to Londoners aged between 60 and the state pension age the free travel that had been lost under the Pensions Act 2011. Bringing in the 60+ London Oyster card, the Mayor of London said:

“Londoners who have grafted all their lives and expected to receive free travel on retirement, quite rightly felt cheated when the age escalator removed the Freedom Pass from their grasp.”

What about women living outside London who have “grafted all their lives” and who also felt “cheated” when the 2011 Pensions Act removed both retirement and free travel from their grasp?

The UK reforms cannot be justified on the basis that the previous system was unsustainable. Historically, the UK state pension has been one of the lowest in the OECD. EU law allows transitional arrangements, so the Government cannot justify their changes by hiding behind that law. The lack of transitional arrangements in the UK for 1950s women is due to decisions made by this Conservative Government. I urge the Minister to look again at the issue and at ways of providing adequate transitional protection.

12.23 pm

Chloe Smith (Norwich North) (Con): I am pleased to take part in this debate, and I congratulate those who have secured it and those who are working so hard outside this place to contact their Members of Parliament to talk about this very, very important issue of public policy and the impact of it.

My starting point is a passionate belief that a civilised country provides for families, protects the most vulnerable, helps those who look for work, and supports those in retirement. I am looking for the principles that we might apply to this debate based on the petition that has been presented. As I understand it, the petition raises three particular concerns: the lack of notice; the changes being made faster than expected; and the lack of time to plan. I recognise some of those concerns in what I have heard from my constituents. One told me that they had worked since they were a teenager, and that they were concerned about their own health challenges, their caring burdens and the prospect of re-planning. Other constituents are worried about the way the retirement dates work out. Indeed, one told me in 2011 that “a woman who is just two months older than me can retire a whole year earlier.”

Again in 2011, a constituent told me that she was concerned about the “double attack” on her. She described how she felt when she received the first notification of change. She said she “didn’t like it, but eventually accepted it and made the necessary changes to her plans, both mentally and financially”. She then received another notification of change and was then forced to readjust a second time.

Another constituent put forward a very powerful and emotional argument. She said:

“When I first heard that my retirement age had gone up from 60 to 64 I was shocked and tried to ignore it.”

Those words seem to explain the communication problem that exists. The fact that a person was so shocked that they tried to ignore the problem shows just how powerful the problem is.

Andrew Bingham (High Peak) (Con): I, like my hon. Friend and many other Members in this Chamber, have had many emails on this matter from constituents. Does she share my concern that the people who are affected by this have worked all their lives and have made plans and are now having to change them? We must try doubly hard when it comes to notifying people on pension issues, because, whether we like it or not, pensions are not very exciting until one reaches a certain age, at which I am now.

Chloe Smith: My hon. Friend puts it very well. Let me repeat what a constituent has more recently told me. She came to my surgery and explained that it had come as a shock to her that she would have to wait until she was 66 before she could retire, she was not informed, and found out only when she requested a pension statement. That goes to the heart of this matter of being informed and of having time to plan.

Dr Philippa Whitford (Central Ayrshire) (SNP): I would like some clarification from the hon. Lady. Freedom of information requests suggest that details were not sent out until the late 2000s. Is she implying that all these women who say that they were not contacted were contacted after 1995, but just ignored the notification? I find it hard to believe that that is what she is saying.

Chloe Smith: No, the hon. Lady is mishearing me. I am citing directly from constituents. I will ensure that the Official Report reflects my citations. Let me be absolutely clear. I do not know whether the woman in question received the letter; how could I possibly know that? I know what my constituents tell me. I look forward to the Minister’s explanation of what has happened historically. I understand the point made by the hon. Member for Paisley and Renfrewshire South (Mhairi Black) who opened the debate that the past is the past and that there is only a certain amount that we can do if we are looking back at a problem that has its roots in 1995.

Let me now explain what I am looking for as we move forward. I have already listed a set of principles that we could apply. The first is that we should protect those who can no longer work. Secondly, we should provide the right support for those who can work. Thirdly, we should maintain sound public finances, as to fail to do so hurts every single person in the economy. Fourthly, we should of course promote better communications to enable people to plan. That is my main message to Ministers today.

Let me dwell on the point of equalisation. Earlier in the debate, there was a hubbub of people saying, “Yes, we all agree on equalisation.” Let me provide a few figures on why we need to do that. When the state pension age was first set at 65 in 1926, male life expectancy at birth was 64 compared with 89 today. Indeed, if the state pension age had risen in line with the average life expectancy at 65 since 1926, it would now be at least 75. We have a significant gap that we need to make up. Indeed, if we looked even further back in the history books, we would see that when the state pension was set in 1908, the average life expectancy was 41. Members
can see very clearly the difference with which we have to deal. Lord Turner’s report on pensions, commissioned by the previous Government, acknowledged that a more generous state pension had to be funded by an increase in the pension age.

Let us also make sure that we are aware of the costs. I understand that there would be costs to the tune of £30 billion to return to the 1995 timetable. Let us compare that with a few other things, simply so that we have a well informed debate. The 2015-16 spending figures, as shown in the July Budget, include expenditure of £28 billion on housing and the environment and £34 billion on public order or safety. All that we spend on housing or on public order and safety is broadly equivalent to the sum we are talking about today.

Mr Marsden: Of course comparative statistics are extremely important, but does the hon. Lady not recognise the reasonableness of the WASPI campaign, particularly on the issue of pension credit entitlements, which has been raised today? As she will know as a constituency MP, those are often key to what people receive.

Chloe Smith: I thank the hon. Gentleman for that point; I do recognise the grounds of the campaign. As I hope I have made clear with remarks from my constituents, I recognise the importance of the issue for every single person affected. I will leave it to the Minister to reply to the hon. Gentleman specifically about pension credits, but let me give him one further example of what £30 billion can buy. It can buy some of the debt interest on his party’s Government’s financial catastrophe, on which we have to spend £36 billion in this financial year.

I will conclude, because I have only a few minutes left and I have already taken several interventions. We have to listen carefully to such a comprehensive and well informed campaign, and I am pleased that we are doing that today. I want my constituents’ concerns, which I have given prominence in my comments, to be balanced with everything else that the Government have to do. I strongly sympathise with the campaign, and in 2011 I was active in representing my constituents’ views to the then Pensions Minister to mitigate the two-year delay in about a quarter of a million women receiving their pension. My call today is for the Government to listen carefully to such a comprehensive and well informed campaign.

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Mrs Lewell-Buck: My right hon. Friend is spot on. It would be embarrassing for the Government if the women affected by the changes decided to take individual legal action.

Mr David Lammy (Tottenham) (Lab): Does my hon. Friend recognise that for many of the women affected, who are our constituents, there is a real threat of stress and stress-related illness as a result of the failure to inform them? The Government should take that seriously when they are trying to understand why so many Members want transitional arrangements.

Mrs Lewell-Buck: I thank my right hon. Friend, and I will come on to some examples from my constituency of women who are experiencing such stress. In my constituency of South Shields we have a higher than average number of people with illnesses such as chronic obstructive pulmonary disorder, left over from our proud heavy industry days. That means that we have a large number of women who are caring for relatives or husbands, including those who fall into the group disadvantaged by the pension changes.

One such woman is my constituent Lynn Wilson. She got a letter sometime in 2011 or 2012 telling her that she would be getting her pension not at 65 but at 66. That was a complete and utter shock to her, as she was still of the view that she would get it when she was 60. Lynn’s husband Derek was diagnosed with lung cancer four years ago. Owing to the pension changes Lynn has had to continue working, but she has had to reduce her hours so that she can care for Derek. She does a difficult and physical job, and she suffers from serious back problems and arthritis herself. She tells me that she has a small private pension that she and Derek could manage to live on if her back got worse, but that it would not last the whole six years she needs to wait
for her state pension. She tells me that she continues to struggle, but we agree that it just should not be this way.

Cat Smith (Lancaster and Fleetwood) (Lab): Does my hon. Friend agree that women such as her constituent face a double barrier? There is discrimination in the workplace as women are being forced to work longer, and the Government have also put barriers in the way of their access to employment tribunals.

Mrs Lewell-Buck: I agree completely with my hon. Friend. My constituent is not the only person who knows that things should not be this way. Baroness Altmann, who is now in the other place as Minister for Pensions, said when she was director general of Saga that the Government’s changes to state pensions were “clearly discriminatory”. In 2011, the Secretary of State for Work and Pensions made a firm commitment to look at transitional provisions to help the women hit hardest by the changes, and the previous Pensions Minister stated only last year that the changes that had been made were “a decision that we got wrong”. It is outrageous that, despite knowing that, the Government are not prepared to do anything about it. They seem content to let the women affected continue to suffer.

Another of my constituents, Dianne Dawson, took voluntary redundancy from her job when she was 60 years old, assuming that she would reach state pension age at 62. She then found out, not from the DWP but from a friend, that she would reach state pension age at 64. She is now living off dwindling savings, and as a result she is having to sell her family home. She has never received anything at all from the DWP. No wonder she feels completely let down and cheated.

There are many more women in such difficult situations, who have worked their entire lives only to find out at the eleventh hour that the system they trusted and paid into for decades has let them down. I urge the Minister to look seriously at the motion, because if transitional arrangements are not introduced, the women affected and Opposition Members will not give up pressing for them. I am sure the Minister agrees that it would be a lot more costly and embarrassing for the Government if those individuals began to seek legal redress. I just hope for once to listen.

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12.39 pm

Marcus Fysh (Yeovil) (Con): I have sympathy with people when their expectations change and I thank my constituents who have emailed me to highlight this issue. I shall start by looking at the background to it.

The longevity of our population is rising, which is a good thing. It is great to live longer and women live longer than men—

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Will the hon. Gentleman give way?

Marcus Fysh: Not at the moment.

Women on average have a healthier longevity and that is increasing at a greater rate than it is for men. As a nation we spend a massive and increasing amount on our healthcare system and on our pension system in order to allow as many people as possible a happy retirement.

It was in 1908 that the Liberal Government under Lloyd George brought in the first provisions—

[Interruption.] I am certainly not blaming the Liberals for that. A great man, Mr Churchill, was involved too. The age at which the state pension could be claimed was set at 70, compared with the average longevity of 55 at that time. That gives us some idea of the changes that have taken place since. In 1995 the retirement ages were raised so that they would be equal as between women and men in the future. That was further examined in the mid-2000s by Lord Turner. There was cross-party support for those ages to be raised further, given the increases in longevity that I mentioned.

Under the coalition Government, when I was not in Parliament, a decision was taken, based on further increases in longevity, to raise the retirement age even faster for a few people. One of the principles behind all the recent changes was the affordability of the system overall. We have heard that it would cost £39 billion to reverse those changes. That liability would apply to all age groups, and it would be unfair for us to continue to burden younger generations with extra taxes in order to make more concessions than we have already.

Peter Dowd (Bootle) (Lab): Will the hon. Gentleman give way?

Marcus Fysh: Not at the moment.

At the time of the last decision in 2011 a concession of over £1 billion was made to help the age groups who are contacting us now.

I want to say a little about equality. I have two very young daughters and I am keen that they should have equal opportunities, as far as possible, with men of this nation in the workplace and as citizens. I shall highlight a few things that make me think that we as a Government are doing well on behalf of women. The introduction of a single tier state pension will have a good effect on women. It will be equally available to men and women, based on the same approach to national insurance.

Nusrat Ghani: My hon. Friend talks about equalisation of the state pension and about men and women living longer. Equalisation of the state pension age reflects the fact that women and men play an equal role in our society and in our economy.

Marcus Fysh: My hon. Friend makes an excellent point. Equality is at the heart of what we are trying to do for women. One of the ways that we are trying to achieve that is by decreasing the gender pay gap. That will be helped by increasing the minimum wage, increasing the availability of jobs and increasing the personal tax allowance. We are pursuing many incentives and programmes that will allow women to participate successfully for a little longer than they may have expected.

The issue at the heart of this debate seems to be the extent to which women were given notice and therefore the ability to plan for their retirement. I am sympathetic to anyone going through a stressful personal situation, but we need to be responsible. It is hard to say who was contacted or who was not, but from what I have seen—obviously, I was not involved in any of the previous decisions—it seems that most people were given notice of the change, allowing them to plan.
I have some advice for the younger generations who might be listening to this debate. I have some experience in the pensions world. The main thing that people have to remember when investing for their retirement is that the earlier they start saving, the more money they will have at the end. That is because of the power of compound interest, which has a tremendous effect.

Victoria Prentis (Banbury) (Con): My hon. Friend is making a wide-ranging speech. Will he join me in hoping that the Minister, in his closing remarks, will address the issue of communication with those who are working now and who hope to retire in the future, so that my hon. Friend’s young daughters and mine will know where they stand?

Marcus Fysh: My hon. Friend makes an excellent point, the very point on which I had intended to conclude my remarks. We have a duty to the young people of this nation to keep their taxes down so that they have as much scope as possible to plan for their retirement. They are already being asked to shoulder an unacceptable burden that was put on them by the Labour party. It would be entirely wrong to reopen a decision that was taken by the Conservative and Liberal Democrat coalition back in 2011.

Mr David Anderson (Blaydon) (Lab): I am sure the women listening to this debate will be glad that the hon. Member for Yeovil (Marcus Fysh) feels sympathy for them. When he lectures people about saving early in life, he might want to recall that many of the women we are talking about were barred from paying into secondary pension schemes.

I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on securing this debate. She should not have had to do so—there should have been a statement from the Government. She said the subject was complicated. People always hide behind the notion—the hon. Lady did not do so—that pensions are very complicated, but this is a very simple debate. This is not a pensions debate; it is a debate about public policy.

We have a Chancellor who has a long-term economic plan—Members might have heard about it. It was supposed to end the deficit in four years. It was a complete and utter flop. He cannot even put forward a plan that lasts four weeks. Last year he came to the House with a Budget that would have been detrimental to working people, to those facing welfare cuts and to pensions. A few weeks later he came back with £27 billion in his pocket, which he had found at the back of the settee. That was going to be the way forward. With one leap, he was free. But this morning he is all over the media telling us, “Whoa, hang on. You’ve got it wrong. We’re in a mess again. We’ve got to put the brake on again.” People have to realise that we are still facing lots of inequality and the disgrace that is going on today and that the Conservative and Liberal Democrat coalition are knowingly and deliberately making a wide-ranging speech. Will he join me in hoping that the Minister, in his closing remarks, will address the issue of communication with those who are working now and who hope to retire in the future, so that my hon. Friend’s young daughters and mine will know where they stand?

Dr Huq: My hon. Friend is making a powerful speech. He has reminded me of an email I had from a constituent who also said she had been double-walloped. When she was younger, she did not think about these things, but now she has health problems and she worries that she will be knocking on jobseekers door if this goes on.

Mr Anderson: Every one of us in this room, particularly Conservative Members, could read out cases from people who have written to us and come to see us about the inequality and the disgrace that is going on today and should never have been allowed to happen.

My constituent Elizabeth Ainsley wrote me a long, heartfelt letter from which I will quote only small bits. She says:

“My pensionable age has changed twice once in 1995 from 60 to 64…to bring women in line with men and then again when I was not notified until I was age 59 with 5 years to work to my retirement age that this had been changed from 64 to 66. This is just not enough time to prepare.”

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Mr Anderson: Every one of us in this room, particularly Conservative Members, could read out cases from people who have written to us and come to see us about the inequality and the disgrace that is going on today and should never have been allowed to happen.

My constituent Elizabeth Ainsley goes on to say:

“I started work at age 16 and believed for 25 years that I would receive my pension at 60 only to have this changed not once but twice” in her lifetime. She continues:

“I feel betrayed by the government and that women of my age have been discriminated against most of our working lives, denied the ability to prepare for our retirement and are now taking the biggest hit of all so the government can rush through the transition to equal retirement age to save money.”
I believe that the Minister is a decent man, but I am not sure that he will have the power or the authority today to do what we think should be done.

The ex-Minister responsible for this was Mr Webb, the Liberal Democrats’ human shield. Where are the Liberal Democrats today? Is anybody here from the Liberal Democrats? Perhaps they are ashamed of him, as they should be, for being a human shield for the austerity agenda that they forced through during five years in coalition. He says now that he made a mistake. He admits that it was an error and he was not properly briefed by people in the DWP.

The hon. Member for Paisley and Renfrewshire South was absolutely right to say that this is a contract with the people of this country. Yet the people of this country had no say in that contract; there was no proper negotiation where they could say, “Let me have my say and you have yours.” It was a contract imposed on them, and it has been breached. That needs to be put right and we need to do the right thing.

Caroline Flint: Would it not do the world of politics a very positive service if, when we get it wrong, we say we got it wrong and put it right?

Mr Anderson: That is absolutely correct. I am really glad that my right hon. Friend made that intervention just before I was about to sit down. We do want this to be put right. What we do not want is the shifty thing that happened when the Chancellor came here in December and said, “I’m not going to go ahead with the tax credits cut”, but had moved it round so that it is going to come back and hit people on universal credit. We want this put right, and put right now.

12.54 pm

Richard Graham (Gloucester) (Con): This debate is in some ways a rerun of one held in December in Westminster Hall organised by the hon. Member for Worsley and Eccles South (Barbara Keeley), who has a long track record of campaigning on this issue. I congratulate my Work and Pensions Committee colleague, the hon. Member for Paisley and Renfrewshire South (Mhairi Black), on bringing this up and bringing to life, in a sense, the emotional feelings of many women of the ages most affected by changes to the state pension. She did so in a way that everyone here can relate to, because we all have pensioner constituents, and indeed members of our own families, who are affected.

However, there is a risk of overstating the case. My Select Committee colleague will not, I hope, mind my saying that when she said that nobody was aware of the 1995 changes because there was no correspondence, that was an exaggeration of the situation. We will never know exactly who was communicated with or who, probably most importantly, noticed and paid attention to it.

Several hon. Members rose—

Richard Graham: I will not give way yet.

We do know, though, that in 2004 the previous Government did a study on this through the DWP, as Labour Members will remember. That study concluded that three quarters of those affected had been communicated with effectively. Opposition Members may care to comment on that.

Neil Gray (Airdrie and Shotts) (SNP): Will the hon. Gentleman give way?

Richard Graham: Not at the moment.

The fact is that quite a lot of people were told about this at the time and thought it was a long way off and therefore they did not have to pay attention to it, while others were not communicated with and have therefore found this to be a difficult wake-up call. There are lessons on communication that I will come on to and that I hope the Minister will address.

Neil Gray rose—

Alan Brown (Kilmarnock and Loudoun) (SNP) rose—

Richard Graham: A lot of people want to speak, so let me carry on for the moment.

The hon. Member for Paisley and Renfrewshire South was right to quote the previous Pensions Minister, Steve Webb, as saying that not everyone knew about this. He has accepted that, as I think we all recognise. None the less, the argument that no transitional arrangements were made—arrangements that Opposition Members are calling for—is wrong. A significant transitional arrangement and concession was made in 2011 that affected 250,000 people and cost the Government—the taxpayer—£1.3 billion, which was a significant amount of money at the time. That arrangement was made because the then Pensions Minister and the then Government recognised advice from the Department saying that the waiting time for some women born in the 1950s had increased to as much as two years, and they wanted to reduce it to 18 months to benefit those 250,000 people.

What is interesting is that while the motion calls for further transitional arrangements, it does not spell out, nor has any Member who has spoken so far spelt out, exactly what transitional arrangements are being called for. Were the intention—

Barbara Keeley rose—

Mark Durkan (Foyle) (SDLP) rose—

Richard Graham: Hold on a moment—let me finish what I am saying.

Were the intention simply to change all the arrangements for women born in the 1950s and go back to the original proposal, that would, I believe—the Minister might want to put a more detailed figure on it—cost the taxpayer about £10 billion. Yesterday we had the shadow Work and Pensions Secretary, the hon. Member for Pontypridd (Owen Smith), calling for changes to universal credit that were not costed and for which he offered no alternative in terms of where the money would come from. Today we have a proposed transitional arrangement that might cost £10 billion, but its detail has not been spelled out, and neither has its exact cost or how it would be paid for.

I believe that it is incumbent on all of us as MPs partly to represent the emotional feelings of our constituents, as has been done very well by a number of Members today, but also to reflect on the reality, the cost and the implications of what is being proposed, which remains an open question.

Gavin Robinson (Belfast East) (DUP) rose—
Richard Graham: I am happy to take an intervention on that specific point.

Gavin Robinson: Does the hon. Gentleman accept that we had a quest for equalisation in pensions that has resulted in an iniquitous outcome for the women we are discussing? Social justice demands that whatever the transitional arrangements should be—he makes a strong point about that—he and other members of the DWP Committee will work to find arrangements that would ease the iniquitous outcome of this equalisation.

Richard Graham: In fact, the Committee had that discussion and we heard evidence from Women Against State Pension Inequality, which is a good, reasonable and sensible campaign. On the whole, its evidence to the Committee focused on the issue of communication, partly so that lessons can be learned so that when future announcements are made about what will happen in 10 years’ time, they are communicated effectively to those who will be affected. We do not want to end up in a similar situation in 10 years’ time, with another generation of women complaining about not knowing.

Peter Aldous (Waveney) (Con): Does my hon. Friend, like me, hope that when the Minister sums up he will address the failure of the communication strategy since 1995 and right up to the current day? A constituent of mine was told in October that they had qualified for their state pension, but a few weeks later they were told that they had another three years to go. We really need to address that problem.

Richard Graham: My hon. Friend is absolutely right and I am sure the Minister will comment on communication. As I said in the debate in December, there are clear lessons and it would be good to have future changes clarified. I know that a further review is planned in 2017, and longevity continues to increase. The average life expectancy for women, as projected by the Office for National Statistics, has already increased by 2.6 years since the 1995 proposals, and Adair Turner, whose report led to the consensus that this House held for many years, said not very long ago that, if he had done the report now, he would have planned for faster changes to state pension ages.

The hon. Member for Paisley and Renfrewshire South rightly said that at some point we will want to discuss the effect of the future state pension on women. In answer to her point about discrimination against women, I think it is really important that all Members and our constituents are aware that the new state pension will be much fairer to women than the old system. National insurance credits will be given for years taken out of work for caring or for bringing up a family. This is the first time this has happened in the history of the pension—it is a really important point. It will give women the same entitlement as they would get from national insurance contributions through earnings. That is a significant change and I would have thought that those Members who tabled the motion would want to allude to it.

Andy Burnham (Leigh) (Lab): I have listened very carefully to the hon. Gentleman. He has said that in 2011 the Government made a policy decision to accelerate and that they failed to communicate the effects of that decision to the many people affected. Why does he therefore conclude that the Government do not have a moral obligation to put that mistake right?

Richard Graham: Actually, what I said was that the communication issue goes back to 1995, when I certainly was not in this House. For the bulk of the period from 1995 to 2010, the right hon. Gentleman’s party was in power. There is no point in pointing fingers at different parties, but that period is at the heart of the issue of communication, which the motion addresses.

On the question of what good advice we can now give those of our constituents who are not sure what they are going to receive in retirement, it is important that they ask for a statement. That is what the Pension Wise campaign, which is available to everybody, free of charge, is there to do. People should ask for their statement. Some 500,000 people have already taken advantage of that. It is the most effective communications tool and we should be using it to make sure that everybody—women and men—approaching retirement knows what they will receive.

1.3 pm

Yasmin Qureshi (Bolton South East) (Lab): When the latest changes to pensions were made in the Pensions Act 2011, Labour Members objected to them. We had many debates about the issue—I remember speaking in them—and focused especially on the double-whammy effect on women, but the Government went ahead and passed the legislation.

I want to explain to the Minister what my constituents have written to me—I will read some of it out—about how women are being affected by the changes. Every one of the women who has contacted me has said that they agree with state pension age equality, but they object to and have difficulty with the way in which it has been implemented, particularly the acceleration of the increase and the lack of information.

Some of my constituents who are directly affected by the changes have told me that, even now, they have not received any communication or formal notification of the changes from the Department for Work and Pensions. That is utterly unacceptable, given the gravity of the changes. Posting notices in women’s magazines and Sunday supplements is both patronising and ineffective. None of the women I have spoken to are readers of such publications; they found out about the changes through word of mouth.

As the increase in the pension age is literally life-changing, far more notice should have been given ahead of the changes, and the Government should have ensured that everyone affected can plan for their future. One lady I spoke to told me that she has lived at the same address for the past 30 years and has not received anything. There is no excuse for that. To suggest that people somehow knew what was happening is wrong.

Oliver Colville (Plymouth, Sutton and Devonport) (Con): I fully recognise that there has been a breakdown in communication from successive Governments, but does the hon. Lady have a practical solution to deal with that?

Yasmin Qureshi: I will come on to the practical solution later in my speech.

Women have told me that their other major concern is that, even when they have been notified, they have not had enough time to prepare for the major changes in
their lives. One of my constituents is 62 years of age and she was due to retire at 62 years and three months. However, she will now have to work until she is 65. Understandably, that has caused a great deal of distress and uncertainty for her, because she had been planning to retire in a few months’ time. Her plan was to co-ordinate her retirement with the birth of her grandchildren so that she could look after them and not have to resort to having the Government pay for their childcare. The changes have thrown her life into turmoil and, of course, the Government will now end up paying for that childcare.

Another constituent has told me that, anticipating retirement at 60, she took voluntary redundancy aged 58 and a half when her company was seeking to downsize. She was later informed that she will not be able to access her state pension until she is 66 years of age. She now finds herself unemployed and having difficulty finding another job, because of her age. She has been left in financial hardship as a result of not being notified about the changes to the state pension age until it was too late. She is not the only example; many thousands of women across the United Kingdom are in the same boat.

The discrepancy of two years and two months for women born between April and December 1953 is simply confusing and unfair. The Chancellor of the Exchequer and the Government were told as much in the debates in 2011. It means that, for some constituents, the difference is about £14,000, which is a lot of money. Again, it is not just a few of my constituents who have been affected, but women across the country.

Hundreds of thousands of women have had significant changes imposed on them not just once, but twice, with a lack of appropriate notification, and retirement plans have been shattered, with devastating consequences. The Government seem to have failed to recognise the severe impact that the speed of the implementation of those changes has had on those women. The changes have not affected men to the same extent, as their state pension age has not been increased by such a large amount and they have had much more notice. The pension system has historically discriminated against women, and the new changes are yet another example of that.

I urge the Government to reconsider the provisions and to diminish their impact by making transitional arrangements that are fairer for those women affected.

Victoria Atkins (Louth and Horncastle) (Con): I have listened with great interest to the hon. Lady’s speech and to those of other Labour Members, particularly to their references to transitional arrangements. I wonder whether she could help me. What does she mean by “transitional arrangements”, how much will they cost and how will we find the money?

Yasmin Qureshi: I am glad that the hon. Lady has given me extra time for this speech. There are many different ways in which to deal with the issue; there is not one panacea or simple solution. If the Government want a comprehensive response from me about the way forward, I am very happy to put together a detailed plan about how to deal with this issue.

Stephen Kinnock (Aberavon) (Lab): Conservative Members are constantly asking what a practical transitional plan might look like. Surely it is the responsibility of the Government to bring forward such a plan, which the House can then debate. This is an abdication of responsibility.

Yasmin Qureshi: I entirely agree with my hon. Friend. It is typical of this Government’s approach to such things.

Mark Durkan: My hon. Friend may recall that a further transitional arrangement was proposed when the Bill went through in 2011. In October 2011, an arrangement was proposed that would have meant nobody had to wait more than a year, rather than up to 18 months, to reach their pension age. It would have cost £10 billion over 10 years, and it would have meant having a common state pension age in 2022. That was proposed, but the Government rejected it.

Yasmin Qureshi: I am very grateful to my hon. Friend for his intervention, which I hope has helped the hon. Member for Louth and Horncastle (Victoria Atkins).

As I have said, I am very happy to pen a very detailed plan to help such ladies, but if I write it, I would like the Government to promise to implement it. Perhaps the Government will give me an assurance that, when I come up with suggestions about how to deal with various problems, they will say, “Yes, you are right: the hon. Member for Bolton South East has come up with a solution, and we will actually implement what she says.” Will the Minister make me such a promise?

1.12 pm

Huw Merriman (Bexhill and Battle) (Con): I congratulate the hon. Members for Paisley and Renfrewshire South (Mhairi Black) and for Worsley and Eccles South (Barbara Keeley) on securing this debate.

In the past few months, I have met a number of my constituents who have been impacted by these changes. These constituents have detailed how the state pension age increases have had an impact on them owing to their being on the wrong side of the dateline. I have every sympathy with anyone impacted by these changes, and I can see why they have felt so much frustration. I congratulate the WASPI campaign on driving this debate.

Although it is true that any criteria changes regarding pensions, benefits or taxation in general are always going to have an impact on some people, I am conscious that the individuals we are talking about have, in many circumstances, worked for decades on the basis that they would receive their pensions at a prescribed time. However, I am also conscious of the fact that when actuaries calculated life expectancy, and therefore the number of years for which a pension would pay out, they did not expect it to reach the level currently enjoyed, and they would not have anticipated the current rising levels of health. These factors have driven successive Governments, and most OECD nations, to increase the pension age.

Alison Thewliss (Glasgow Central) (SNP): Does the hon. Gentleman not however accept that life expectancy is not the same for everybody everywhere? There are places in Glasgow where life expectancy is significantly lower than in other parts of the country.
Huw Merriman: I absolutely take that point, but it would be naive not to recognise that as we live and expect to live healthier lives, we not only can but want to work for longer.

Dr Philippa Whitford: Will the hon. Gentleman give way?

Huw Merriman: No. I will make some progress, if I may.

The question remains: what, if anything, can be done to lessen the impact on those who will now have to work for longer before qualifying for their state pension, particularly those who it can be demonstrated were not notified over time, as they should have been?

Mims Davies (Eastleigh) (Con): Does my hon. Friend agree with me and my constituents in Eastleigh that the notice period for some of the women was simply far too short? We hope that the Minister will agree it is a great cause of regret that the largest group of women affected by the pension age increase sadly got less than eight years to plan for it.

Huw Merriman: I thank my hon. Friend for making that point. I know she has led a campaign in her constituency to that end. Ideally, we will hear such a statement from the Minister. I believe pension changes require 10 years’ notification and that 15 years’ notice was given for the 1995 changes, but, as she mentioned, the notice period for the 2011 changes was eight years, and even down to five years. As I was not in this place at that time, I am certainly very keen to find out more from the Minister.

Where I have issues with the motion is that although I agree very much with the concern raised, I do not ultimately see a remedy. I stood on a manifesto commitment that pledged us to deliver a budget surplus by 2020, which means that compensation for this matter would have to be paid for by another group of my constituents.

I have real concerns about another age group in my constituency—those in their 20s and 30s. They are sometimes referred to as the packhorse generation because they are saddled with debts from university, which I and many others of my age group and those older than me did not have to endure. They are not in receipt of occupational pension schemes. They are paying high rents and struggling to afford a home of their own, and they are likely to be the subject of pension changes in decades to come if life expectancy continues to increase.

Mhairi Black: Will the hon. Gentleman give way?

Huw Merriman: No. With respect to the hon. Lady, I will make some progress, if I may.

I am keen for the Government to assess what more can be done to help the women impacted by the pension changes, but I am conscious that, before my election to this place, they conducted a review and allocated more than £1 billion to mitigate the impact on the worst affected. Further mitigation, if introduced, would then reveal the next age group to be impacted, and we would never be able to move on. If my Government’s manifesto is to be enacted, such further mitigation will have to be paid for by others in the form of increased taxes.

The issue of pensions is becoming increasingly vexed. It is undoubtedly the case that post-retirement life expectancy is now much greater than was envisaged when pensions calculators were put in place. Additionally, with the advances made to allow those in their 60s to remain fit and active, many people in their 60s and beyond are working in a manner that was not envisaged when those pensions calculators were put in place. This is a general change in life and working age expectancy—we all rightly celebrate it, because it shows that people are living longer and leading fitter lives in their advanced years—but it means that there is a funding gap. To avoid placing a financial obligation on those in their 20s and 30s, who are currently struggling to get on, that gap has required the country to revise the pension age to take into account the changes in life and work expectancy.

Mhairi Black: I will take one last intervention as this is the hon. Lady’s debate.

Mhairi Black: Does the hon. Gentleman not see that by forcing such women to continue to work until they are 66, he is contradicting himself? One of the reasons why people my age cannot get work is that it is being done by those trying to secure some income until they reach the pension age.

Huw Merriman: I thank the hon. Lady for making that point, but I do not agree with her. The reality is that if the change had not been implemented, £30 billion would have had to be found from elsewhere. I think there is an additional £8 billion in tax revenue to be found as well. Where would that money come from if not from the generation that she knows well?

Mhairi Black: I will continue to make progress. To me, it is a complete contradiction to say, on the one hand, that something needs to be done, but, on the other, that it will not have an impact on any other taxpayers over the generations.

Finally, I have the greatest sympathy for those caught by the changes who have had to revise their plans accordingly. This, however, is a settled matter, and I worry about what the impact will be on others if changes are now made.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. There will be a five-minute limit from now on.

1.19 pm

Carolyn Harris (Swansea East) (Lab): Half a million women, including more than 3,500 in my constituency, are asking the Government why they have to wait up to six years longer for their state pension. During their working lives, they paid national insurance contributions expecting to get their pension at the age of 60, an age fixed in 1940 and five years below that for men.

In 1995, the Conservative Government set out a timetable to equalise the pension age for men and women at 65. They fixed a start date 15 years ahead—April 2010—and phased in the changes slowly, so that only
from April 2020 would women born in April 1955 or later not get their state pension at 65. The pending changes were largely ignored except for a small section in the financial section of a broadsheet. The women affected, who were then aged 45, were not warned by the Department of Social Security.

**Peter Dowd:** One of my constituents, Angela Pugh, has sent me valuable information, and I thank her and WASPI. She outlined one woman’s experience. She said that the job market is not ready to accept older women and that many are forced to accept zero-hours contracts, temporary contracts or low-paid contracts that offer no financial security. Does my hon. Friend agree that those women—the backbone of this country—have been betrayed by the Conservatives?

**Carolyn Harris:** I most certainly agree with my hon. Friend.

In 1995, 2020 seemed a long time away. In 2007, the Labour Government decided to increase the retirement age for both men and women to 66, but included a caveat that no changes would be made until 2024. In 2011, the coalition Government unsurprisingly reneged on that caveat and set a new timetable that was tough on women and broke a pledge that there would be no change until after 2020.

**Fiona Mactaggart** (Slough) (Lab): Does my hon. Friend accept that that is not the only way in which older women have been discriminated against? The raising of the tax threshold disadvantages older women much more than it disadvantages any other group, and the pay gap for older women is bigger than for any other group. Do we not need to hear the voice of older women more clearly in politics, as it is obviously being completely ignored by the Government?

**Carolyn Harris:** I agree entirely with my right hon. Friend and consider myself to be in that age group—I am an older woman in politics.

**James Heappey** (Wells) (Con): Nonsense!

**Carolyn Harris:** Thank you.

Half a million women had their pension postponed further in 2011. One of the women affected is Lin Phillips, who was born in May 1954. I think she is in the Gallery. She will be nearly 65 and eight months when she gets her pension in January 2020, nearly six years later not get their state pension at 65. The pending changes were largely ignored except for a small section in the financial section of a broadsheet. The women affected, who were then aged 45, were not warned by the Department of Social Security. The idea of their finding a part-time job in the current situation, or even a low-paid job, is ludicrous.

The changes to women’s pensions are categorically unfair and unjust. Lin, along with other affected women, started to campaign to push the Government into a compromise agreement for those most affected, possibly in the form of a transitional payment. My understanding is that the Secretary of State for Work and Pensions promised to look at that in 2011 but—surprise, surprise!—he never did. The WASPI campaign is the inspiration behind the debate. Those women have made us sit up and think.

Each of us will be able to tell of constituents who are affected by this gross injustice. Each of us will know of women who have worked and paid their contributions or who have spent the majority of their adult life bringing up the children of this nation. Each will have a different set of circumstances, but they all say that, had they been written to in 1995 and told of the changes, they would have made appropriate arrangements.

WASPI accepts that the pension age must rise as people live longer but argue—most on the Opposition Benches would agree—that it is not fair to women who were not personally informed either in 1995 or in 2011. The Minister should beware: WASPI has a sting in its tail. Given the power of its argument and its ability to attract the attention of many in the House, its demand for fairness is a compelling one. It has a simple message and only asks for fairness.

I would say this to the Minister: do not underestimate the power of that lobby. Those women have managed to mobilise and get more than 107,000 signatures on a petition, which is far in excess of what is needed for a debate in the Chamber. In four days, they managed to raise funds through crowdfunding to engage the services of a barrister. From my contact with them, I can tell the Minister that they want justice, and that the buzz in the air from the WASPI campaign will not rest until they get it.

1.26 pm

**Marie Rimmer** (St Helens South and Whiston) (Lab): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on securing the debate. I also congratulate members of WASPI—many of the women are in the Gallery today—on its magnificent campaign. Had they not had that campaign, I fear that the problem would have gone unnoticed and certainly would not have been addressed.

The Pensions Act 1995 increased the state pension age for women from 60 to 65 over the period April 2010 to April 2020. It was not a short-notice change—the notice was 15 years. In a debate in October 2013, the Minister, Steve Webb, accepted that some women did not know about the change at the time, but went on to say:

“Although it was all over the papers at the time, these women were a long way from pension age and probably turned the page when they saw the word ‘pension’”—[Official Report, 8 October 2013; Vol. 568, c. 54WH.]

What a way for a Government to expect people to find out!

The coalition Government legislated in the Pensions Act 2011 to accelerate the increase in the state pension age, which became 65 in November 2018. They intended
to equalise the state pension age at 66 by April 2020, but that was amended. During that debate, the then shadow Minister, my hon. Friend the Member for Leeds West (Rachel Reeves), expressed concerns. Largely because of that, the date was amended and we got a reprieve of six months. The Government seem to believe that that is some compensation.

I will not say much about the impact, because hon. Members who have read about it will know. Anne Keen, one of my constituents and a leading WASPI campaigner, is in the Gallery today.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. I did not mean to do this and I have tried to ignore it, but hon. Members are not meant to make reference to the Gallery. As much as we appreciate the people here, it is meant to be about the Chamber. I am sorry about this but we must not keep making reference to the Gallery.

**Marie Rimmer:** I will not do so again, Mr Deputy Speaker.

The women affected were not informed of the changes to the system, so it came as a complete shock to Anne Keen when she discovered that her plans for retirement were in tatters 18 months before her 60th birthday. She said:

“In 2012 I received a letter saying my new state pension age was 63 years and eight months. I was absolutely shocked because I wasn’t told about it.”

She explained that people have been caught out by the Department for Work and Pensions mismanagement following changes to pension law in 1995 and 2011. They were caught out again in 2011 when further increases were introduced with, they claim, little notification before their retirement age. She went on to say that many women were having to dip into their savings to survive rather than relax and enjoy their retirement as they had intended and planned. She said:

“Unless people requested a pension forecast, they would not have known about it. All we are asking for is a fair transitional arrangement” and some consideration.

WASPI has raised important concerns about the changes, which affect millions of women who were born throughout the 1950s, and who are unfairly bearing the burden of the increase in the state pension age. In 2004, DWP research showed that only 43% of those affected by the 1995 Act were able to identify their retirement age. In 2008, the National Centre for Social Research found that only 43% of them were aware that the state pension age was 65. This change has left many women in financial hardship.

Anne Keen says that the situation is worrying. She points out that privileged people, such as MPs, judges and civil servants, have had their occupational pensions protected if they are within 10 years of normal retirement age. Why are women not being treated in the same way? Why are they not afforded the same protection?

Ten years’ notice will be given for any future changes to the state pension age so that people can cope with the change in circumstances. Is that not an admission that what has happened is wrong? The Government have said that they will not revisit the state pension age arrangements for women affected by the 1995 and 2011 Acts. These women have been dealt a severe and unjust blow. Put simply, the Government must revisit this matter and address the concerns.

**Deidre Brock (Edinburgh North and Leith) (SNP):** I am concerned that some Government Members appear to have missed much of the main point of this debate. For clarity, I remind them that the opening line of the motion states:

“That this House, while welcoming the equalisation of the state pension age”.

I do not think anyone is suggesting that there is not an argument to be made for equalising the pension ages of men and women. There are serious long-term pressures that mean that it should be addressed with a degree of urgency. However, there is a fairness argument to be made about the way in which it should be done.

I, too, have been contacted by a succession of constituents—a succession of women who appreciate that action needs to be taken, but who are exasperated utterly by the continual shifting of the goalposts and the unfairness of not knowing where the finishing line will be, just to mix my sporting metaphors. They do not know when they are likely to be able to retire.

These women accepted the first change as something that had to happen. Perhaps it would adversely affect them, but they were persuaded that changes needed to take place. I am not claiming that they were delighted, but they did at least accept it. What worries the women I have heard from and women throughout the UK is that the first change proved not to be sufficient, the second came without warning and there is no guarantee or even probability of belief that it will be the final change.

These are women, as has been mentioned, who worked through times when the working environment for women was far harsher than it is now. They suffered more blatant sexism than is the case for younger women who enter the workplace now.

**Caroline Lucas (Brighton, Pavilion) (Green):** The hon. Lady is making a powerful case about how unfair this situation is. Does she agree that there is a particular unfairness for women born between 1951 and 1953, such as my constituent Catherine Kirby, who will be left worse off on a weekly basis because they will not qualify for the new flat-rate state pension, whereas men will? Does she agree that it would be simple to solve the problem by allowing women in that position to opt for the single-tier pension?

**Deidre Brock:** The hon. Lady makes an excellent point.

We are talking about people who were forced to accept being passed over for promotion. Some of them are still fighting for compensation for unequal pay. These people were given scant consideration when pregnancy and motherhood forced them to take time away from the workplace. Surely they deserve a little more consideration from the Government than they have been given so far. It gets more and more difficult for people to pick themselves up and get back into the workplace with the same enthusiasm as they did before if they feel that they are kicked back at every turn.
I accept that Baroness Altmann has a track record of campaigning for justice in this field, as has been mentioned. I certainly welcome the fact that we have someone with such a track record as Pensions Minister, but she appears to be a lonely figure in this Government. The pressure that is being applied by the Chancellor and the Prime Minister to drive down public spending means that she can do little on her own. The strange worship of the austerity idol, as I call it, constrains any attempt by any spending Department to deliver anything that might look like fairness or help for the poor and disadvantaged.

Patricia Gibson (North Ayrshire and Arran) (SNP): Does my hon. Friend agree that, given that the Minister in the coalition Government, Steve Webb, indicated that he was aware that not everyone who was affected by the changes was aware of them, the Government must take responsibility for that? Questions must be asked about why women were not more fully informed by the Government and were left in the dark for so long.

Deidre Brock: Absolutely; I agree with my hon. Friend and look forward to the Minister addressing those points when he speaks.

With the Government’s assault on benefits in full flight, we should remember that pensions and pensioners account for the largest share of benefit spending in the UK and that the Chancellor’s gimlet eye will turn inexorably towards pension provision when the other stones have been bled dry.

I do not think that any working woman is asking for special treatment on her pension. I certainly do not think that any of the many women who have contacted their MPs with concerns over these changes is a shirker or a scrounger. They simply want a bit of fairness and a sound knowledge of what the future is likely to bring. Women who started their working lives under one set of pension rules look like they may finish their working lives under their third set of pension rules, provided that there are no further changes down the line.

Providing these women with as much certainty as can be mustered and making sure that they will not lose out financially have to be the watchwords for the Government over these changes. As has been suggested, a gentle transition would be far more in keeping with the need to ensure that we do not exacerbate pensioner poverty or drive more of the most vulnerable members of society into poverty. I urge the Government and the Minister to keep that in mind.

Neil Gray (Airdrie and Shotts) (SNP): I congratulate my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) on securing this important debate and on moving the motion with such an impassioned, articulate and typically powerful speech. I also pay tribute to the hon. Member for Worsley and Eccles South (Barbara Keeley) for her speech and for being a co-signatory to the motion. I pay tribute to my hon. Friends the Members for Kirkcaldy and Cowdenbeath (Roger Mullin) and for Ross, Skye and Lochaber (Ian Blackford), who have consistently and effectively raised this issue since their election in May.

By the same token, I must pay tribute to the Women Against State Pension Inequality and their campaign to urge the Government to make fair transitional state pension arrangements for women born after 6 April 1951. In particular, it is important to show our appreciation to Anne Keen, who first raised the petition on this issue after receiving a letter from the DWP which said that her expected retirement age had been increased. Far from getting 15 or indeed five years’ notice, she was notified only 18 months before her 60th birthday. What an absolute scandal and disgrace. Last night the petition had more than 107,000 signatures. I imagine that it is now approaching 108,000. That is testimony to all those who have worked so hard to bring this matter to the Government’s attention, including constituents of mine in Airdrie and Shotts.

Unashamedly, the Government are shifting the goalposts at very short notice for hard-working women—women who have gone to work, bettered our industries, raised children and supported families, but who have not had equal employment opportunities, access to independent pension funds or the opportunities that we have today. These women who have made enormous contributions to our society for the betterment of us all will see their retirement age rise without fair or proper notice.

Hannah Bardell (Livingston) (SNP): Does my hon. Friend agree that the Minister must come to the Dispatch Box and give an explanation to my constituents in Livingston, some of whom retired and finished their employment before they had even heard the news and many of whom did not have time to prepare or save before the news was upon them?

Neil Gray: I wholeheartedly agree. Sadly, those are typical stories that have played out across the Chamber today. It is this simple but dramatic injustice that is so galling.

The simple truth is that women born in the 1950s will be disproportionately burdened by the Government’s plan for many reasons, not least because men of the same age are and have long been in a better position to offset at least part of the loss through savings or a private defined contribution pension scheme.

The Pensions Policy Institute, in its submission to the Work and Pensions Committee on the Government’s pension reforms, emphasised that point by illustrating that only 63% of women in the 55 to 59 age range are economically active compared with around 76% of men. The gap is even greater among those in the 60 to 64 age bracket: 34% of women are currently economically active compared with 54% of men.

Tommy Sheppard (Edinburgh East) (SNP): My hon. Friend is making some excellent points. Does he agree that some Government Members seem not to recognise the sense of injustice and grievance that exists among women born in the mid-1950s, such as my constituents Andrea Gregory and Wilma Robertson, who have worked all their lives, paid all their taxes and had their retirement postponed by the state not once, but twice? The word that they use is “robbery”. They feel that they are being made to pay for a financial crisis that was not of their making.

Neil Gray: I wholeheartedly agree. There have been some noteworthy speeches from Government Members, but some that have sadly not met the same standard. I hope that the Minister will show some contrition and introduce transitional arrangements.
Many women who have had their retirement plans shattered will be forced, through no fault of their own, to accept zero-hours contracts—temporary and low paid contracts that offer no financial security and poor return for their labour when, relatively recently, they expected to be enjoying a hard-earned retirement. Little, if any, thought has been given to the many women who care for their grandchildren or elderly relatives. It is not always possible to return to work in those circumstances and at this time in their lives.

I, my SNP colleagues and many other hon. Members of all parties agree with the reasons for the equalisation of the state pension age. However, the increased speed of the plans, with poor notice and no transition arrangements, is of great concern. The Government are betraying women and I am worried that there will be further undue hardship if they do not address the blatantly evident inequality. Not transitioning appears to be another example of the Government making cuts in pursuit of their budget surplus holy grail, with no consideration of the impact.

The Government must take some responsibility for their failure not to notify and fully prepare women for a longer wait. That means bringing forward the transitional protection and righting the injustice for those already and those set to be affected. I hope that today we will not get the same complacent ministerial reply that we heard to the recent Westminster Hall debate in which I was involved.

The Government are being warned today that the campaign will not go away. The women in the WASPI campaign will fight this all the way, and will be supported wholeheartedly by my SNP colleagues and by Labour Members. The Government need to sort the matter out with the same speed with which they delivered tax cuts for the rich when they got the opportunity, or they will forever be remembered for their betrayal of pensioners, particularly female pensioners.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am sorry to say that I will have to drop the speech limit to three minutes and ask Members to keep interventions to an absolute minimum so that we can wind up in time.

1.43 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to take part in this Backbench Business Committee debate. I commend the hon. Member for Paisley and Renfrewshire South (Mhairi Black) for her opening remarks and pay tribute to the WASPI campaign, particularly to Marion and Anne and all the other ladies who helped campaign on this important issue. I have worked long and hard with them over the past few months. We have had meetings with my hon. Friends the Members for Worsley and Eccles South (Barbara Keeley) and for Torfaen (Nick Thomas-Symonds). I lobbied my constituents with the WASPI group in Morrisons in Denton recently and I think that I was the first in this Parliament to raise the issue at Prime Minister’s Question Time. I am therefore glad that the subject has been brought to the Floor of the House for a full debate.

A very real injustice has been done to this group of women born in the 1950s. We can go through the history again: there have been two changes to their state pension age and, if that were not bad enough, the real injustice has been the acceleration of the process, which has left many women who were not expecting the changes having to make alternative arrangements. When it came to the private pensions of Members of Parliament, those within 10 years of their normal state pension age could remain on the old scheme, but the group of women we are considering have had no chance to put in place their alternative arrangements.

Barbara Keeley: Government Members have asked Opposition Members for our transitional arrangement suggestions. I made some. I gave examples from other countries: some have bridge pensions while others look after people who are made redundant. It is up to the Government, who have made the £30 billion pension grab, to come up with ideas.

Andrew Gwynne: My hon. Friend is right. When the Pensions Act 2011 was debated in the House of the Commons, the current Secretary of State said, “but we will consider transitional arrangements.”—[Official Report, 20 June 2011; Vol. 530, c. 52.]

Where are they? Those ladies are still waiting. It is about time the Secretary of State came to the Dispatch Box and set out those transitional arrangements, because those women cannot wait forever.

We have already had the first U-turn from the former Pensions Minister, who said that he was not properly briefed. That says a lot about the calibre of Liberal Democrat Ministers in the former coalition Government. Now we have a Pensions Minister in the other place, who was a champion for those ladies until she took the Queen’s shilling. She now says that she cannot do anything about it. What utter nonsense. What is the point of having a Minister if she cannot do anything about it? It is time that Ministers in the Department for Work and Pensions got off their backsides and did something to help those women.

Following on from my hon. Friend the Member for Swansea East (Carolyn Harris), I will give the Minister some friendly advice. I appreciate that it is not his area of responsibility but that of the noble Lady at the other end of the building who speaks on pensions. My hon. Friend likened the WASPI ladies to wasps. Wasps can be pests and nuisances. They cannot easily be bashed away and, when that happens, they get angry and come back. If they are really annoyed, they sting and, unlike bees, they can sting more than once. Let us have some justice for these ladies; it is long overdue.

1.47 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I congratulate my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) on bringing this debate to the House through the Backbench Business Committee, and on opening it so powerfully.

From my experience of meeting my constituents at surgeries, I have learned of women affected by this cuck-handed change by the Government who are living instrupital housing, unable to afford the necessary housing repairs, and I have heard harrowing stories of marriages breaking up due to the financial pressures forced on them through no fault of their own.
During my research on the issue, I met WASPI and I thank them for not only meeting me and my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown), but for their tireless work in campaigning to right this injustice. WASPI has expressed several concerns about the implementation of the 1995 and 2011 Pensions Acts, mainly, although not exclusively, about communication and timescales.

Drew Hendry: Does my hon. Friend agree that it is ridiculous that women should have such short notice, or no notice? One of my constituents found out that she had an extra six years to wait not through a letter from the Government but from her insurance salesman.

Gavin Newlands: I could not agree more. I have received an email in the past hour from a constituent who turned 60 in March and was not aware of the changes and is coming to meet me tomorrow at a surgery. The problem is still going on.

My shorter contribution to the debate will centre on fairness. I believe that it is fair that both sexes will receive their state pension at the same age, but the rapid rise in the age of eligibility for the state pension has been unfair for hard-working men and women who have paid into a system all their lives in good faith.

Patricia Gibson: Does my hon. Friend agree that the changes to the state pension mean that women are finding out that retirement is four, five and six years further away than they thought and that that not only leads to financial difficulties but is cruel and heartless? It happens in the context of a lifetime of low pay and inequality faced by far too many women.

Gavin Newlands: I am pleased my hon. Friend has made that point for me. Given the time limit, I had to delete that section of my speech.

Hard-working men and women have paid into the system expecting, in good faith, the state to help to support their retirement. The combination of equalisation and increasing the pension age has been devastating for some women.

As I have said, WASPI has no problems with the principle of the policy; rather, it has problems with its implementation. These rapid and rushed changes have had a significant impact on a large group of women: 2.6 million women, if we accept the Department for Work and Pensions estimates. The changes have meant that some women may have to wait an additional six years to receive a state pension. From the first day of their working lives, these women have been advised to plan accordingly. At the very last minute, the Government have altered the plans that these women have had for years. This, in essence, is why the women affected feel deeply aggrieved and betrayed by the actions of subsequent Governments.

The Secretary of State for Work and Pensions, in answer to my written question on the communication of the changes to the pension age entitlement, replied that the DWP wrote to all individuals directly affected to inform them of the changes to their state pension age. However, from speaking to WASPI and local constituents this does not appear to have happened on the scale or to the degree that the Secretary of State indicated. I have spoken with women affected. They have said they received the DWP letter far too late, with only a few months’ notice of the increase in the pension age. I have also heard of letters sent to wrong addresses. In one case, unfortunately, a constituent who came to my surgery—another is coming in tomorrow—had no knowledge whatever of the changes.

It has come to light that the UK Government informed a large number of women affected only 14 years after the changes were made.

Alison Thewliss: Does my hon. Friend agree that there has almost been some maladministration? I have just heard from my constituent, Susan Casey, who received a letter when she turned 50 to say that her retirement age would be in 2014. She was born in 1954. It is most unfair not only that she has been losing out, but that she has been misinformed.

Gavin Newlands: Absolutely. This seems to have happened to a whole a catalogue of women. It is an absolute disgrace.

We encourage individuals to plan for the future, but if during their working lives the Government make changes to the state pension, it is only appropriate and fair that the Government communicate them adequately to allow people to re-plan financially for their retirement. I phoned one of my constituents yesterday and asked her how she would like the Government to respond to this issue. Her request was simple: she wants the Government to accept that they made a mistake with how hard and how fast the changes were introduced. That should not be a difficult concession for the Government to make, as the previous Pensions Minister himself has already accepted that mistakes were made.

It is important for the Government to learn from the mistakes they have made and to review how the changes were introduced. We need clearer channels of communication between the DWP and individuals when it comes to pensions. I hear all too often that the information the DWP sends out is confusing and unclear. I would ask that the current Government sit down with WASPI and consider ameliorating some of the financial stress that the changes have brought, and perhaps extend the timeframe.

We know the problem. We cannot sit idly by and allow cack-handed policy implementation from subsequent UK Governments to devastate the lives of so many people who have worked so hard for so long. The Government cannot shirk their obligations. They must accept responsibility, apologise and correct this as a matter of urgency. Ignorance will simply not suffice.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): I just remind hon. Members that nine more people wish to catch my eye and we need to start wind-ups at a quarter past 2. If people insist on taking more interventions, as they are doing, there will be those who will not be called to speak. With that in mind, I call Philippa Whitford.

1.53 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): A lot of the issues have already been covered. The issue of equalisation is totally accepted, but in response to a Government Member who is no longer in his place I should say that we did point out that the life expectancy increase is not equal. In parts of Scotland we have huge
[Dr Philippa Whitford]

differences in life expectancy, which relates to wealth, in particular. Women who are lower paid, who are unlikely to have a decent pension, who have no chance of having any other kind of pension are exactly the ones who do not get this extended life expectancy.

We also heard from a Government Member that women were definitely written to and that maybe they chose to ignore it. However, we know from FOI 3231 that the information campaign was from 2009 to 2013; in other words, 14 years later. I am sad to challenge Labour Members, but the DWP in 2004, under a Labour Government, recognised from its survey that only 46% of women knew what was coming. For most of these women it is not an extension of a year or 18 months; it is literally a change from 60 to 66.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): One of my constituents from Strathaven contacted me this week to say that she had only heard about the changes through word of mouth and a web search. At 59, the Government website suggested she could retire at 62. That was then changed and put up to 64-and-a-half. The changes are unfair because they penalise people at the later stages, when they cannot make alternative arrangements.

Dr Whitford: We have heard from right across the Chamber about the lack of communication and the acceleration of the age extension, and the fact that women could do nothing about it. This is built on a generation of women who had a lifetime of poor pay. We need to think about that going forward.

Auto-enrolment does not cover the modern worker who has multiple mini-jobs, as they are called. Their combined earnings are not considered. We will therefore have another pension debate in another 30 years about the people who have been left with no pension because of current approaches to work. We know that the derived pension benefit from their husbands is not counted. We know that only 22% of women who retire this year will qualify for the full flat-rate pension. This is just unacceptable. We are talking about women who are often unemployed at 60. They are facing jobseeker’s allowance and multiple job applications. They do not qualify for free transport here in England, free prescriptions or any other benefits, such as cold weather fuel payments. For these women, this is a multiple and accelerating problem.

We have been asked by those on the Government Benches—they are now horrifically empty for such an important debate—to come up with a solution. I understand that HMRC is looking at the higher rate of pension relief, which may claw back £45 billion. That more than covers the £30 billion, which we are told would cover full transitional arrangements. High level tax relief is for the wealthiest people, those who this week, the first proper working week of the year, have already earned more than the average wage. Three-quarters of them are men. The route we should be following is to take away money that goes to people who probably, despite their long life expectancy, will not live long enough to spend it, and share it more equally with women who have been very badly treated. This is an issue of fairness and the Government have a responsibility to deal with it.

1.57 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on bringing this important issue to the House today and thank her for articulating this inequality so passionately. I am glad that Women Against State Pension Inequality is holding us to account, in spite of the problems I understand it has had in reaching some MPs.

This is a concern for millions of people across the UK, one that continues to gain momentum as the impact on women’s lives looms larger. It is important to stress that Plaid Cymru supports the principle of equalising the state pension age. I note that Lloyd George, who brought in the original state pension, represented part of my constituency.

There is no reason why a woman should be expected to retire earlier than a man. Originally, it was put in place to reflect the age at which husbands retired and the discrepancy between the ages of husbands and their wives. That is not appropriate in an age of modern equality.

I speak today in opposition not to the purpose of equalisation but to the process. The accelerated timetable simply does not give women sufficient time to prepare for retirement.

I want to concentrate on the situation in Wales. The Government claim to be making the changes in response to an increase in life expectancy, but both life experience and life expectancy vary significantly depending on which part of the UK we look at. Unfortunately, this means that Wales will be hit particularly hard by the changes. For example, a new-born baby could expect to live to the age of 87 in parts of England, but just 76 in parts of Wales. At 71.4% of the UK average, income per head in Wales is the lowest in all the UK nations and regions. The average gross salary for a Welshman is £25,200, but a woman in Wales earns on average just £20,500—a fact that this Government and the Welsh Government should be ashamed of.

I reiterate that Plaid Cymru welcomes the equal treatment of women with regard to the state pension age, but this also requires the equal treatment of women in other spheres, such as the workplace, earnings and life opportunities. The UK Government are keen to push ahead with the former as a way to cut social protection budgets, but they are doing precious little fully to secure the latter. I urge the Government to phase in the equalisation of the state pension age over a longer timeframe to give women nearing retirement an adequate time to prepare. The current timeframe is too fast and will cause undue hardship. These women cannot go back and live their lives again, and they deserve better treatment from the Government. I urge them to rethink. In a case of such fundamental inequality, and given that these people vote, none of us can afford not to consider this matter in detail and to end this inequality.

2 pm

Ms Margaret Ritchie (South Down) (SDLP): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) and my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) on introducing this important motion. The hon. Lady spoke with passion and force and characterised the problem
facing many women born in the 1950s throughout Britain and Northern Ireland who are now faced with decisions they did not think they would have to make in such an accelerated fashion. Many of them are in receipt of, or have been in receipt of, low pay and undertake onerous and strenuous jobs in caring professions—for example, as nurses or home helps providing care within their own families to ageing parents. This places an additional strain on their health, yet, despite that burden, they will, because of this pensions ordeal, have to work for longer and for a smaller pension.

Women in my constituency, many of whom are associated with the WASPI campaign, which I congratulate, will be affected by these changes, because of the mirror legislation passed by the Northern Ireland Assembly. The equalisation of the state pension age is, in principle, to be welcomed, but it would be better if this symbol of gender equality was accompanied by transitional protections to ensure that women do not lose out. I recognise that, as life expectancy increases and many people stay in education longer before entering employment, the pension system must adapt. However, women in lower-paid work—home helps and carers, for example—and more physically straining jobs might not necessarily enjoy such an increase in life expectancy, yet they are the people likely to suffer most as a result of these changes, without being given adequate time to prepare.

That injustice and unfairness is the issue the Government need to address now. The previous coalition Government failed to recognise it, and instead wanted ordinary women to pay for a financial crisis they had nothing to do with. The responsibility for it should not lie at the door of women born in the early 1950s, yet they will be expected to work for longer and for a smaller pension than that which they had expected and planned for. They did not plan for this because they did not realise it was happening.

2.4 pm

**Angela Crawley** (Lanark and Hamilton East) (SNP): I congratulate my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) on securing this important debate.

No one today has disagreed with the concept of equalisation. To bring the pension age for men and women into line promotes the sort of gender equality I have campaigned for, but the way the changes have been implemented amounts to an injustice for women, in the form of a faster roll-out than promised; little or no notice of changes; and no time for women to make alternate arrangements.

**Drew Hendry**: Is this not the 10th major change in these women’s working lifetimes and by far the worst and the one that impacts on them the most?

**Angela Crawley**: Absolutely. If there had been more women in the House over the years, perhaps those changes would not have taken place.

Many women expecting to start drawing their state pensions almost two years before their, despite their own families to ageing parents. This places an additional strain on their health, yet, despite that burden, they will, because of this pensions ordeal, have to work for longer and for a smaller pension.

Women in my constituency, many of whom are associated with the WASPI campaign, which I congratulate, will be affected by these changes, because of the mirror legislation passed by the Northern Ireland Assembly. The equalisation of the state pension age is, in principle, to be welcomed, but it would be better if this symbol of gender equality was accompanied by transitional protections to ensure that women do not lose out. I recognise that, as life expectancy increases and many people stay in education longer before entering employment, the pension system must adapt. However, women in lower-paid work—home helps and carers, for example—and more physically straining jobs might not necessarily enjoy such an increase in life expectancy, yet they are the people likely to suffer most as a result of these changes, without being given adequate time to prepare.

That injustice and unfairness is the issue the Government need to address now. The previous coalition Government failed to recognise it, and instead wanted ordinary women to pay for a financial crisis they had nothing to do with. The responsibility for it should not lie at the door of women born in the early 1950s, yet they will be expected to work for longer and for a smaller pension than that which they had expected and planned for. They did not plan for this because they did not realise it was happening.

**2.8 pm**

**Sue Hayman** (Workington) (Lab): I want briefly to talk about the situation of two women who have contacted me. The first was born in July 1953 and expected to retire at 60. This initially increased to 62 years and three months. She had no problem with that because she had been given plenty of notice and agreed with the gradual move towards equality of retirement age for men and women. Then, of course, with no warning, the retirement age was increased, so she now has to wait until she is 64 before she gets her higher state pension. The injustice is in the way it has been done—on a sliding scale—which means that some people in her class at school will get their pensions almost two years before her, despite their having worked for the same length of time and the same number of pension years. My constituent is still working but says she is fortunate because she has a good civil service pension. She is deeply concerned, however, that many other women rely on their state pension and now find they have to wait for many more years to get it, as discussed this afternoon.
[Sue Hayman]

Another constituent of mine is in that unfortunate position. She worked for 20 years as a secretary, and although the male workers in the company were automatically enrolled in the company pension scheme, women were not. It was very different for women in those days. My constituent has arthritis and is continuing to work as a cleaner because she simply cannot afford not to. She also agrees with pension reform to equalise the retirement age. That is not a problem for women; it is the way it is being done that is so very upsetting. Younger women have had to time to adjust to, and plan for, these retirement dates and the changes. Women such as my constituent, however, do not have that opportunity.

I am willing to give the Government the benefit of the doubt and say that perhaps they did not understand just how many women would be affected. I can accept that, but what I cannot get my head around is why they are refusing to look at it again. To me, this is simply callous. You know so many women are being affected; you could look again; you could listen; you could change things—[Interjection.] Apologies, Madam Deputy Speaker.

I ask the Government to look again at the people who have been disproportionately affected. They should listen to what those people are saying and get up and do something to help.

2.10 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Happy new year, Madam Deputy Speaker, although the people I really hope have a happy one are the women who have been suffering under this injustice for too long.

On 20 June 2011, the Secretary of State for Work and Pensions advised MPs during a debate on the Pensions Act 2011 that he would be considering “transitional arrangements” to provide assistance to the worst-affected women, yet later that year, only completely inadequate transitional arrangements were accepted. In the same 2011 debate, the Hansard record reveals that although concern was expressed by many Members, the extent of the problems, not least the lack of effective communications, support and the transition, was not as well understood as, thanks to the WASPI ladies, it is today.

Today gives us an opportunity to begin to set the record straight and to give the Government the chance to right a wrong. Much more recently, on 24 January 2014, Ros Aitmann, now the ennobled Baroness who has become the pensions Minister wrote:

“Women in their late fifties or more today have been the most disadvantaged by the UK pension system”, and she also pointed out:

“For years, women have been the second class citizens in both state and private pensions. This particularly affects women already in their late 50s...Women...typically...earn less than men when they are working, once again leaving them with less chance to save for a pension and leaving them with lower state pensions as they lose out on the earnings-related element of the system.”

Let us recall, too, that women born in the 1950s did not have the same breadth of employment opportunity as men. In the early years of employment, it was still legal to ban women from joining private pension schemes if they married or worked part time. Women were encouraged to pay the married women’s stamp, which meant they accrued no state pension rights at all, and the state pension system did not credit them if they worked full time raising a family. In other words, the pension system was designed by men, for men.

Thousands of women are now struggling to fill the gap before they have access to their state pension, and no adequate impact assessment has been undertaken by the Government. They have simply left these women to get on with it. Some are planning to use up what savings they have, and others who may have very small private pension pots are choosing to pull them all down to help fill a gap that is the creation of this Government. The Government must act.

2.14 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): I want to pay tribute to the WASPI campaigning group, a group of non-political women who have come together to demonstrate and raise awareness of the serious issues involved. They had to resort to freedom-of-information requests to hold Government Departments to account, and these demonstrated the lack of communication about the Pensions Act 1995. What that group said, what we have heard today and what we hear from our constituents is how the combination of the 1995 and 2011 Pensions Acts is shattering people’s lives.

Some women have spent their whole lives planning to retire at 60 and they now find that they might have to work an extra five or six years. Nobody here can imagine the impact and the stress that this could wreak on family life. Some women have already retired on the basis that they would have enough income to get by until they reached what they thought was going to be the state pension age of 60. These include women who have been out of the workplace for up to five years and now find themselves in the position of having to find employment again. This is difficult enough when they have been out of the workplace, but it is further compounded by the austerity measures in the public sector. Some of these women had financial advisers and took early retirement, but their advisers did not tell them about the impact of the 1995 Act.

One of my constituents was made redundant from the civil service, which allowed her to care for her husband, who has now sadly passed away. Now she has discovered that she needs to get back in the workplace for a further five years. How is she going to do that at the age of 60, bearing in mind that only 34% of women in the 60 to 64 age range are economically active? Another constituent has been lucky enough to get back into work, but she feels that having to pay national insurance again while she is working these extra years rubs salt in the wounds. Another constituent, Jan Buchanan, simply says she has been robbed of over £30,000.

Another aspect of the excellent information gathered by the WASPI group is its submission and recommendations on how the Government should communicate with people in future about their pensions and how to make financial information and its impact clearer. I recommend that the Government take that on board.

We have heard that the previous Pensions Minister now admits that acceleration in 2011 was a mistake, but he has taken the easy option of blaming the civil service and the Tories. I do not think that is acceptable either. Two months ago, the Chancellor found £27 billion
pounds and as we have already heard, money could be found for bombing Syria and £5 billion has already been wasted on the development of the future Trident programme.

This Government continue to tell us that they take pride in being able to take tough decisions. We will give them an open goal and an easy decision—they should change their minds on the transitional arrangements and help these people whose lives have potentially been ruined.

2.17 pm

Jim Shannon (Strangford) (DUP): I am grateful for the opportunity to speak on behalf of the Democratic Unionist party, and I shall put forward a viewpoint that expresses the concerns that many Members have already raised. I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on setting the scene so passionately and in such a well-focused manner.

A large group of women born in the mid-1950s have had their entitlement to a state pension fundamentally altered by the last Government. Instead of being entitled to their state pension at 60 as they had expected and planned for during their entire life, they now do not qualify at all until the age of 66. Equalising the state pension age is a good move for gender equality in the long term, but in common with many other Members, I have been inundated with messages from constituents who are concerned that their whole life’s plans are going to be thrown up in the air by these unplanned and unexpected changes.

The Office for National Statistics has released research showing that women born in 2064 can expect to live for 100 years. That statement shows that the long-term reform of the pension age is necessary, and statistics on issues other than our ageing population also reinforce that. However, thousands of women across my constituency will be affected by these changes and the publicising of their impact has not been adequate. Thousands of women might not even be aware of these changes, which could have a drastic impact on their lives.

Margaret from my Strangford constituency wrote to me with a heartfelt plea, which I am sure echoes the views of many women across the whole of Strangford, Northern Ireland and the rest of the United Kingdom. She says:

“The stress I feel at times is awful. I thought that at this stage in my life I would have time for the ‘me’ things in life. Women my age have worked hard, we were the generation of the working wife and mother. We are, at this age, the generation of looking after grandchildren and ageing parents. We were given very little time to prepare for this extended retirement age...I feel this latest update in retirement age is unfair as all the plans I had disappeared.”

She underlines the point by saying:

“I was told several years ago that retirement age would be 62 so I had set that as a target for my future plans. Then 18 months ago I am informed that the retirement age was upped to 66. How could our own Government treat us this way?”

I ask the Minister to answer that question of how the Government could let such people down so badly.

It is important to give consideration to the fact that women who are going to be affected by these changes grew up and worked in a time when income inequality was still rife. The women affected were in the workplace in environments drastically different from today’s. They had none of the advantages young women have today in a more equal professional and working environment.

The DWP issues state pension forecasts to working-age people who had not received any type of forecast in the preceding 12 months. Despite this being issued after equalisation was agreed, the letter made no reference whatever to the changes. The opportunity to communicate the changes to affected women early and clearly has been missed, but it is not too late, even today, for the Minister to say that it is possible to make a difference, and to make the process much easier for those women. We need a coherent Government strategy, and we need it to be implemented as soon as possible to assist the women who are affected by these changes through no fault of their own.

2.20 pm

Mark Durkan (Foyle) (SDLP): It was a privilege to hear the hon. Member for Paisley and Renfrewshire South (Mhairi Black) move the motion, and it was an honour for me to join her in approaching the Backbench Business Committee to request the debate. There have been some powerful contributions from a number of Members who have campaigned on this issue in this and, indeed, the last Parliament.

We have heard much reference to the former Minister Steve Webb, and to what he has recently said. The question that now arises is this: if the Minister himself was subject to some misunderstanding or misapprehension—if he was in some way misled or misinformed—was the House in turn misled and misinformed in 2011, when he made various statements about impact assessments both in the Chamber and in Committee?

I often hear in the House about the principle that one Parliament cannot bind its successor; We are talking about an issue, and a choice, for this Parliament. Those who were not here in 2011 but are here now cannot wash their hands of this and say, “It is nothing to do with us.” This is a choice for us. The fact is that if the Minister was not fully aware of the facts by the time the Bill had completed its passage, other Members were not either, and the people who are directly affected by these changes certainly were not. Given that they are now so active and animated through the WASPI campaign, it is clear that if they had been aware of the facts much earlier, they would have been active much earlier.

It is insulting for Conservative Members to suggest that perhaps people had been informed and simply did not know, and if they did not know they should have known. These women have demonstrated that had they known about the position, they would have done something about it, both in terms of their personal circumstances and in terms of the public policy challenges that they would have issued. Conservative Members also came out with the nonsense that there was no alternative: that they were seeking transitional arrangements leading to pension equality, but none had been proposed. We heard from my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) about the “hard shoulder” arrangements that had been introduced in other countries. Moreover, as I pointed out in an intervention earlier, additional transitional measures were proposed during the Bill’s passage in 2011, but were voted down by the Government.

In May 2011, during a debate in Westminster Hall, I said that if the Minister did not indicate that he would revise the proposals in the Bill because the women involved were an unintended anomaly, those women...
would have no choice but to conclude that they had been calculated as the victims of an intentional injustice—a drive-by hit on their pension rights. That is how things stand. If we fail to pass this motion, we will be saying that those women are an acceptable casualty on the way to equality, and we cannot accept invidious treatment in the name of equality.

2.23 pm  
Ian Blackford (Ross, Skye and Lochaber) (SNP): I warmly thank my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) and congratulate her on securing the debate, and on making such a powerful speech about the inequalities that many women face as a result of changes in the state pension regime. I must add that, given that the debate concerns an issue that is so important to millions of women, it is an utter disgrace that a grand total of two Tory Back Benchers were in the Chamber at 2 pm, and that only half a dozen are present now, as the debate draws to a close.

That shows the contempt that the Government feel for the women who are suffering as a result of changes to pension rights. I welcome the support from the Opposition to the WASPI campaign, and I have received more than 400 e-mails this week on the issue. I urge Members to take this opportunity to consider this matter. As with the issue of tax credits, on which we have discussed the impact of the changes, I have many of them here.

There is no more fundamental consideration for all of us than ensuring that we can look forward to retirement, and to a retirement that offers security and dignity. We are here today because women who were born in the 1950s believe that they have been short-changed by this Government, and they are right to do so.

I should make it clear—as many of my hon. Friends have done already, along with Labour Members—that we support the principle of equalisation. It is not equalisation that is the issue; it is the speed of the journey towards equalisation that is unjust, and has led to significant and unacceptable consequences for many women whose expectation of retirement has been deferred.

The Government will tell us, as they often do, that this is all about money. To us, it is also about equity and fairness, and about doing the right thing. That is the scale of the increase that has hit someone who was born five years earlier, without mitigation? That is the scale of the increase that has hit a woman born a year later would have had to wait almost two more years than a woman born in 1950. As if that were not bad enough, the increases in pensionable age for women born in 1953 and 1954 become markedly worse. A woman born in 1954 will not reach pensionable age until 6 July 2019, when she will be aged 65 years, four months and 26 days. Such a woman would have had to wait almost two more years than a woman born in 1950. As if that were not bad enough, the increases in pensionable age for women born in 1953 and 1954 become markedly worse. A woman born in 1955 will not retire until 10 February 2021, aged 66.

That cannot be right. It is far too steep an increase in pensionable age over a short period. I ask the few Conservative Members who are present to examine their consciences. Members of the WASPI campaign will be coming to their surgeries. Perhaps they will include a woman who was born in 1955, and who had expected to retire either now or not long into the future. Are Conservative MPs going to tell those women that it is right for them to have to wait six years longer than someone who was born five years earlier, without mitigation? That is the scale of the increase that has hit them. It is a breach of trust between the Government and women who have earned the right to a pension. Let me, as a reasonable person—as indeed we all are on these SNP Benches—help the Government out. We should also heed the recognition of the last Pensions Minister, Steve Webb, who last month admitted that the Government made a bad decision on state pension age yesterday, aged 61 years, 10 months and 27 days. Such a woman would have had to wait almost two more years than a woman born in 1950. As if that were not bad enough, the increases in pensionable age for women born in 1953 and 1954 become markedly worse. A woman born in 1954 will not reach pensionable age until 6 July 2019, when she will be aged 65 years, four months and 26 days. A woman born in 1955 will not retire until 10 February 2021, aged 66.

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of the changes in 2010. That would mean that, as we are effectively going to be at a retirement age of 63 for women as of April this year, the Government could, for example, look at smoothing the increase in pensionable age for women aged 63 to 66 out to 2025.

My hon. Friend the Member for Paisley and Renfrewshire South mentioned at the start of her speech that pensions are incredibly complicated. My hon. Friend is also right that we have built in complexity, as well as a number of inconsistencies from the incessant tinkering that often seems at odds with other aspects of pension policy. We all ought to agree that pensions policy should be about getting things right for the longer term.

A number of positive developments have been enacted, such as auto-enrolment, but even here we need to come back and talk about how we can enhance auto-enrolment, and deal with the issue of part-time workers, for example. There are also outstanding issues on the new single-tier pension, and here again there are rightful criticisms of how this has affected many women born in the 1950s. What I would suggest to the Government, and this is something I hope would have broad support, is that they should establish an independent pension commission that can look holistically at all these issues that require oversight.

If we accept, as we do, that there has to be equalisation of the state pension age, we also need to look at how this and the increase in the state pension age will affect people throughout the UK. We need to look at vastly different mortality rates across the UK and question how this may influence the debate on state pension age.

In conclusion, therefore, let me say the following. In Scotland a 65-year-old man today can normally expect to live until he is 82, and a woman to age 84. That is nearly two and a half years below life expectancy in England. There is therefore a considerable difference in the life experiences of people in different parts of the UK and, crucially, much less time for someone in Scotland to enjoy a secure and comfortable retirement.

We have had a debate today that has shone a light on pension inequalities that many women born in the 1950s face. I hope the Government are listening and are going to reflect on what can be done to mitigate this unfairness. I would also hope they would take on board our suggestion of having an independent pension commission.

2.33 pm

Nick Thomas-Symonds (Torfaen) (Lab): I commend the hon. Member for Paisley and Renfrewshire South (Mhairi Black) for securing and opening this debate. It is perhaps an irony, however, as we are discussing pensions, that she is further from retirement age than any other Member of this House. I also want to pay a warm tribute to WASPI, the acronym that it has conducted it. It is a measure of the campaign’s success that every Member of this House knows the meaning of the acronym WASPI. I also pay tribute to all the other groups and individuals who have been advocating the cause of women born in the 1950s.

The level of interest in this debate is summed up by the fact that we have had 26 Back-Bench contributions from Members from all parts of the United Kingdom. I want to pick out two contributions: that of my hon. Friend the Member for Denton and Reddish (Andrew Gwynne), who has done so much work on this in recent years, and that of my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley), whose deep commitment to this is known across the House.

I also want to pay tribute to my Labour colleagues who in 2011, when the Pensions Act was going through this House, pressed the issue of transitional provisions as hard as they could. It is a shame the Government did not listen to many of our proposals set out at the time.

Stephen Timms (East Ham) (Lab): At that time, the Secretary of State said in debate said he would consider transitional protection. Has my hon. Friend seen any evidence of that consideration being given?

Nick Thomas-Symonds: That points to what has happened here. In previous debates on this matter the Minister has talked about the cap on the increase being reduced from 24 to 18 months, but that was as far as it got, and we see the Government today have no positive proposals. They keep asking the Opposition about their proposals, but it is the Government whose mind has gone completely blank on this issue.

Let us not forget the fundamentals of this debate. Many women born in the 1950s will have started their working lives without even the protection of the Equal Pay Act 1970. Many of those women will have been paid at a lower rate than men for no reason other than that they were women. The gender pay gap is at its widest for many of the women under discussion today. Also, let us not forget the time that many of them took to work part-time or bring up children when they have not even had the chance to contribute to occupational pensions.

The Pensions Act 1995 increased the state pension age from 60 to 65 for women between April 2010 and 2020, to bring it into line with the state pension age for men, but the coalition Government moved the goalposts. They decided to accelerate the increase in the women’s state pension age from April 2016 so that it reached 65 by November 2018. As my right hon. Friend the Member for East Ham (Stephen Timms) has pointed out, in the Second Reading debate in this House on 20 June 2011 the Secretary of State made it absolutely clear that the Government would “consider transitional arrangements.”

The much vaunted reduction in the cap—capping the maximum increase at 18 months—that the Minister has pointed to in recent debates simply is not enough. Do the Government understand the anger at the fact that more transitional provisions have not been considered—over 100,000 signatures for a debate in this House, the online campaign and the great response to it in the media? Recently I was told by the Sunday Post that a feature on this subject brings an unprecedented response from the hundreds of thousands of women who are affected.

Let us ask ourselves what the Pensions Minister in the coalition Government at the time thinks. This is what he told the Institute for Government:

“There was one very early decision that we took about state pension ages, which we would have done differently if we’d been properly briefed, and we weren’t.”

He added:

“We made a choice, and the implications of what we were doing suddenly, about two or three months later, it became clear that they were very different from what we thought.”
He then said:

“So basically we made a bad decision. We realised too late. It had just gone too far by then.”

Mr Dennis Skinner (Bolsover) (Lab): The only thing my hon. Friend has forgotten to mention is that the whole idea was masterminded and put forward at the Dispatch Box by that tin-pot Liberal who called himself Professor Steve Webb.

Nick Thomas-Symonds: I am honoured to be put right by that intervention, and perhaps the Professor, as we shall forever refer to him, would have been better off listening to my colleagues on the Labour Benches than the civil servants.

It would be even more interesting to ask ourselves what the current Pensions Minister thinks of the 2011 Act. I thoroughly recommend to the House rosaltmann.com, which has a lot of wonderful critiques of the coalition pensions policy in it. She cannot deny it is her site; her photograph is on every contribution. She said this about the 2011 Act:

“The Government has decided to renege on its Coalition Agreement, by increasing the State Pension Age for women from 2016, even though it assured these women that it would not start raising the pension age again before 2020.”

That is what the current Minister for Pensions said. Even after the concession of the cap being reduced, this is what she said to the Yorkshire Post on 6 June 2013:

“The coalition seems oblivious to the problems faced by those already in their late fifties, particularly women, who feel they simply do not matter to policymakers.”

What an appropriate critique that is!

We should also look carefully at the intervention from my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) who talked about being lobbied by the Pensions Minister about applying the pensions protection fund retrospectively. Her lobbying of my right hon. Friend was effective on that occasion. She told him that the impossible was possible. Now, however, she says that what we are trying to achieve is impossible. I have an interest in history, and I have been trying—unsuccessfully—all morning to think of an example of another Minister who had more influence on Government policy when they were outside the Government than when they were in it.

We have heard much about the key question of notice. It is key because the Government have in their gift the pensions legal framework in this country, and when they make changes to it, they have a duty to provide notice of them. The House should not just take my word for that; let us take the word of the Pensions Minister. What did she say about women who were already in their late 50s and about the notice they were given under the 2011 Act? She said:

“They are not being given enough notice of such a huge change.”

Why will she not listen to her own words now?

This debate is taking place against the backdrop of a change. The Government keep saying that they are not sure what to do. They find it impossible to do anything about this, and they have no proposals to bring forward. Yet if we look at the passage of the Pensions Act 2011, we can see that they had a number of options at that time, one of which has been set out by my hon. Friend the Member for Foyle (Mark Durkan) today. Another, which was put forward by one of my predecessors as shadow Pensions Minister, related to maintaining the qualifying age for pension credit on the 1995 timetable rather than the 2011 one, which would at least have provided a buffer for those who were least able to cope financially with the changes. That proposal was completely dismissed at the time.

I ask the Minister at least to open his mind to having a discussion about what might be done, instead of consistently hiding behind the fact that he is going to do absolutely nothing. We have today heard the passion around this issue, and it is not an issue that is going to go away. I urge the Government to be constructive. They could still do something to ease the transitions. Whatever the Minister does today, he should not slam the door in the face of the 1950s women.

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): I congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black) on managing to secure this debate, which has attracted many Members on both sides of the House. I also commend all the colleagues who have taken the trouble to come here and speak today. I will try to address as many of their points as I can in the limited time available to me.

I should like to begin by reminding the House of the rationale for reforming the timetable. For our state pension system to function effectively, it has to be fair, affordable and sustainable. The changes made to the state pension age under the Pensions Act 2011 make an important contribution to achieving those aims. Gender equality is one of the main purposes of the changes to the state pension age. Under the previous system, women reaching state pension age in 2010 would spend on average 41% of their adult lives in receipt of the state pension. For men, the figure was only 31%, owing to the longer life expectancy and earlier state pension age of women.

It makes little sense for women to work to a pension age originally set in 1940 which does not reflect the employment opportunities open to them in a modern society. Changes were needed to take account of increased life expectancy and to ensure fairness for working-age people who would otherwise bear the cost of this longevity. Following sharp rises in life expectancy, the previous Government acted to address this and brought forward the timetable for rises in the state pension age. This was vital if we were to continue to meet the UK’s obligations under EU law to eliminate gender inequalities in social security provision and to ensure that the state pension remained affordable and sustainable. It is also important to look at the changes in the context of our wider pension reforms and what these mean for women.

Barbara Keeley: The Minister cannot have been listening to what I said earlier. A substantial proportion of what I said showed that that is not the case, although he and his colleagues are hiding behind that argument.
We were not required to do that. Some EU countries are not equalising until 2040 or 2044, and some are maintaining a difference. Will he please stop hiding behind something that is not true?

Mr Vara: The hon. Lady should respect the views of other people, rather than simply stating that what she says is right. We are bound by EU law, but it is also right and proper that we should have gender equality, irrespective of EU law.

Ian Blackford: Will the Minister give way?

Mr Vara: I will not give way. I am mindful of the limited time that I have, and I am keen to ensure that the proposer of the motion, the hon. Member for Paisley and Renfrewshire South, has time to make her concluding comments at the end of the debate.

The introduction of the new state pension will benefit many women who would have lost out under the current two-tier system, largely as a result of lower average earnings and part-time working. All those affected by the 2011 changes will reach pension age after the introduction of the new state pension. Around 650,000 women reaching state pension age in the first 10 years will receive an average of £8 per week more under the new state pension than they would have done under the previous system. The majority of households reaching state pension age up to 2030 will receive a higher total income over retirement under the new system.

The solution to ensuring that people have a comfortable later life is encouraging and enabling them to work longer. This benefits individuals through the social and financial rewards of employment, it benefits employers through the skills and experiences that older workers bring to the workplace, and it benefits the wider economy. Research by the National Institute of Economic and Social Research has shown that adding just one year to people’s working lives would add 1% to UK GDP per year.

Support is in place to provide extra help for people who cannot work owing to caring responsibilities, ill health or disability. Women affected would be eligible for the same in-work, out-of-work or disability benefits as men of their age, and carer’s allowance may be available, for which national insurance credits are awarded automatically. In 2011, credits were introduced to help adult family members looking after a child under 12 in order to assist the parents who were working, with these credits being able to count towards state pension entitlements.

Much has been made of the comments made by the previous Pensions Minister, Steve Webb, and it is important to recognise that even he was not seeking a restoration that would cost £30 billion. Indeed, he said that he was only looking for a 10% clawback. It is also worth remembering that he does recognise that the £1.1 billion concession that was made was generous. His exact words were:

“and we got £1 billion back in the end, and a billion quid is a serious amount of money.”

Ian Blackford rose—

Mr Vara: I will give way.

Nick Thomas-Symonds: I am grateful to the Minister for being so generous in giving way. He read out the quote about £1 billion being a “serious amount of money”, but he really should have quoted the whole sentence, which begins:

“this was a measure to save 30 billion quid over how many years, and we wanted 10% of that back to soften the blow”.

Steve Webb wanted £3 billion back but got only £1 billion.

Mr Vara: If the hon. Gentleman had taken the trouble to listen while he was preparing his question, he would know that that is what I said, except that I used different words. He might want to check the Hansard record tomorrow morning. In this place, it always helps to listen before speaking.

The Government listened to the concerns expressed during the passing of the 2011 Act, and shortened the delay that anyone would experience in claiming their state pension, relative to the 1995 timetable, to 18 months. That concession benefited almost a quarter of a million women, who would otherwise have experienced delays of up to two years. A similar number of men also benefited from a reduced increase. The concession was worth £1.1 billion in total, and as a result 81% of women affected will experience a delay of 12 months or less.

Mhairi Black: To me, the concessions that were given show that the Government recognise that the transition was not appropriate. Given that the wording of today’s motion is clear in asking the Government to reassess the transitional arrangements, will the Minister confirm that he will do so if the motion is passed, be it unanimously or with a vote—yes or no?

Mr Vara: Much has been made of what was “promised” on Second Reading. What I say to the hon. Lady and others is that this concession was made after it was said that this would be considered, and that the concession is worth six months and £1.1 billion.

Ian Blackford rose—

Mr Vara: I have only a short time left and I must press on.

As for people being aware of the 1995 changes, I should add that research carried out in 2004 by the Department for Work and Pensions found that 73% of people aged 45 to 54 were aware of the changes to women’s state pension age. It is regrettable that people have sought to put this on a political basis and have conveniently forgotten that after 1995 we had 13 years of Labour government. I have here a list of some 10 Labour Pensions Ministers who totally failed to do anything, yet Labour Members conveniently seek to put the blame on the things that have happened post-2010. The shadow Home Secretary made comments earlier, but he was a Labour Cabinet Minister, and the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), who also made comments today, was also in the Labour Administration. He is a former Pensions Minister, yet he did nothing then.

Alan Johnson rose—

Mr Vara: I am afraid I will not give way. [HON. MEMBERS: “Give way.”] I have only a few seconds left, but I will give way.
Alan Johnson: Indeed, I was the Work and Pensions Secretary, but we introduced measures that did not include this anomaly—it was introduced in 2011.

Mr Vara: The right hon. Gentleman spoke earlier of being lobbied, but he took no action on that. Furthermore, big issues arise as to whether notice was given in respect of the changes in 1995, and when he was Work and Pensions Secretary he did nothing to make sure that those women were informed. All the blame has been put on Conservative Members.

I wind up simply by saying that this matter was debated thoroughly and properly in 2011. A concession was made then—by way of time period and financially—which was worth more than £1 billion, and it was thoroughly debated in both Houses of Parliament. I very much hope that I have put the Government’s position on the record. I simply say to some people that they, too, should learn to take responsibility, given that they were in government for 13 years. With that, I shall allow time for the hon. Member for Paisley and Renfrewshire South to speak.

2.45 pm

Mhairi Black: First, I wish to congratulate the House on having such a good quality debate. What has been striking is that this is an issue that clearly crosses party boundaries and constituencies. The Minister said that it had already been thoroughly debated, but that was in 2011. All the evidence that we have heard today shows that this matter needed to be debated more, which it has been, and we have found that the accommodation reached in 2011 did not go far enough and is not good enough. Despite my intervention in this whole debate, I am no further forward in understanding whether, if this motion is passed, the Government will commit to reassess the transitional arrangements.

The Minister has spoken at great length about equalisation. Nobody here disagrees with the principle of equalisation. What we are concerned about is the transition, and that has not been addressed. My hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) quite rightly pointed out that this matter is about priority; everything that a Government decide to do is about priority. I am still not clear what the priorities of this Government are, and for that reason I wish to press this matter to a vote.

Madam Deputy Speaker (Natascha Engel): Order. Before I put the question, may I remind the House that Members who shout “Aye” cannot then vote no, and Members who shout “No” cannot then vote aye. I hope that is clear.

Question put.

The House divided: Ayes 158, Noes 0.

Division No. 159

AYES

Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Arkless, Richard
Blenkinsop, Tom
Boswell, Philip
Brock, Deirdre
Brown, Alan
Brown, Lyn
Burden, Richard
Burnham, rh Andy
Butler, Dawn
Cameron, Dr Lisa
Campbell, rh Mr Alan
Carmichael, rh Mr Alistair
Chapman, Douglas
Chapman, Jenny
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowen, Ronnie
Coyle, Neil
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cunningham, Mr Jim
Dakin, Nic
Davies, Geraint
Day, Martyn
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Peter
Durkan, Mark
Edwards, Jonathan
Esterson, Bill
Ferrier, Margaret
Fitzpatrick, Jim
Flint, rh Caroline
Flynn, Paul
Foxcroft, Vicky
Gibson, Patricia
Glass, Pat
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Margaret
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Hendry, Drew
Hillier, Meg
Hogg, Mrs Sharon
Hoey, Kate
Hollobone, Mr Philip
Hosie, Stewart
Howarth, rh Mr George
Huq, Dr Rupa
Johnson, rh Alan
Johnson, Diana
Kane, Mike
Keeley, Barbara
Kerevan, George
Kerr, Calum
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lammy, rh Mr David

Lewell-Buck, Mrs Emma
Lewis, Clive
Lucas, Caroline
Lynch, Holly
Maclaggart, rh Fiona
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McDonald, Stewart Malcolm
McDonald, Stuart
McDonnell, John
McFadden, rh Mr Pat
McGarry, Natalie
McGovern, Alison
McLaughlin, Anne
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Mullin, Roger
Murray, Ian
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
O’Neill, Melanie
Osamor, Kate
Oswald, Kirsten
Paton, Steven
Pennycook, Matthew
Pound, Stephen
Qureshi, Yasmin
Rees, Christina
Reynolds, Jonathan
Ritchie, Ms Margaret
Robinson, Gavin
Robinson, rh Mr Geoffrey
Ryan, rh Joan
Salmond, rh Alex
Saville Roberts, Liz
Shannon, Jim
Sharma, Mr Virendra
Sheppard, Tommy
Shuker, Mr Gavin
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, Cat
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stuart, rh Ms Gisela
Tami, Mark
Thewlis, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thomson, Michelle
Thornberry, Emily
Timms, rh Stephen
Turley, Anna
Twigg, Stephen
Vaz, Valerie
Watson, Mr Tom
Whiteford, Dr Eilidh
Whitford, Dr Philippa
Williams, Mr Mark
Wilson, Corri
Winnick, Mr David
Question accordingly agreed to.

Resolved,

That this House, while welcoming the equalisation of the state pension age, is concerned that the acceleration of that equalisation directly discriminates against women born on or after 6 April 1951, leaving women with only a few years to make alternative arrangements, adversely affecting their retirement plans and causing undue hardship; regrets that the Government has failed to address a lifetime of low pay and inequality faced by many women; and calls on the Government to immediately introduce transitional arrangements for those women negatively affected by that equalisation.

Alex Salmond (Gordon) (SNP): On a point of order, Madam Deputy Speaker. We have just had a very convincing vote on a motion that is quite specific in calling for the Government to introduce transitional arrangements. These Backbench Business debates are a relatively new phenomenon. Even newer is the Government’s tendency to try to ignore them completely. That is something with which we should not put up.

Can you confirm that there are certain things that we can do unambiguously as a House if the Government choose to continue this bad practice? We could, for example, cut the salary of the Pensions Minister—or his pension, for that matter. Alternatively, we could ask you to summon him on a weekly basis. Can you confirm that those are unambiguously within the province of this House if the Pensions Minister continues his arrogant refusal to accept a democratic vote?

Madam Deputy Speaker (Natascha Engel): I thank the right hon. Gentleman for that point of order and for advance notice of it. He was not in the previous Parliament so he is probably unaware that I chaired the Backbench Business Committee for five years, during which we spent a lot of time grappling with these issues. Most people know that Backbench motions are not binding on the Government. There are situations in which they are binding on the House and I am happy to have a long conversation—not here and not now—with the right hon. Gentleman about those situations. This is an opportunity for the House to express its will.

We have had a long debate and a long Division. We have another debate coming up which is heavily subscribed. I want to move on.

Alex Salmond rose—

Madam Deputy Speaker: I will let the right hon. Gentleman have a brief word, then we move on.

Alex Salmond: Further to that point of order, Madam Deputy Speaker. I gave you two illustrations of things that the House has within its gift—namely, action against the Minister or asking you to instruct him to do something. Could you confirm that those are unambiguously within the province—

Madam Deputy Speaker: Order. That really is way outside the debate that has taken place, and I wish to move on. We now come to the next motion on the Order Paper, which is on children in care.
### Children in Care

3.9 pm  
Lucy Allan (Telford) (Con): I beg to move,  
That this House calls on the Government to take steps to help reduce the number of children entering the care system by bringing forward measures to support more children to remain safely at home with their family or extended family.

I am most grateful to the Backbench Business Committee for allowing this debate to take place. The voices of children in care and their families are rarely heard, yet they are among the most vulnerable in society and have the greatest need of representation.

Over recent years, steadily rising numbers of children have been taken into care. There are now 70,000 looked-after children in this country. The rise began in response to the very tragic case of baby Peter Connelly in 2008, but has since continued. Some argue that an increase in the number of children in care shows that local authority children's services are getting better at identifying those at risk of harm, and that it must therefore be a good thing, but we need only look at the outcomes and life chances for those children. Of course the welfare of a child must always come first, but in many cases their parents may be supported poorly, rather than the family. Is not that kind of holistic embracement the way forward for many families?

Lucy Allan: I thank the hon. Lady for her intervention. I will come on to speak about the important role of kinship carers and the support they could be offered. She makes a very valuable point.

Yesterday, Anne Longfield, the Children’s Commissioner, gave evidence to the Education Committee on early intervention and she spoke powerfully about the benefits. It is a vital stage in child protection and it can, in these difficult financial times, be in danger of being bypassed.

Mrs Madeleine Moon (Bridgend) (Lab): I am a Welsh MP and in Wales we have the Flying Start scheme for families with difficulties in areas where poverty is high. The scheme starts at the point of pregnancy and there is regular engagement with a midwife. Once the child is born, dedicated nursing services provide support by discussing play, talking, food and setting boundaries, as well as by tackling any drug and alcohol problems in the family. Is not that kind of holistic embrace the way forward for many families?

Lucy Allan: I thank the hon. Lady for her helpful intervention and I hope the Minister listened to what she had to say.

Instead of care proceedings being the option of last resort—which it really is intended to be under the legislation—many families find themselves on a track where too often there is only one outcome. Media, families and campaigners have been talking about that trend for a number of years, and I believe the message is starting to get through.

Tim Loughton (East Worthing and Shoreham) (Con): I should declare my entry in the Register of Members’ Financial Interests. I congratulate my hon. Friend on raising this subject, because this Chamber does not get to talk enough about children in care. I concur with her: the number of children in care in England is now the largest since 1985. On her point about early intervention, will she challenge the Minister later—alas, I cannot be here for the end of the debate—by asking him what has happened to the early help recommendation made by the Munro review of child protection, which I commissioned back in 2010 and which reported in 2011? It is exactly that sort of intervention that will keep families together wherever possible, but it seems to have gone off the radar. Does my hon. Friend agree that it needs to be very much back on the Government’s agenda?

Lucy Allan: My hon. Friend was an excellent children’s Minister. I remember talking to him about some of the issues and he makes his point very well. I am encouraged that there is growing acceptance that more can be done to help families stay together and to stay together safely. That has to be better for society and financially, and, most importantly, it is better for children.

My local council in Telford understands that. Its focus is on ensuring that children and families receive the right help at the right time. Its strengthening families programme supports families with deep challenges, which in turn ensures that more expensive and damaging interventions do not become necessary. Central to that successful scheme is the implementation of “Family Connect”, which is a single, multi-agency front door for children and families. There are other examples of good practice helping children on the fringes of care to stay out of the system.
Many MPs will have had correspondence from constituents desperate to keep their children out of the care system and to keep their family together. Usually, by the time they are in touch with their MP, care proceedings are under way and there is nothing we can do. Parents are frightened, angry and overwhelmed by the monitoring, the scrutiny and the building of the case against them, which is never intended to be supportive of or conducive to building stronger families.

The Family Rights Group provides free specialist legal advice for families caught up in what can be a nightmare. It helps families navigate the complexities of local authority child protection investigations, enabling them to have a more constructive and informed relationship with social services. Demand for the organisation's services has doubled since 2010, and only four in 10 callers can be answered. According to the Family Rights Group, its Department for Education funding is due to end in March. I urge the Minister to think carefully about the benefit of the organisation and whether its funding can be renewed.

I do not accept that a continued increase in the number of children in care is inevitable. What sort of society would this be if we were to assume that state care would do better than parents? I believe—this is based on working with families caught up in the child protection system—that most parents, however difficult their circumstances or background, set out to do the very best they can by their children. The first step must be to help them to achieve that goal, but such a mindset is not necessarily prevalent in the world of child protection. In fact, sometimes the reverse is the case.

A professional—a health visitor, a teacher, a nurse, a GP, an A&E doctor, or anyone interfacing with a child—is encouraged to think the unthinkable. What do I mean by that? I mean thinking that any parent, including any of us, might be capable of deliberately harming their child. The net in which families are caught is being cast wider and wider. Today, one in 100 children in England is subject to child protection investigations, which is a 79% increase in five years. As professional anxiety rises and support services dwindle, the consequence is that state protection system—that most parents, however difficult their circumstances or background, set out to do the very best they can by their children. The first step must be to help them to achieve that goal, but such a mindset is not necessarily prevalent in the world of child protection. In fact, sometimes the reverse is the case.

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Norman Lamb (North Norfolk) (LD): I very much agree with the points the hon. Lady is making. Does she agree that this is a false economy? If we cut back on preventive services—the support services to which she is referring—we will end up spending more in supporting children in need, who have reduced educational outcomes or conducive to building stronger families.

I, too, have worked with those families, and often found that local authorities do not engage. Local authorities have a child protection system, as if it were a bunch of child catchers wandering around the country and randomly looking for children to apprehend. Will she acknowledge that, notwithstanding the odd one that does not go the right way, the vast majority of child protection cases actually come to the right decision?

Lucy Allan: I will move on to my hon. Friend's point with regard to the court system.

There will always be children who are not able to stay safely at home. It is a difficult and challenging task to identify those children correctly. As such matters are decided by an independent court, we are told that we should be confident that the correct decision will always be made. I must say to the House, however, that a court can decide a case only on the basis of the evidence put before it by child protection professionals and that that evidence is often dominated by opinion. The court does not have the discretion to disregard professional opinion in favour of a distraught parent who is desperately trying to navigate the complexities of the legal system or desperately trying to prove their innocence when up against the full might of the state.

The motion asks the Government “to support more children to remain safely at home”. There are many examples of good practice currently being undertaken by the Government, such as the troubled families initiative, the children’s social care innovation programme and the Pause project in Hackney. I will conclude by briefly asking the Minister to consider other alternatives to help children to stay safely at home with their families.

We know from recent research that when a mother has a child removed, the trauma and loss often results in multiple repeat pregnancies. Sadly, such children are almost always taken into care immediately. I have sat on an adoption and fostering panel to which a mother came back 10 times. Nobody ever addressed the mother’s issues, and those 10 children were taken into care. That goes back to the point made by the right hon. Member for North Norfolk (Norman Lamb) about the cost-effectiveness of dealing with the difficulties experienced by a mother in such a situation. I therefore ask the Minister to consider therapeutic intervention for mothers at the earliest opportunity, because that is cost-effective and because care simply is not the answer that the professionals would like it to be.

Yasmin Qureshi (Bolton South East) (Lab): Before becoming a Member of the House, I represented parents whose children were taken into local authority care. One thing I noticed was that, when a baby was up for adoption, there was an unseemly haste, and local authorities did not try to work with the family or the mother to be able to give the child back to the family. I found that very disturbing.

Lucy Allan: I agree with the hon. Lady. There is a requirement to facilitate reunification and rehabilitation. I, too, have worked with those families, and often found that local authorities do not engage. Local authorities are required to consider those points but the preliminary steps are difficult and potentially fraught with risk.
That is why they are often skipped over or dismissed. The words used so often are: “It would be inconsistent with the child’s timeline,” or “It is not in the best interests of the child,” or “It shows unmerited optimism to assume that rehabilitation and reunification is an option.”

**Mr Andrew Turner** (Isle of Wight) (Con): Does my hon. Friend acknowledge that there are two types of home? Some homes are found to be guilty and some should be found guilty but are not. We have both those things going on at the same time.

**Lucy Allan**: My hon. Friend makes an important point. Some families are under the radar, do not approach professionals for help and are missed. We must be extremely careful. That is why it is such a difficult judgment to make.

Kinship carers perform an invaluable role. Placing a child with a grandparent or a member of an extended family is, in my experience, often overlooked as an option. There is always a stronger focus on adoption. I urge the Minister to consider more support for kinship carers and to continue to encourage local authorities to see kinship care as often being in the best interest of the child. It allows the child to stay with siblings in a familiar context. Relatives are often dismissed as inappropriate because of their connections with the child’s natural parent who is found wanting.

**Mike Wood** (Dudley South) (Con): Does my hon. Friend agree that part of the problem is that local authorities’ rush towards adoption makes it more difficult for grandparents to go through the process and demonstrate that they are properly equipped and suited to look after their grandchildren?

**Lucy Allan**: I thank my hon. Friend for that intervention and I am delighted that he makes that point.

No family is perfect—it is about good-enough parenting and the sense of belonging and identity that is irreplacable for any child. I urge the Minister to support the Family Rights Group so that parents can have access to free and independent advice at an early stage in any investigation against them.

**Mrs Moon**: It is some time since I placed children for adoption and some time since I have been involved in child protection work, but the guardian ad litem system is being disregarded. It plays a vital role in ensuring that all potential other sources of care are examined and explored before the case goes before a judge. I would like that to be examined and acknowledged.

**Lucy Allan**: The hon. Lady makes an excellent point. In conclusion, I am encouraged by what I have heard from the Minister and the Prime Minister. He has always been committed to strengthening families and sees families as the bedrock of society. He has recently spoken passionately and sincerely of his desire to see fewer children in care. He has said that the care system and the plight of children in care shame our country, and has spoken of his commitment to the life chances of the most disadvantaged young people. It might be that, with the motion, I and other Members who support it are pushing at an open door. I very much hope that that is the case, so that that sense of belonging and security can be part of every child’s life.

3.29 pm

**Alan Johnson** (Kingston upon Hull West and Hessle) (Lab): I am delighted to join the hon. Member for Telford (Lucy Allan) in sponsoring this debate.

To declare my interest, I am the patron of the Family Rights Group, the charity that works with parents in England and Wales whose children are in need, at risk or in the care system. May I follow the hon. Lady in this preamble to my speech and say to those on the Treasury Bench that the Family Rights Group provides the only free, open-access, specialist legal advice service for such families? Governments of all persuasions have recognised its importance.

The simple fact is that demand for the charity’s services has gone up and its funding has been reduced. That is bad enough, but if the Government do not pull their finger out, the service will cease completely on 31 March—just a few weeks from now. I hope that the Minister will say something on that in his response, because the need for the work that the Family Rights Group does and the advice that it gives underpin all the various elements that we will hear about in the debate on this huge subject today. Preserving it would be the first step towards carrying out the terms of the motion.

I do not claim to have changed the world in my short period as Secretary of State for Education, but together with my children’s Minister, now Baroness Hughes of Stretford, I tried to improve the situation for children in care through the measures in the “Care Matters” White Paper. We were driven by a host of depressing statistics, but the most scandalous of all was that children in care accounted for 0.5% of the child population, but as adults accounted for 27% of the prison population. We might as well, as a society, direct them straight to Wormwood Scrubs and the other institutions they are going to end up in.

We did much in government to address that problem, but after 10 years in power, which is when I became Education Secretary, and despite an awful lot of concentration on what we used to call social exclusion, that statistic remained. My point is that this is not a party political joust. This problem is so deeply entrenched that we need to work on the solutions together across this House and not deal with it in a combative way.

**Kit Malthouse**: On that statistic, which is of course appalling, does the right hon. Gentleman accept that it does not necessarily follow that it is the care system that meant that those individuals ended up in prison, and that if they had stayed with their families, they may well have ended up in prison anyway?

**Alan Johnson**: I do not concur with that at all.

All these problems are profound and multidimensional—of course they are—but I could sum up the problem in my time, although more recent children’s Ministers may sum it up differently: children are pushed into care too easily, moved around too much and kicked out too soon. That is the issue that we were trying to face in the “Care Matters” White Paper in 2007. I will
focus on the first of those three problems—the fact that they are pushed into care too easily—and on kinship care.

On the point about young people being removed from care too soon, I congratulate the Government on the important step that they took in the Children and Families Act 2014 of insisting that young people in care who reach the age of 18 may remain in care or “stay put”, to use the terminology, with foster carers until the age of 21. In response to the intervention by the hon. Member for North West Hampshire (Kit Malthouse), we used to kick them out at 16. Nowadays, children practically cling on to the door mantel when you try to get rid of them, if I may say so as a father. The average age when children leave home is 27. Kids in care—the most vulnerable children—were kicked out at 16. Of course that contributed to the pressing statistic on where they ended up.

Kit Malthouse: I am fully conscious of that. When I was a councillor, I established the first leaving care service in the country at Westminster Council. It won us beacon status from the then Labour Government. I was trying to make the point that it does not necessarily follow that leaving those children in their families would lead to benign outcomes as opposed to the outcomes of the care system. I fully accept the failures of the care system, but I am not sure that the alternative would have been more benign.

Alan Johnson: I will come on to research that might help the hon. Gentleman because I believe that it is indeed the case, not in every instance of course, that a higher proportion of children who are left to be raised with families—and friends, incidentally—will not end up in the situation that I described.

The Government introduced the welcome change for children in foster care to be able to stay there until they are 21. Can the Minister tell us in his response whether there are any plans to introduce an analogous provision for children in residential care, as the Education Committee recommended in 2014? It seems ridiculous that children can stay in care with foster parents until they are 21, but that they get kicked out at 18 if they are in residential care.

The main issue that I wish to raise is kinship care. Kinship carers are grandparents, older siblings, other relatives and friends who step in to care for children. Ninety-five per cent. of the children in kinship care are not declared “looked-after” children by the local authority. By keeping children out of the care system, those carers save the taxpayer billions of pounds each year in care costs alone. All the research evidence demonstrates that kinship care has real and substantial benefits for children. They feel more secure, and they have fewer emotional problems and behavioural difficulties. On top of that, the latest piece of research, from last November, states that those children also do better in educational attainment than those in residential care.

There is another issue about the care system for the hon. Member for North West Hampshire to consider. It used to move kids around all the time. That was bad enough, but when they arrived in a new location, they went to the worst schools. They went to the schools that had the vacancies, which were generally the most unpopular and the worst. We introduced a measure that provided that schools must accept children in care as a priority, in accordance with what the children and their carers wanted. That is another example of how we can change the care system for the better.

Despite everything that has been done, the system neither encourages nor sufficiently supports the important alternative of kinship care. Yes, there is helpful guidance, but there is no statutory duty that requires local authorities to explore the kinship care option, or even to have the all-important family group conference—the FGC—which is a crucial way of involving the wider family early in the process. In the vast majority of cases, that does not take place until after the child goes into care. It should be held before that decision is made. One of the important aspects of the family group conference is the voice of the young person, which is crucial. It is vital to the process and central to the success of family group conferences. However, not only are they almost always held after a child has been designated as “looked after”, but their number is diminishing as budget cuts force local authorities to retrench.

As a crucial step towards realising the motion, the Government should place a new statutory duty on local authorities so that when they conclude that a child may need to become looked after, they must, other than in emergencies, first identify and consider the willingness and suitability of any relative or other person connected to the child to care for them. Secondly, they should arrange a family group conference run by an accredited FGC service to develop a plan to safeguard and promote a child’s welfare. They should also ensure proper funding for free specialist independent legal advice, as both I and the hon. Member for Telford have mentioned, through the Family Rights Group.

My final point concerns the need to recognise the problems that kinship carers face, and the need for the Government to avoid adding to them through changes to the benefit system. The largest survey of kinship carers in the UK found that 49% of respondents had to give up work permanently. That is often a requirement for taking a child into their care—the authorities insist that they give up work. Some 18% had to give up work temporarily and 23% had to reduce their hours. That creates a family income problem.

The recent Department for Education review of special guardianship and Sir Martin Narey’s imminent review of residential care provide a perfect opportunity to introduce a support framework for kinship care that includes a designated council official to contact when necessary. The Government should also consider extending to kinship carers the measures that are available to adopters, such as paid leave and priority school admissions. More urgently, kinship carers should be exempted from the limiting of child tax credit to two children, the benefit cap and the extension of work conditionality rules to carers of children under five years of age. Let me briefly explain why.

In respect of the benefit cap, many children arrive to live with kinship carers following a crisis. They are deeply traumatised and many have suffered prior abuse. As a result, the behavioural response hoped for by the Department for Work and Pensions, of staying in or returning to work, is not an option. The relevant drop in income caused by the lower benefit cap will affect more kinship carers, who, as I said earlier, are saving the taxpayer a small fortune. Limiting child tax
credit to two children will obviously make it financially unviable for some relatives to take on a larger sibling group to keep the family together. The daughter of a grandmother in my constituency died. By taking in the three children, the grandmother will be hit by the two-child policy. That is no way to run a civilised social service and welfare state. Incidentally, the cost of an exemption would be about £30 million. It would only require 200 kinship carers to be financially prohibited from taking in a sibling group of three or more, for care and court costs to outweigh that amount. The Government could therefore be making a saving.

The new work conditionality requirements that will be applied to carers of children under five will place obvious and substantial burdens on kinship carers. I say to those on the Treasury Bench that there is an important precedent for the exemptions. Kinship carers have already been exempted from work conditionality requirements for a year after they take on the care of a child. We are not talking about precedents here, but consistency.

This is an important debate, which allows right hon. and hon. Members to raise issues that are aired all too infrequently. Despite the benefits, kinship care is largely overlooked by the media, Governments of various persuasions, and the Prime Minister and his predecessor. In the past two years, there has been much attention paid to adoption. Rightly, it has been the subject of Prime Ministerial speeches, Government initiatives and newly announced funding streams. On kinship care, there has been radio silence. It is time we gave kinship care the recognition and support it deserves, and which children so badly need.

Several hon. Members rose—

Mr Speaker: There is considerable interest in this debate. I am afraid that, if I am to accommodate all interested colleagues, that will have to be reflected in a five-minute limit on Back Bench speeches with immediate effect.

3.44 pm

Neil Carmichael (Stroud) (Con): It is a great pleasure to participate in this debate. I congratulate my hon. Friend the Member for Telford (Lucy Allan) and the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson). This is a very important subject and they have done extraordinarily well to put it at the forefront of our proceedings in the Chamber.

I want to say how much I agree with the right hon. Member for Kingston upon Hull West and Hessle in his emphasis on the importance of kinship care. In my constituency, I have encountered situations where a kinship care solution would have been more appropriate than what actually happened. I fully concur with what he said and urge the Government to think very carefully about how they can encourage kinship care.

The chief inspector of schools, Sir Michael Wilshaw, frequently mentions the importance of strong family life, and I am pleased to note that in the autumn statement the Government significantly extended the troubled families programme. That programme, which began in 2013, is an important step because it signals what everybody knows: that good families are better than bad families and that families going through appalling experiences and heading towards crisis must be given the appropriate help. The Government are also right to make it easier for separating parents to go through mediation rather than a full-scale battle. That is another step in the right direction.

It is important that we have high standards of social work in order to avoid some of the pitfalls encountered in recent years. One important element here cropped up when the Education Select Committee last visited the Department: the importance of leadership—not necessarily at director level, but at assistant director level—in ensuring high-quality and timely decisions in social work. The Government should think about the quality, nature and forward planning of social work in local authorities. Another big point is agency co-operation. I would like to hear from the Minister how the ministerial taskforce on child protection is getting on. One of its key priorities should be to encourage better agency co-operation and to make it easier for them to work together. That is an important direction of travel and one that I hope the Select Committee will be pushing.

The pupil premium and children’s centres, which are linked, are important aspects of this debate. The pupil premium is for children in poverty, but there are links between those children and children in troubled families, so we should be using the pupil premium to identify and help the children in jeopardy. The same logic applies to children’s centres, because they are really useful places. I have seen how important they are in my constituency; thousands of children in my constituency are going to well-run children’s centres and benefitting from some extraordinarily good services. We need to put a spotlight on the value of children’s centres, which, certainly in my constituency, are well run and well organised.

I want to make two final points. First, we need to think about having statutory personal, social, health and economic education. I have written to the Secretary of State several times, urging her to think carefully about that, and we continue to press on that front. Finally, I end on an observation made in my meeting recently with the Youth Justice Board. We heard earlier about children getting into difficulty—with prison, criminal activity and so on—so I want to repeat the key point about the need for strong, better and more transparent agency work and co-operation.

3.49 pm

Ann Coffey (Stockport) (Lab): The hon. Member for Telford (Lucy Allan) is right to express concern about the rising number of children taken into care and to ask whether more can be done to keep families together, but perhaps consideration should also be given, particularly in respect of older children in care homes, to whether the care system could be more flexible in supporting relationships with families, if that is what the child wants. In European countries such as Denmark, there tends to be a much stronger focus on prevention and family support, and that is characterised by the care system operating more flexibly around the family. Residential care is likely to be more local, allowing work with the family.

In March 2015, there were 6,570 children in children’s homes in England. They are likely to have had more placements than children in foster care and to have significant emotional, behavioural and social difficulties.
Jeff Smith (Manchester, Withington) (Lab): As a children’s home visitor until my election here in May, I am very aware that, as my hon. Friend says, care homes are not the best environments for vulnerable young people, who often have mental health issues, to grow up in. I am sure she agrees that the best approach is to intervene before families go into crisis. Does she agree that unfair cuts to the most deprived local authorities, such as those in Manchester, make it much harder for the authorities with the greatest need to provide services such as Sure Start to the families with the most vulnerable children?

Ann Coffey: I agree absolutely with my hon. Friend, and the point he makes is absolutely right. To achieve prevention, funding is needed.

Children in children’s homes are more likely to have more significant problems. In October 2015, the Government announced that Sir Martin Narey would head an independent root-and-branch investigation into children’s residential care. The aim of the review, which I welcome, is to “help put an end to a life of disadvantage for some of the most vulnerable children in care”.

The Minister will be aware that in 2012 the all-party parliamentary group on runaway and missing children and adults, which I chair, conducted a joint inquiry into children missing from care. It looked at the incidence of children going missing from care homes and concluded that one of the biggest problems was the unequal distribution of such homes, as a result of which large numbers of vulnerable children were placed at a distance from their home area. Many placement decisions were last minute, driven by what was available at the time rather than by the needs of the child. This meant that the child was often not involved in planning. Children told our inquiry that they felt “dumped” in children’s homes many miles away from home. This increased their propensity to go missing and come to harm—from child sexual exploitation, for example.

An expert group on the quality of children’s homes was set up and reported to the Department for Education in 2012. The Government then published the first children’s homes data-pack in the same year. One of the key findings of the expert group was indeed that the pattern of supply of children’s homes was uneven across England. One reason for that could be that property prices were so much lower in some areas than others, leading companies to set up in low-cost areas to suit business plans rather than what is best for the children.

The latest figures show that 79% of homes are in the private or voluntary sector. In 2012, homes were charging up to £5,000 a week for children with complex needs. Some £1 billion a year is currently being spent by local authorities on children’s home places, and concerns have been expressed about the number of large private equity firms becoming involved.

The report from the Government’s expert group in 2012 made a number of recommendations to help remedy the unequal distribution in the market, and to mitigate the impacts of children being placed at a distance, but what has actually changed since 2012? In 2012, children’s homes were concentrated in the north-west, the west midlands and the south-east. For example, the north-west has 15% of the children’s homes population, but 25% of the children’s homes.

The 2014 children’s homes data-pack shows us that the picture has not changed in regard to location of homes and the number of children placed at a distance. In 2014, a third of children were still placed 20 miles or more from their home areas. It is disappointing that progress is slow. We still have the continuing problem of children being sent to where the homes are rather than the homes being where the children are. All this evidence paints a picture of a market that is run in the interests of the providers, not in the interests of children and young people.

I very much welcome the introduction by the Government of new regulations recommended by the expert group, particularly the need for a director of children’s services to approve a decision to place a child in a distant placement. However, I am not clear about how the effect of these regulations is being monitored for assessing better outcomes for safeguarding children, particularly those in distant placements. I would be grateful if the Minister provided some information on that.

The 2014 data-pack makes it clear that local authorities placing children far from home are not placing them in poor-quality provision, but that the main problem is one of distance. This means that the placing authority is unable to rely on any local knowledge or intelligence about the quality of homes or the suitability of their location. It also gives rise to significant travel times, limiting social work oversight, and the distance between the child and their family might limit relationships and undermine the scope of work with the family.

There are, of course, other issues, such as the quality of staffing, but it is the geographical locale of children’s homes that limits choice for social workers and for the child at the point of placement. Unsatisfactory placements of children only compound the difficulties that they may already have, adding to their distrust of the system and causing more to go missing, with the subsequent risk of harm involved.

Evidence continues to point to a failure of commissioning in relation to the unequal distribution of homes. After all, local authorities are the only buyers of these places, and commissioning cannot simply be the sum total of decisions made according to available capacity. It must be proactive, having regard to the longer-term needs of the children whom local authorities look after, now and in the future. As I said earlier, the European model, in which residential care is likely to be local, allows families to visit, which provides an opportunity for constructive work with parents. That approach aims to support the resources of the family. At present, families all too often feel that they have been identified as failing, and that all decisions have been taken away from them. Local provision is the key.

3.55 pm

Kit Malthouse (North West Hampshire) (Con): I commend the Members who proposed the motion. They did so for a laudable reason: they see the value of strong families and their irreplaceable role in raising children as the granite on which our society is founded, and their desire to work to help children stay with their families is to be praised. They also rightly recognise the severe limitations of our child protection system, and seek to keep children out of it. Early intervention, prevention, and encouragement and support for kinship care are intelligent parts of a coherent strategy.
It should be noted, however, that this debate is not about strong families, functional families, or even the care system. It is about families and households who all too often put the lives and well-being of children in serious danger. It is about children in care who have been removed from their families because they are not safe, and because those families will not help them to grow up to be healthy, independent adults. For such children, stable families are already out of reach. When that happens, the solution is not to dither, apply half measures, or wait and see. It falls to the state to step in and protect children, and, if needs be, to remove them from danger.

That should never be done lightly, and it is, of course, far from ideal, but it is done none the less because we recognise that waiting to see whether parents can improve, or trying to improve the home, is often a very risky path to take. In recent years, we have seen again and again that the “wait and see” approach—the failure to act quickly enough—has had horrendous consequences. I believe that the cost of repeatedly failing to act frequently outweighs the potential upside of trying to enable children to stay with their families. According to the National Society for the Prevention of Cruelty to Children, most children in care eventually recognise that it was the right path for them. They recognise the issues that led to their being in care in the first place, and the fact that those dreadful situations demanded action.

Once it has been properly established that a child is in danger and there are no safe kinship alternatives, we have no choice other than to act. That applies to cases of severe neglect, but it applies especially to cases of child cruelty. In matters of cruelty to children, there are no second chances. There are no second chances for the child or baby who is at risk of being permanently harmed, or even, sadly, killed.

Lucy Allan: Does my hon. Friend agree that children are taken into the care system who have been neither harmed nor neglected? I referred earlier to actual or potential emotional abuse. Very subjective judgments can be made.

Kit Malthouse: I recognise that, but, as I said to my hon. Friend earlier, I have the general sense—having worked with the care system when I was a councillor, and subsequently—that in the vast majority of cases this is the right decision for the children concerned. There are some cases in which the system does fail, but the fact is that most children are removed because they are in some kind of danger or peril, whether it be emotional or physical.

There should not be any second chances for parents who put their children at risk or deliberately harm them. I must emphasise that to make that case is not to argue for one minute that, ordinarily, the state is better placed than families to look after children. Nothing is, and it is not helpful or right that children in care are still so vulnerable, or that, in many cases, they have been destined for such miserable lives after they leave. However, the fact that we fail too many children in care does not mean that we have too many children in care, or that it is wrong to remove such children from the families who were endangering them. That simply does not follow.

What follows is that we should be doing more for children in care and continuing with the practice of intervening quickly when the need arises.

My rejection, sadly, of today’s motion is in two parts. The first, as I have already said, is that given that the danger of failing to intervene is so strong, I actually think we should be intervening more. The second is that all this is predicated on a drastic improvement in the care system that the Government have also indicated they are determined to make.

The care system exists to keep children safe where their families have failed them. The burden of looking after these children falls on you, me—everyone. In arguing for special measures to help children stay with their families “safely”, proponents of the motion acknowledge that they are not safe with their family in the first place. Considering the degree of damage that abuse and neglect can inflict in a very short space of time, we cannot take risks or gamble with their lives. In many cases, children should be taken into care sooner.

Alan Johnson: I am puzzled by the hon. Gentleman’s contribution. Nobody supporting this motion or sponsoring it does not believe that children who are in danger should be removed from that danger quickly. His whole contribution and opposition to this motion are based on a total misconception. What we are saying is there are many children who go into care—and their voice is important, by the way—who actually would be better placed, and happier, with family members. I suggest that that proposition should unite the House, not be defeated by some suggestion that people disagree that children in danger should be removed from that danger quickly.

Kit Malthouse: I accept what the right hon. Gentleman says and I have mentioned kinship care twice in my speech. I absolutely agree that if a safe alternative can be found in an extended family, that should be encouraged. I was pleased to hear his speech and I do think the Government could do more to support that. The motion, however, does not mention kinship care, and it laments the rise in the number of children in the care system. The point I am trying to make is that while we as a social care system seek to intervene with a family and try to make the family home safer, there is a child who is remaining in the home who may still be damaged. We have seen some horrendous situations where the social care system failed to act sufficiently quickly. My view is that if we hide behind the idea that we may be able to make some progress with the family, we are fundamentally gambling with the lives of young people.

Lucy Allan: In my opening remarks I referred to the fact that one in 100 children are subject to child protection investigations. It is no secret that my own son was subject to a child protection investigation, and often children in families who are not well-placed to protect themselves from that type of forceful state intervention end up in care when they do not need to be there.

Kit Malthouse: As I said in an earlier intervention, my experience of the care system is not that the country is teeming with malign social workers looking for children to purloin from their parents and shove into the care system. These are professional people who investigate largely professionally. Errors are made, as in all bureaucratic
systems; nevertheless their motives are good and right, and more often than not they see cause for alarm that requires action.

My concern about this motion is that the tragic case of baby P, which has been referred to, led to a rise in the number of children in care, and I think it was generally accepted that before that case the child protection system was not functioning correctly. I was tangentially involved in the Victoria Climbié affair. She came through Westminster’s hands for two weeks. Pleasingly, we did everything right, but that is another case where the care system had failed. My point is not necessarily that the system is operating incorrectly now; it may well be operating correctly. My concern about the motion is about the signal it sends to social workers about the desire of this House that they should attempt to leave children in possibly dysfunctional and perhaps damaging situations for longer while they attempt the much harder task of trying to turn the home around.

4.4 pm

Bill Esterson (Sefton Central) (Lab): I support the motion wholeheartedly because one of the best things we can possibly do is to improve the prospects for children to be able to stay at home successfully with their birth parents. However, many things need to be done in order to achieve that, not least of which is to address the availability of support for parents who would otherwise be in a situation in which their children might be at risk. Some Members have already commented on the cuts to public services and the contribution they have made to undermining the ability of parents to provide good parenting. That is an important point, and this is one of the big areas in which the Government need to take a long, hard look at the support and resources available, not least in local government and the NHS.

Equally, as my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) said, the Government need to take a wider look at all the options available. A certain option might be right for many children, but it will not always be the right option for all children. This must be about putting the child at the centre of all the decisions that are taken. My right hon. Friend is right to say that kinship care is often not considered, but it should always be an option if members of an extended family are available. The motion makes it clear that we are trying to discuss that matter today.

We should do all that we can to avoid having such high numbers of children in care. The figure was 86,000 last year, and we should be trying to reduce it at all costs, but that involves significant early intervention and prevention work. It involves working with families whose children might be at risk and preventing the kind of neglect and abuse that leads to children being taken into care in the first place.

I am sorry, Mr Speaker. I should have mentioned at the outset my entry in the Register of Members’ Financial Interests. I am no longer a foster carer but I was one briefly recently.

One of the challenges is to ensure that we have the workforce to deliver the necessary services. We must support, encourage and celebrate the work of social workers and all those who work with children and with families in supporting them and trying to prevent the kind of breakdown that leads to children going into care.

We should be supporting, encouraging, recruiting and training the very best people to become foster carers or to work in residential children’s care. We also need to support kinship carers and parents to enable them to provide the very best quality of care in these circumstances.

As has been said, we should look at children in care as though they were our own. The concept of corporate parenting is another fine example of something the Labour Government introduced, but I do not believe that it is practised to the extent that it should be in this country. We all have a responsibility to ensure that every child in the public care system gets the support, encouragement and opportunities that they would get if they were our own children, and that includes the extension of staying put to 21 and beyond, not just in foster care but in residential care as well.

We also need to learn from other countries. My hon. Friend the Member for Stockport (Ann Coffey) talked about Denmark. Denmark has a long-term commitment to support for children through the use of social pedagogy and through the development and training of experienced residential workers who live with children over a long period of time to create family units. That is a successful model, and there are successful examples of it in this country. Perhaps the Government should look at those examples too.

Permanence for children is incredibly important, whether with their birth family, with kinship carers, in foster care or in residential care. Finding the right option for each individual child is the most important thing. We should learn from best practice in this country and around the world. Speed is also incredibly important when making these decisions, and any decision on whether a child should remain with their birth family should be made quickly and should always reflect what is right for the individual child.

4.9 pm

Mike Wood (Dudley South) (Con): I thank the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) and my hon. Friend the Member for Telford (Lucy Allan) for securing this important debate. My hon. Friend speaks from more direct and personal experience than any of us would like to have. Nobody could have a higher opinion of and greater respect for social workers and child protection officers than I do. At the time I was born, my mother was running a local authority children’s home in central Birmingham, so the first years of my life were spent living in that home. Even at that age, I was able to see daily the dedication, care, commitment and love shown by the workers in that children’s home, but I also know that even the most compassionate and dedicated social worker cannot possibly replace the care and love of a family. That is why we must do everything we can, where possible—where there is no threat of abuse or serious neglect—to help keep families together.

It seems that the pendulum has swung too far towards an assumption that where any kinds of concern are raised, one option on the table is to take a child into care. We desperately need to address that. Nobody would argue against removing a child from an environment where it is at risk of abuse or serious neglect, but in too many of the cases we see at our surgeries that is simply not the assessment that is being made.
[Mike Wood]

Shortly before Christmas, I came across a constituency case which appeared to me, having read the magistrate’s report, to be based primarily on a chaotically lifestyle in a untidy house. Those issues clearly need addressing, but they were not serious threats to the welfare of the children or certainly to their safety. If more support could be put in place to help with those issues, it must be better for the families, particularly for the children, and much more economic for local authorities and for the Government.

One aspect of the care system that has not yet been referred to is how we approach the mental health of parents. A lot of extremely valuable work has been done by a number of Members, particularly the right hon. Member for North Norfolk (Norman Lamb) who is no longer in his place, and my hon. Friend the Member for Halesowen and Rowley Regis (James Morris), in establishing the principle of parity of esteem between physical and mental health. However, that approach is simply not being taken where the care system and assessments about taking children into care are concerned. Children are being taken into care when parents are suffering from mental illnesses, whether that relates to depression or other mental health issues.

Yesterday, a former Labour councillor in my constituency wrote to me to highlight a case that she had been involved with in the past. It concerned a mother of three young children who had nursed her husband through the advanced stages of cancer. Sadly her husband did pass away, the mother struggled to cope, as many of us would, and the three children were taken into care. Rather than making sure that the mother received the support she needed to look after the children or to find a temporary solution, the children were taken into care. The mother therefore lost not only her husband but her children, and not only did the three children lose their father, but in a short period of time they were taken away from their mother. They were put into care out of borough, so they were at a different school and they had, in effect, lost their friends, too. This really matters because, as has been said, on any metric we can measure, the outcomes for children in care are significantly worse than they are for the population as a whole. That applies in respect of employment, housing, the criminal justice system and educational achievement, and it has to be because of the thing we cannot measure: the enormous psychological and emotional impact of taking children away from their families. The safety and welfare of children must come first, but I do not think that always applies—

Mr Speaker: Order. I call Fiona Mactaggart.

4.14 pm

Fiona Mactaggart (Slough) (Lab): I agree with the focus of this debate. Sadly, our care system in Slough has not protected children effectively, and I am particularly sad that the Children’s Services Trust, which the Government set up to improve services, has apparently not done so very effectively. The Minister will be aware of a case involving a two-year-old, about which I have written to the Secretary of State. I would like to see better monitoring of Children’s Services Trusts from the centre.

I wish to shoehorn into this debate the issue of children who are not in the care system but who are not able to remain safely at home with their family or extended family. If we do not include those children, we will fail to address some of the urgent issues in this regard. Specifically, I want to raise the matter of trafficked children, particularly children who are trafficked across borders, as, according to a recent Home Office commissioned report, they are more isolated from protective networks than their internally trafficked counterparts.

The Government published that report as a result of the pilot they introduced on child trafficking advocates. It was only after intense pressure from Members that they agreed to introduce any system of protection for trafficked children. These are not guardians with legal powers, and the Government only had a pilot of the advocacy system. Unfortunately, despite the fact that a report by the University of Bedfordshire made it quite clear that the pilot had been successful, Barnardo’s has not been commissioned to extend its service, nor has any subsequent service been provided.

I urge the Minister to speak directly to his colleagues in the Home Office to ensure that there is a continuing advocacy or better guardianship provision for these children. I gather that the excuse for not carrying on providing any protection mechanism for them is that worth the name is that children within the advocacy service still disappeared. It is clear from the university report that half the children who disappeared—overwhelmingly, they were Vietnamese children who were trafficked into cannabis farming—disappeared before they had been referred to the advocacy service.

There are clear examples in the report of how advocates worked very hard to protect children who were at risk of disappearing. The fact is that those advocates did not have legal powers and could be ignored by local authorities. In one case, they were unable to persuade the local authority to put a trafficked child in safe accommodation, and the child then disappeared into the hands of a trafficker. In another case, they were unable to persuade a local authority that a child was a child, and it was only because of the determination of the advocacy service that when that child re-entered the healthcare system they were discovered again and re-referred to the Home Office protection system.

I am very concerned indeed that this group of children is falling through the gap, and that the problem is being regarded as an immigration issue rather than a child protection issue. I urge the Minister, in responding to this debate, to say that he is not prepared to tolerate the one bit of the Bedfordshire report that suggested there was no enthusiasm for this process—certain social workers felt that they should have the money rather than child protection advocates. Will he also ensure that, within the month, he will speak to the Home Office about continuing to fund proper child advocacy services, preferably child guardians with legal powers to stop local authorities ignoring those children’s need for protection, so that they, like all other children in Britain, can be properly kept safe?

4.19 pm

Yasmin Qureshi (Bolton South East) (Lab): I congratulate the hon. Member for Telford (Lucy Allan) and my right hon. Friend the Member for Kingston upon Hull West
and Hessle (Alan Johnson) on securing the debate, because how we treat young people and children in our society is really important.

I want to bring to the Minister’s attention my experience of having represented parents whose children are taken into local authority care. I also want to say a little about when I used to represent young people charged with criminal offences and prosecute adults who had been abusing young people. I have worked quite a lot with young people and seen what happens in their homes. I want to concentrate on family law, which does not get enough attention, and especially on what happens in the legal process.

I agree with everyone who has spoken, bar the hon. Member for North West Hampshire (Kit Malthouse)—I do not agree with a lot of what he said. Nobody is saying that children should not be taken into care. We have heard about the case of baby P and the Climbie case, as a result of which I am concerned that the pendulum has swung too far the other way. When there is even a slight expression of concern about children, local authorities come in, take them away and put them with foster parents, and then they start dealing with the parents. They never look at kinship care: often, it is the family themselves, or maybe their lawyers, who talk to the wider family and say, “Would you like to put yourselves forward to be a kinship carer?” Then the wider family members come forward, and it takes about six to eight weeks for them to be assessed to see whether they are suitable. I ask the Minister to urge local authorities and social services to proactively find a family member who could look after a child they have taken into care. I assure him that a child will always feel happier with an auntie, uncle or older brother or sister than with a complete stranger, so maybe we need to change the emphasis.

Secondly, when I was practising in the field I noticed that children often have a guardian appointed—a lawyer—and social services are involved, but very rarely do people talk to the children about what they want. I remember a case where I was banging my head against a brick wall. I asked all the people involved, especially the legal guardian who was supposed to be representing the children, “Have you spoken to the child about this? Have you got any information from them? What do they think about it? Where do you think they would like to live?” I was met with a wall of silence. I was very frustrated, and I said, “You know, if you really want to do it, you should be asking these questions. You should be trying to find alternative sources.”

Thirdly, as the Minister probably knows, sometimes when children are taken into care they have an opportunity to have supervised access to meet their parents in a contact centre. However, that tends to be on an awkward date and time and in an awkward place, and the visits are not frequent. Again, we have to fight social services to increase the number of visits for parents, make the location more accessible and allow parents to have more quality time with their children. If that happens, it means that when the process is finished, six months or a year down the road, the child will not have forgotten his or her parents. I ask the Minister to urge social services to look at those aspects of the system.

Finally, I am sorry to say that there is unseemly haste to place babies in care. We know that most people who want to adopt are happy to adopt a little baby but reluctant to adopt a toddler or older child. Babies are therefore carted off to the adoption system before there has been thorough and proper work with the family to find whether they can help. There will always be situations in which children are vulnerable and their family will never be able to look after them, but in my experience those cases are a small minority. We hear about them in the media, but we do not hear about the cases that do not fall into that category. We need to talk about the thousands of cases in which it would be far better to work with the family at home and spend the money that we would otherwise give to foster parents on allowing the parents to improve their home and helping them to look after their children.

4.24 pm

Mr Graham Allen (Nottingham North) (Lab): I shall make a brief contribution to the debate. If people wish to read the unabridged version of my speech, it will be on my website at the end of the debate. I declare an interest as the unpaid founder and chair of both the Rebalancing the Outer Estates charity and the Early Intervention Foundation.

I fully support the motion tabled by the hon. Member for Telford (Lucy Allan). I may surprise colleagues by not taking the opportunity to speak again about the need to change from a late intervention philosophy to an early intervention one, the need for evidence-based policy making, or the need for a “what works” organisation for the victims and perpetrators of sexual abuse. Today I want to speak to the need for local people—real people in the localities—to make a difference in places such as my constituency, Nottingham North. In doing so, I pay a specific and well-deserved tribute to those connected with the Safe Families for Children programme for the phenomenal work that they are doing.

Safe Families was brought to the UK and started in the north-east of England entirely as a result of the energy and personal commitment of Sir Peter Vardy. After I spoke to Sir Peter about my constituency, with typical generosity he put at Nottingham’s disposal his fantastic team led by an “unstopable chief executive”, Keith Danby, and we began to work out how we could take things forward for unsafe families in Nottingham North. We had several planning meetings involving the community convened under the auspices of the Rebalancing the Outer Estates charity. Nottingham city council put its considerable weight behind the idea. Alongside our own 20-year early intervention plan, the programme works with the many other facets of Nottingham’s early intervention city programme and with the strategy of our far-sighted and talented team led by Candida Brudenell, Katy Ball and Kevin Banfield.

Put simply, Safe Families works with three levels of volunteers. Colleagues might wish to take this up in their own constituency. Those three levels are, first, family friend volunteers, who are trained to help the families directly to overcome their problems; secondly, host family volunteers, who, after proper criminal record checks, can look after the children for one night, a week or whatever, giving the family the time they need to get it together again; and thirdly, resource friend volunteers, who, like us perhaps, can contribute a little bit of time here and there to help with supplying or delivering much needed household and other items to families in difficulties.
Building the volunteer critical mass has been crucial. The wonderful Kat Osborn and the local Safe Families for Children Nottingham team have been brilliant. They have recruited, trained and approved 240 volunteers in Nottingham and throughout the east midlands—sadly, far too many to name, but I have met many of them—starting with faith-based communities and spreading to involve people of all faiths and none. Starting just a few months ago from the base in Nottingham North, the city of Nottingham has now made 32 referrals and 49 children have been supported to date. These include 32 nights of hostings, with more in the pipeline over the next few weeks.

The financial benefits are enormous. A very small upfront investment of resource, time and effort avoids costs of tens of thousands of pounds for every child who did not go into care. The average cost of a looked-after child is estimated to be £48,000, excluding legal costs and council staff costs. We in Nottingham are close to making our own evidence-based savings prediction as we grow beyond the 32 referrals we have made so far.

The Safe Families for Children extended pilot became a joint venture between the Department for Education’s children’s social care innovation programme and Nottingham council. As with all the ideas we trigger in the Rebalancing charity, the idea was to pioneer Safe Families in one place and then grow it. Now, using Nottingham as a hub, all four of our east midlands phase 1 Safe Families partners—Derby, Derbyshire, Lincolnshire and Northamptonshire—have been up and running for over a month and all are now making referrals.

Will the Minister raise with the Treasury the possibility of using this as a social investment programme? Also, will he ensure that every council takes up a similar scheme?

4:29 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to participate in this important debate on a topic that affects some 93,000 children who are in care across the United Kingdom of Great Britain and Northern Ireland. I commend the hon. Member for Telford (Lucy Allan) and the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) for introducing it and for their wording of the motion. How anyone in this House could have any doubts about its wording astounds me. What it says is very clear to me, and I believe to the general population. That is another statistic that cannot be ignored in relation to the wellbeing of those in care.

Not only that, but the Department for Education has revealed that children in care are less likely to do well at school compared with their peers who are not in care. These figures cannot be ignored. The findings are further supported by figures from March 2014 showing that 34% of carer leave were not in education, employment or training at the age of 19, compared with 15.5% of the general population. That is another statistic that cannot be ignored in relation to the wellbeing of those in care. Clearly, more needs to be done to help those in care to reach their academic potential. I hope the Minister will explain what steps the Department is taking to address that. It is vital that we get it right for young people, whenever they need direction, and focus on their potential and where they are going to be in adult life.

According to the NSPCC, more than half of children are taken into care because of abuse or neglect, and an estimated 20% to 35% of sexually exploited children are in care. A number of charities—the NSPCC and many others—actively work to provide support and help for children in such circumstances, but again, much more needs to be done and much more action is needed from the Minister and his Department. I hope he can tell the House what they are doing to improve the support available for children who have suffered abuse, whether physical, emotional or sexual. More than 50,000 children are currently identified as needing protection from abuse in the United Kingdom of Great Britain and Northern Ireland, but it has been estimated that for every child so identified, a further eight are suffering from child abuse. If those stats are correct, then this is another enormous problem that the Minister has to respond to.

With these figures in mind, it is little wonder that so many of those leaving care struggle with mental health and/or behavioural issues. Instead of moving these children from hand to hand, we need to help them to deal with and overcome their experiences, bad as they are. We have to do more to help the vulnerable in society. This will not only help children to realise their potential and secure
the very important employment they need for their future, but help to cut costs in the system. I very much look forward to the Minister’s response.

4.34 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): I am delighted to participate in this debate on such an important issue. Indeed, after the cities of Glasgow and Dundee, my own local authority of North Ayrshire has the highest rate of looked-after children in Scotland, with 2.1% of young people up to the age 17 currently being looked after.

By contrast with England, where the figure is rising, there has been progress in Scotland in recent years, with a 3% fall in the number of looked-after children since 2013. I make that point because it is important that lessons are learned and best practice shared in all corners of the United Kingdom. There are no easy answers, but much more can be done.

I listened with enormous interest to the contribution of the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), who said that children are often, in effect, kicked out of residential care at the arbitrary age of 16. In Scotland, under the SNP Government and the provisions of the Children and Young People (Scotland) Act 2014, young people in foster, kinship or residential care may extend their stay in such care until the age of 21. The SNP Government have also further committed to providing support for care leavers up to the age of 26, to help them move to independent living.

Several Members have pointed out that, in order to reduce the number of children entering care, the focus must be on preventive work and early intervention to support children and young people and their families. Importance must be placed on early engagement to support and build on the assets in families and communities, to prevent children from becoming looked-after, wherever possible.

I agree that one of the most effective ways of providing care is by way of kinship care. The work of kinship carers is not always fully understood, and all too often it is overlooked entirely. Indeed, kinship care is often far more challenging than many people realise, and it impacts enormously on the carer’s life as well as that of the child. For a grandparent, it can be a daunting task, particularly when they believe that their life is going to go along a different path from the one they had envisaged.

It is wrong to assume, as sometimes happens, that kinship care is simply a normal family obligation, with near seamless transitions from one household to another. Indeed, the circumstances surrounding the need for kinship care can often be incredibly complex and difficult to deal with for both the child and the carer. It is important, therefore, that we do what we can to recognise and confront that reality and to support kinship carers as they manage in what are often very difficult circumstances.

In Scotland, the Children 1st charity, supported by the SNP Government, carries out vital work to support kinship carers through its national helpline and national kinship care service, which offers advice, support and information to kinship carers. Over the years, the SNP Government in Scotland have been moving in the right direction to provide additional support to kinship carers. Indeed, the current SNP Government were the first to introduce kinship care payments.

The Children and Young People (Scotland) Act also provided, for the first time, specific legal entitlements to support kinship carers and eligible children themselves. Financial support is of huge importance, given the increased costs of raising a dependent child and the fact that 43% of kinship carers have to give up work to fulfil that role, undoubtedly causing a financial strain. By supporting those caring for our children, we support those children themselves, and that must be our focus.

I was delighted when the Scottish Government announced last month that they would provide £10.1 million to councils in Scotland to raise kinship care allowances to the same level as that received by foster care families, helping to alleviate financial strain and recognising the very important work that kinship carers undertake. The new funding will help to improve the lives of 5,200 children in kinship care across Scotland.

Unfortunately, despite assurances by the UK Government during the welfare reform process that they would exempt kinship carers from welfare reform changes—including sanctions, return-to-work interviews and the bedroom tax—for up to a year after they came into effect, many of them have been affected. I urge the Government to reflect on the assurances given to kinship carers during the discussions on welfare reform. I am very interested to hear what the Minister will say on that very point.

I therefore hope that Conservative Members will recognise the significant strain that the welfare reforms have placed on kinship carers. Those reforms are clearly hampering the Government’s ability to provide the necessary care to keep a child within the family unit. I hope that the Government will think again about the impact the reforms are having on carers and look at this situation as a matter of urgency. I am very grateful to those who secured this debate. As I always say in such debates, I hope that we can share best practice across the border and across the UK as a whole.

4.40 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I thank the hon. Member for Telford (Lucy Allan) for securing this debate. It has been a short, but very thoughtful one. Our attention has rightly been focused on how we can best help and support struggling families and prevent children from entering the care system.

This debate is timely, given the research published at the end of last year by the University of Lancaster. The research found that one in four women return to the family court after previously having a child removed by court order, and that the number of new-born babies subject to care proceedings has doubled during the past five years. Those findings are backed by the Department for Education’s own figures, which show that the number of children in care has reached its highest since 1985. The total population of children now in the care system is 69,450.

The significant increase in the number of children entering the care system is seen by many, including the Education Committee’s report on child protection in 2012, as a reaction to the tragic death of baby P in 2008. That is supported by figures showing that the majority
of children enter care because of neglect or abuse. This tells us that more must be done to support parents at the earliest opportunity to avoid situations such as those of Daniel Pelka, baby P and the many other high-profile cases about which we have heard in recent years.

We must have a serious rethink about the current strategy to support families and about how the huge social, personal and economic costs of children going into care can be avoided. Although it cannot be denied that there are circumstances in which the best-case scenario for a child may be to be taken into care, based on the risks of remaining in the family home, that does not mean that we as a society should not feel ashamed of this failure to support all families.

There are two areas that the Government must consider when it comes to reducing the number of children entering the care system—a more comprehensive early intervention and prevention strategy, and improving the support on offer to kinship carers.

There is an old African proverb with which I am sure all hon. Members are familiar: it takes a whole village to raise a child. That reminds us of our collective duty to offer support and help to those families who need it the most. When abuse and neglect are cited as the main reasons for a child being taken into care, it is clear that comprehensive early intervention and prevention programmes are needed to reduce the threat of a child’s abuse or neglect in the family home and to avoid the eventuality of a child being taken into care.

Addressing issues about nurture and early family life is championed in “The 1001 Critical Days” manifesto. The all-party group of much the same name is steered by the hon. Member for East Worthing and Shoreham (Tim Loughton). He was in the Chamber earlier, but he is not in his place at the moment. The manifesto calls for more support to be given to families to help nurture and support a healthy family environment for children to grow up in. I hope that the Minister has had the chance to read this excellent manifesto. If not, I am sure his hon. Friend will send him a copy of it forthwith.

A National Audit Office report in 2014 cites one of the previous Labour Government’s greatest achievements, Sure Start children’s centres, as a key measure to help to reduce the number of children entering care. The family-focused vision of Sure Start centres brings together specialists, professionals and practitioners to provide parents with vital information on how to overcome the struggles of being new parents and how to cope with challenging family circumstances in order that they do not fall apart and descend into situations in which a child may be removed from the family home. However, according to an investigation last year by the Children’s Society and the National Children’s Bureau, cuts to Whitehall budgets have meant that overall spending on early intervention programmes has fallen by 55%, or £1.8 billion, since 2010.

The short-sightedness of cutting early intervention budgets is detrimental to the vision all hon. Members share, which was laid out full well in “Early Intervention: The Next Steps”, the seminal report from 2011 by my hon. Friend the Member for Nottingham North (Mr. Allen). He highlighted the top 19 intervention programmes as a blueprint for government. The top of the list was the excellent family nurse partnership programme, which was piloted and which has since been rolled out a little—it needs to go much further to become universal.

Since 2010, almost 800 Sure Start children’s centres have closed. Many more are mere shells of their former selves—the “caretaker and bottle of bleach” model, as I like to call it, means that they are classed as open but not quite as we know it. The Government are sifting through the responses to their consultation on the future of Sure Start centres. In the light of the lack of progress since the my hon. Friend’s report, it is concerning that the hollowing out of Sure Start centres and the devastating cuts to intervention programmes that families rely on, such as parenting classes, drug and alcohol abuse support, and domestic violence services, have not been cited as causes when trying to understand the increase in children entering the care system.

Although a push for greater early intervention schemes is vital to addressing the increase in children entering the care system, there will still be situations when children must, sadly, be removed from the family home for their own safety. When a child is placed into care, all efforts must be made to ensure that they are safely placed with extended family members in a kinship care arrangement where possible, instead of within the care system.

It is estimated that 200,000 children are being raised by kinship carers across the UK. A significant number of children are being looked after by their grandparents or other relatives, but there has been little development in Government support for kinship carers that mirrors, for instance, recent announcements on adoption. Allowing a family member to care for a child instead of that child going into residential or foster care is important for the development of the child, but it can also help to reduce the strain on local children’s services, the budgets of which have been devastated by cuts. That does not mean that kinship carers should be seen as a cheaper option for providing care to children but, as my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) made clear in his speech, kinship carers save the country millions upon millions of pounds by providing care to their kin.

Many kinship carers become so owing to emergency circumstances, which means that the costs of raising that child, such as the immediate cost of providing a bed for the child to sleep in, clothes to wear and uniform for school, are not factored into their household budgets. That is exacerbated when kinship carers must give up their jobs to look after their kin. The largest survey of kinship carers last year found that 49% of respondents had to give up work permanently. An analysis of the 2011 census found that 76% of children living in kinship care were living in deprived households.

The lack of joined-up thinking is laid bare when the same kinship carers who were told to give up their jobs are chased by the Department for Work and Pensions or ATOS and sanctioned for not looking for work, as my right hon. Friend said. I am gravely concerned about how both kinship and foster carers will fare when the Government’s proposed two-child policy comes into force. I echo what he said and plead with the Minister for exemptions for both kinship and foster carers if that policy goes ahead. That is why it is so important that the Government explore how the financial costs of being a kinship carer can be alleviated by allowing better access to funds and entitlements that are already
available to adopted or foster children, who share similar adversities to children in kinship care, so that their development is not hindered or regressed.

The Government must also look at the process of placing a child with a kinship carer. Although new guidance for local authorities published last year is helpful in calling for more identification of potential family carers, there is still no statutory duty on local authorities to explore those options. That means that many local authorities look into kinship care only after a child is placed in the care system, causing avoidable upheaval for the child and the extended family.

There is a duty on all of us to ensure that every child, no matter what their circumstances, has a safe and nurturing home in which to spend their childhood. However, that is clearly not the case for tens of thousands of children who are currently in care, but who could have avoided entering the system in the first place. Continuing to fail those children is not an option. We cannot fail them; we are their village and we need to help raise them. I hope that the Minister realises that this is his moment to really make a difference to the lives of some of the most vulnerable children in our society. I hope that he makes it count.

4.50 pm

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): I will begin by explaining why I am answering this debate in place of the Minister for Children and Families, my hon. Friend the Member for Crewe and Nantwich (Edward Timpson). I am sorry to tell the House that his mother, Alex Timpson, died peacefully at home on Tuesday after a long illness. Many people in this House will know that, with her husband John, Alex fostered around 90 children over 30 years, as well as adopting two boys into their family.

My hon. Friend has always said that it was living with his mother’s seemingly boundless enthusiasm to give so much selfless love and support to so many desperately needy children that truly shaped who he is today. I know that he would very much have wanted to speak from the Front Bench about children in care, including those who were cared for by Alex. Our thoughts are with him and his family. [HON. MEMBERS: “Hear, hear.”]

This is an important debate. Much has been said about the role of kinship carers. A casual comment was made that suggested that they are somehow overlooked in the care system. I assure the Chamber that they are very much part of the Department’s plan. Issues have been raised about the welfare reforms and what needs to be done. The Minister for Children and Families will respond to the Members who raised those points in due course.

Enza Smith, the founder of Kinship Carers UK, was awarded an MBE for services to children in the new year’s honours list because of the important research it is doing into support mechanisms for kinship carers. My hon. Friend the Member for Worcester (Mr Walker) has brought that issue to the attention of the Minister for Children and Families a number of times. I want to highlight the fact that kinship carers are very important and key to our thinking.

The decision to take a child into care and the decisions that flow from it—whether the child will return home at a future point, stay in long-term foster care or be adopted—are serious and life-changing. They affect not only children but their families, and are never taken lightly. That is why I welcome the opportunity to set out the Government’s position in the brief time I have.

The Prime Minister has made it clear that the Government are determined that no child should be left behind. That determination is even more pronounced when it comes to the most vulnerable children in our society. It means taking robust action to support families and children so that the need for children to enter care is reduced. It also means improving the children’s care system, so that when children need to be taken into public care, they are well looked after and supported to fulfil their potential. When children enter care, the state is their parent. We should want the same for those children as we want for our own: the very best start in life.

The Family Rights Group and its excellent work have been mentioned in this debate. The Department has funded the Family Rights Group for many years and it provides a valuable service to many families who have taken on the care of children who are relatives. There is a strong evidence base for continuing to fund its helpline. We will take that into account in making forthcoming decisions about voluntary sector funding.

My hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) talked about the Munro duty. The Government acknowledge the vital role that early help can play in getting help to children and families as soon as need arises. I will say a little more about that in due course. The Government considered implementing an early help duty based on Professor Munro’s recommendation, but concluded that an explicit duty was not necessary as there was existing statutory provision under the Children Act 2004 for such support. The Government agreed to keep the matter under review and we continue to do so. However, we have strengthened our statutory guidance to make it clear that early help services should be part of the continuum of support to vulnerable children. The guidance sets out the need for teachers, health visitors and police to be alert to the indicators of abuse and neglect, and to work with families and children to undertake an early help assessment and agree a package of support to prevent needs from escalating.

More broadly, the Government are committed to ensuring that children are protected from the risk of abuse and neglect. We want to ensure that all those children are identified early and have timely and proportional assessments of their individual needs, and that the right services are provided for them. As many Members have said today, that does not necessarily mean taking them into care. Nevertheless, that is sometimes the right decision. Such decisions are never easy, and the systems in which they are made can always be improved.

To that end, over a two-year period to March 2016, we invested £100 million in the children’s social care innovation programme to support 53 projects in developing, testing and spreading more effective ways to support children and families who are in need of help from social care services. The programme concentrates on two priorities. The first is rethinking children’s social work to empower and support front-line decision making, ensuring that that focuses on the quality of work with children and their families rather than management
arrangements, processes and compliance. The second is rethinking support for adolescents in or on the edge of care.

In a world where, far from a spending a lifetime in care, the average length of a care episode is 785 days, we are not talking about supporting children only once they are in care. Through the innovation programme, we have supported several projects to find different ways of supporting children in their families before matters reach that stage.

There are many projects about which I cannot go into detail, given the time. However, much of what we are considering draws together a lot of practical work that can deliver for children who find themselves in vulnerable situations.

Despite all the very good work, it is inevitable that there will always be times when local authorities are required to act by taking children into care. The Children Act 1989 requires us to ask one fundamental question: what is in the best interests of the child? That is why, in addition to all the preventive work that I have mentioned, we have taken important measures to ensure that, once children are taken into care, they are safe and well looked after.

In residential care in particular, we have reformed the care planning in children’s homes regulations to improve children’s safety, including strengthening safeguards for when children are placed out of area and go missing. We have introduced new quality standards for residential settings. Work is under way with the Association of Directors of Children’s Services review to ascertain how better co-ordination and planning can be achieved across our secure children’s homes so that there is better provision.

My hon. Friend the Minister for Children and Families has set out a lot of work over the past few months. Again, I congratulate my hon. Friend the Member for Telford (Lucy Allan) and the other sponsors on bringing the debate forward. I look forward to working with hon. Members to make the world a better place for vulnerable children.

4.58 pm

Lucy Allan: I should like to extend my condolences to my hon. Friend the Minister for Children and Families. I thank all hon. Members who took the time to make such thoughtful contributions to this important debate. I hope that today marks the beginning of our talking about the subject much more often. I am grateful to the Under-Secretary for listening to all our ideas, thoughts and experiences. Ultimately, our discussion has been about enhancing the life chances of the most vulnerable children. We all share that common interest.

Question put and agreed to.
Resolved.

That this House calls on the Government to take steps to help reduce the number of children entering the care system by bringing forward measures to support more children to remain safely at home with their family or extended family.
Let me be clear: that principle is not in question. However, the law allows an exception for certain categories of pupils that an admissions authority deems “excepted pupils” who can be allowed into a particular school even if the infant class size limit has been reached. This is set out both in the school admissions code and in the statutory class sizes regulations. At the same time, parents of children who fail to gain a place at a particular school have a right of appeal to an independent appeals panel. Herein lies the first problem with the current regime.

These appeals are limited in scope to reviewing how a decision was taken by the admissions authority and ensuring there was no error or irrationality in how the admissions criteria were applied—Wednesbury unreasonableness—and can take into account only the information available to the authority at the time of the original decision. It is not a merits-based appeal. This limited scope means that the children affected—those seeking places in reception, year 1 and year 2—are treated less favourably than older children in other years, because, by contrast, for all other appeals, known as normal prejudice appeals, independent panel members can be appointed to consider exceptional circumstances for the school in taking an extra pupil against the needs of the child, so that a more flexible judgment can be made on the evidence available.

Secondly, what happens if there is a significant change in a child’s circumstances or some other exceptional situation that might make a compelling case for them to attend a particular school? Currently, if the change in circumstances happens after the date of the family’s application for an infant class place, but before the appeal is heard, it cannot be taken into account by either the admissions authority or the independent appeals panel. Similarly, if such problems arise and there are no social or medical criteria in the admissions authority’s over-subscription criteria, the same problem arises. The family might have an exceptional and convincing reason for their child to attend a particular school, but there is no discretion. There is then no power for the appeals panel to consider those factors.

This situation is leading to serious injustice for a significant group of vulnerable children who might be facing severe problems—such as murder, suicide or serious domestic violence in the family, which we would all agree are serious matters for consideration. Even when the facts and their relevance are accepted, still no one in the system has the discretion to consider them. Such cases are coming before independent appeals panels, and I have heard from many involved about the distress they are causing.

Perhaps understandably, there is a suggestion that in some cases panels are nevertheless persuaded by exceptional factors to allow such appeals. They might find a technicality or artificially interpret a different criterion to justify a decision. While that might be a welcome outcome, it is nevertheless improper and leading to arbitrary justice. As a lawyer, I believe in the rule of law—it’s predictability and its robustness—and I do not want it to be circumvented in order for justice to be done.

Real life cases illustrate the problem. In one case, a parent had two of their children at a Roman Catholic primary school whose admissions criteria gave priority to regularly practising Catholics residing in the parish. Their third child was already attending the school’s nursery, and understandably the parent wanted them to have some continuity, to join their siblings and to have a Catholic education. However, that child was denied a place at the school, and was instead offered a place at a different, non-Catholic school. The reason was that, at the time of their application, the family had been rehoused by the local council as a result of domestic violence and then lived outside the parish. When the case was appealed, the panel was sympathetic but could not allow the appeal because of the lack of social and medical criteria and because they had no additional discretion themselves.

Let us consider another case: a family faced an awful tragedy when the father of the child in question committed suicide, after the allocation day for places, when their child had failed to secure a place at a particular school. Her sibling already attended it, and she had other difficulties that meant she could not easily transfer to another school. Her bereaved mother naturally wanted the children to be together and set out cogent evidence of the extra difficulties both faced as a result of their father’s death. But, again, there were no social or medical criteria and no discretion for the appeal panel to take those exceptional circumstances into account. And a last case: an unsuccessful yet timely application for a reception year place after allocation day, the child had been sadly diagnosed with cancer. The child already attended the nursery at the school. It was an own-admission authority school and the school governors wanted to admit the child in these circumstances but could not do so. There are many other cases, all suffering from and indicating the same problem: the rules are the rules; the law is the law; and the policy says no. My response is to ask whether the rules can be changed.

The representatives to whom I have spoken made some suggestions about what might need to be changed. There is a precedent for protecting categories of vulnerable pupils in the admissions process, in the treatment of previously looked-after children in the current schools admissions code as exceptional cases. That seems to offer a useful model, and it would appear that a specific and discrete amendment to paragraph 2.15 of the school admissions code would be what is required, inserting a new category that could be worded along the lines of “children in crisis for whose mental health and/or physical well-being it is in their best interests to be admitted to that particular school.”

What the campaigners on this issue are seeking is not an immediate commitment to such a change, but merely that the Government should consult on it, examine its likely effects and consider the inclusion of a general discretion. They feel that this would allow the issues I have summarised today to be properly considered and aired in detail.

Fundamentally, the problem comes down to whether the current admissions regime builds in sufficient discretion for vulnerable children to be treated as exceptional cases. I believe that it does not. I am persuaded by the argument that an admissions authority should be able to consider the exceptional and compelling circumstances of a child in crisis, where they believe that the child would suffer a significant detrimental impact by not being admitted to a particular school. I also believe that making provision for this discretion would be consistent with the protection already afforded to previously looked-after children.

We all know how emotive and controversial school admissions can be. Parents pin their hopes for their children on getting them into a school that is right for them, and where places are limited, tough choices have
The Minister for Schools (Mr Nick Gibb): I congratulate my hon. Friend the Member for Fareham (Suella Fernandes) on securing this debate, and I thank her for opening kind comments. She, too, is a passionate supporter of high academic standards in our schools, and her pioneering work in chairing the Michaela community school board of governors is having far-reaching consequences—beyond Brent and throughout the country. She is absolutely right when she says that education is the engine of aspiration. I look forward to visiting some of the schools in her constituency, which she has kindly invited me to see.

This debate is timely, as we are currently reviewing the school admissions code and are considering at the same time whether it would be appropriate to make changes to the school admissions appeals code. The debate also provides me with the opportunity to set out how the school admissions process supports vulnerable children, as well as the importance of the infant class size limit in supporting the progress of all younger children.

I understand the concerns raised by my hon. Friend about the small number of cases where neither the school nor the appeals panel can offer a place to a child who, owing to an extreme change of circumstance, becomes vulnerable with a compelling case to admit them to the school in question. The Government’s aim is to ensure that the most vulnerable children in society are provided with a place at the school that best meets their needs.

The admissions code makes it clear that the responsibility for setting admission arrangements rests with school admissions authorities. However, all schools must admit children with a statement of special educational needs or an education, health and care plan that names the school. The code also requires that all schools must offer first priority to children either in, or previously in, local authority care. Those who have suffered domestic violence or bereavement are, of course, vulnerable, too. This is why the admissions code allows all admissions authorities to prioritise children with a social or medical need.

We are determined that a child’s economic circumstances should not predict the outcomes of that child’s education or life chances. Our aim is to raise the attainment of disadvantaged children and thereby improve social mobility in the long term, breaking the cycle of disadvantage from one generation to the next. That is why we amended the admissions code in 2014 to extend to all state schools the freedom to prioritise children who are eligible for free school meals, the pupil premium or the service premium. Previously, only academies and free schools had that freedom.

The Government want all children to receive the best possible education, no matter where they live or what their circumstances are. To ensure that all children had access to good school places, the Government in the last Parliament invested £5 billion between 2011 and 2015 to create the places required. Those funds helped to create 445,000 school places between 2010 and 2014, with many more in the pipeline.

As we announced in the spending review, we shall be spending £23 billion on school buildings between 2016 and 2021 to create 600,000 new school places, open 500 new free schools, and address essential maintenance needs. We are also increasing the number of good school places by tackling underperformance where it exists, and allowing good schools to expand without the restrictions and bureaucracy they have faced in the past.

The changes that we have made are working, and, despite the unprecedented rise in the number of children requiring infant school places, the average infant class size remains at 27.4, well within the statutory limit of 30. Furthermore, 96.5% of families received an offer of a place at one of their preferred primary schools. That is encouraging, but, as I am sure my hon. Friend understands as a result of her work as chair of the governors at the Michaela community school, good schools will always receive more applications than they have places for.

It may be helpful if I clarify the position relating to the infant class size limit. As my hon. Friend knows, the statutory infant class size limit is 30 pupils per school teacher. The law requires schools to limit numbers in that way because research shows that smaller classes allow teachers to spend more time with individual pupils and that that can have a positive effect on the progress of younger pupils, particularly in the case of maths and literacy. The limit does mean that the admissions process for infant classes differs slightly from that applying to other year groups, as schools are restricted in terms of the number of pupils that they can admit to an infant class. There are, however, a small number of prescribed exceptions to protect the most vulnerable children, such as those in care, or those who move into an area where no suitable school places are available. The excepted pupils do not have priority over other children, but a school can lawfully admit them to a class of 30 without breaking the statutory requirements.

When parents are refused a school place for which they have applied, they have the right to appeal to an independent panel. The panel can uphold a non-infant class size appeal if it considers that the admission of an additional child would not adversely affect the school’s ability to operate effectively. The panel can also uphold an appeal if it considers that the parents’ reasons for wanting their child to attend the school outweigh the school’s reasons for refusal. To ensure that the statutory class size limit is not breached, the school admissions appeals code requires infant class size appeals to be treated differently from those applying to other year groups. When a child is refused a school place because it would breach the infant class size limit, the appeal can be upheld only if the admissions arrangements were unlawful or had not been applied properly, or if the decision for refusal was not one that a reasonable admission authority would make.

There will, of course, always be circumstances in which good schools are full and unable to increase the number of pupils whom they admit. In such cases, an appeals panel is unlikely to uphold the appeal, even when the child in question is an excepted pupil. My hon. Friend is suggesting an amendment to paragraph 2.15
of the School Admissions Code and the infant class size regulations, to include a new category of excepted pupil for children in crisis whose mental health or physical wellbeing mean it is in their interests to be admitted to a particular school. The important point my hon. Friend makes is that, although admissions authorities are able to give priority to children with social or medical needs, when those particular needs only arise after applications have been made, the infant class size limit means admission authorities are unable to admit the child and an appeal panel would not feel able to uphold their appeal.

We are currently considering a number of possible changes to the admissions system to support families and schools while ensuring the system remains fair for all, and we will look at my hon. Friend’s suggestions in carrying out this work. I am grateful to her for raising this important issue today. I hope that she is reassured to learn that we will look carefully at the important issues she has raised and consider her suggestions for changes to the codes.

Question put and agreed to.

5.21 pm

House adjourned.
Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Draft Investigatory Powers Bill

1. Stephen McPartland (Stevenage) (Con): If she will ensure that the proposals in the draft Investigatory Powers Bill are limited to the police and security services. [902903]

The Secretary of State for the Home Department (Mrs Theresa May): A small number of public authorities have the ability to use investigatory powers where it is necessary, proportionate and for limited purposes. All public authorities that have powers to acquire communications data have made a strong operational case to retain those powers. In his review of investigatory powers, the independent reviewer of terrorism legislation, David Anderson QC, said that there was no public interest in reducing the number of such bodies.

Stephen McPartland: The United Nations has condemned the Bill, which introduces mass surveillance, as having a chilling effect. Will the Home Secretary be kind enough to clarify how many organisations, including local authorities, and employees would have access to communications data as a result of the draft Bill?

Mrs May: I assure my hon. Friend that the United Kingdom does not and has not participated in, or undertaken, mass surveillance. The investigatory powers in the Bill are necessary, and they are used proportionately by the police and other agencies. They are particularly important for the police, including those in his own Hertfordshire force, in dealing with not just terrorists and serious criminals, but the area of child protection, in which he has a particular interest. There is only one new power in the draft Investigatory Powers Bill, which is access to internet connection records, and I can reassure my hon. Friend that local authorities will not have access to such records.

Fiona Mactaggart (Slough) (Lab): The Secretary of State will be aware of concerns among journalists that these powers, which the security services and the police need to keep us safe, might have a chilling effect on their ability to publish and to report. What steps is she taking to try to guarantee free speech for journalists within the Bill while enabling the security services and the police to have access to the information that they require to keep us safe?

Mrs May: I am well aware of the concerns of journalists, specifically about the powers to access information that might lead to the identification of their sources. They feel that that could have a chilling effect. We have already made a change in the code of practice to require a higher level of judicial authority to allow access to something that could relate to journalists’ sources, and we will legislate on that in the draft Investigatory Powers Bill.

Lucy Frazer (South East Cambridgeshire) (Con): The David Anderson report refers to Cambridgeshire county council’s Operation Magpie, which relied on communications data to protect more than 100 elderly and vulnerable persons from attempts to defraud them. Does the Secretary of State agree that such operations may benefit from the powers in the Bill to protect the most vulnerable?

Mrs May: My hon. and learned Friend raises a very important case, and provides a good example of why it is necessary sometimes for local authorities, such as Cambridgeshire county council, to have access to such powers so that they can do that important job of keeping people safe. After the Government were elected in 2010, we increased the requirements on local authorities in terms of gaining access to the most intrusive surveillance powers, but as she makes clear, in trading standards and other such areas, these powers are necessary to keep people safe.

Immigration System

2. Michael Tomlinson (Mid Dorset and North Poole) (Con): What steps the Government are taking to prevent abuse of the immigration system. [902904]

3. Chris Heaton-Harris (Daventry) (Con): What steps the Government are taking to prevent abuse of the immigration system. [902905]

The Minister for Immigration (James Brokenshire): The Immigration Act 2014 and related changes have expedited the removal of more than 2,000 foreign national offenders from this country and stopped illegal migrants from having access to services such as bank accounts, driving licences and rented accommodation. The Immigration Bill will go further, enabling the seizure of earnings from illegal workers, further penalising rogue employers and extending the deport first, appeal later principle to more cases.

Michael Tomlinson: I am grateful to the Minister for that answer, but immigration remains one of the top concerns of my constituents. With that in mind, what assessment has the Minister made of the Government’s proposed right-to-rent scheme on those who are here illegally?

James Brokenshire: My hon. Friend is right to highlight the issues surrounding right to rent, which we intend to roll out nationally next month. It is a matter of ensuring that property is available only to those with a right to be
in this country. We undertook an assessment of the first phase of the scheme in the west midlands. That found that the scheme was operating as intended, which is why we are now rolling it out further.

Chris Heaton-Harris: Can the Minister outline the steps the Government are taking to root out the problem of illegal working in economic sectors where skills shortages are pronounced, such as the construction and care industries?

James Brokenshire: We are certainly looking at several employment sectors that may face such risks, such as construction and care, to which my hon. Friend refers. I have had meetings with representatives from those industries and others to see what further steps can be taken to prevent that from happening, and making sure that employers have adequate awareness of the steps that they can take. We have doubled the maximum penalty for employing an illegal worker to £20,000, and through the new Immigration Bill we intend to tighten those restrictions even further and make it easier to prosecute rogue employers.

Mr John Spellar (Warley) (Lab): May I draw the Minister’s attention to an abuse of our immigration system by the Indian authorities in the case of my constituent, Paramjeet Singh, to whom we have granted refugee status from India and indefinite leave to remain in the UK? But while he was on holiday in Portugal last month with his wife and four British children, he was detained with a request for deportation by India. Does the Minister agree that if the Indian authorities have a case, they should take it up with the UK Government? Will the Minister put the case to his counterparts in Portugal and the European Commission to secure Paramjeet Singh’s early return to his family in Smethwick?

James Brokenshire: I will look carefully at the case that the right hon. Gentleman has raised, specifically at the facts and circumstances which he has drawn to the attention of the House, and I will write to him.

Keith Vaz (Leicester East) (Lab): Despite measures having been taken by the Government, the number of sham marriages appears to be on the increase. In 2014, the last year for which we have figures, a total of 2,486 weddings were visited by enforcement officers. Will the Minister look at the possibility of giving registrars the power to cancel ceremonies, thus relieving the pressure on Home Office officials to crash weddings in this way?

James Brokenshire: The Chair of the Home Affairs Committee and I have debated these issues in the past. Since April last year 12,253 notices to marry have been referred to the Home Office through the new arrangements. Of these, 160 proposed marriages were considered a sham, and a further 99 marriages were prevented because couples did not follow the necessary requirements and co-operate with the investigation. This is a serious matter on which we have already taken action. Between April and September last year we arrested 528 individuals and removed more than 279 people involved in sham marriages, underlining our focus on that issue.

Sir Nicholas Soames (Mid Sussex) (Con): Would my right hon. Friend reconsider the question of ID cards, not only in respect of immigration and the introduction of many digital services for all our individuals and citizens, but particularly in regard to national security and the protection of all our citizens from terrorism? Does he agree that this is now a matter of national security?

James Brokenshire: My right hon. Friend will be aware that one of the first steps that the coalition Government took was to respond to the Labour Government’s proposals on that issue, which we continue to judge was the right thing to do. We are taking various measures to enhance the security of this country, but our judgment remains that ID cards are not the right way forward.

Frank Field (Birkenhead) (Lab): Does the Minister accept that other countries with ID cards find it much easier to identify, detain and deport illegal immigrants? Given the support now on both sides of the House, may I suggest that the Government re-open the agenda for the introduction of ID cards, which we understood they dropped under pressure from the coalition?

James Brokenshire: Many of the issues that we face in relation to deportation involve foreign nationals—obviously, by the nature of the work. We have introduced biometric residence permits, and in her speech last October to the Conservative party conference the Home Secretary referred to the further measures that we are taking so that we can remove those people who do not have authority to be in this country. We are using biometric residence permits and other means to achieve that.

Online Crime

5. Liz Saville Roberts (Dwyfor Meirionnydd) (PC): What estimate she has made of the number of crimes committed online in 2014-15; and how many of those crimes were (a) recorded, (b) investigated and (c) resulted in a conviction.

The Minister for Security (Mr John Hayes): Crime is falling and crime is changing. Different types of crime may have an online element and an accurate national picture is critical to informing our ongoing response to cybercrime. That is why the Office for National Statistics recently published, for the very first time, initial estimates of the numbers of frauds and cybercrimes committed per year.

Liz Saville Roberts: None the less, the organisation Kick it Out, which campaigns to kick racism out of football, recorded more than 130,000 instances of racist abuse of footballers and their teams via social media in 2014-15, and the chief constable leading on digital crime fears that the police are on the verge of being overwhelmed. What steps is the Minister taking to ensure that all police officers have the capacity to make risk-based assessments and to prioritise this ever-increasing crime appropriately?

Mr Hayes: The hon. Lady makes a good point. She has focused her parliamentary career so far on the issue of online harassment, although she did not mention that in detail today. She knows that it is something that she and I both take very seriously. We welcome the preliminary trial by the Office for National Statistics to better reflect fraud and cybercrime in statistics. Having a more accurate picture will allow us to take the kinds of steps that she has advertised to the House today, because we will then be able to get a better idea of the
scale and character of cybercrime and to do the preparatory work that she has requested. I take this seriously, as she clearly does, and I know that the whole House will join us in that.

Michael Fabricant (Lichfield) (Con): It is not just harassment that is done over the internet; it is also phishing and fraud. Does my right hon. Friend not think that the Home Office might have a role to play in educating internet users in how best to protect themselves against such cybercrime?

Mr Hayes: As I said, when we get to understand the figures more accurately—the measures we have taken to look at these matters in greater detail will allow us to do that—my hon. Friend is absolutely right that we will need to be precautionary in our approach. He is also right that fraud is a significant element of the problem. In dealing with online fraud, we need to measure what is happening, look at what can be done about it and take appropriate action, and that is exactly what we will do.

Stewart Malcolm McDonald (Glasgow South) (SNP): The media today reports that as more people use social networking apps such as Tinder and Grindr, reports of burglary and rape are rising. Can the Minister outline what assessment the Home Office has made of the problem and how it plans to attack it across these islands, in co-ordination with the devolved Governments?

Mr Hayes: The hon. Gentleman will know that we have a national cyber-security programme. We have invested more than £90 million in this Parliament and the previous Parliament to bolster the law enforcement response, and we will continue to make that investment. Indeed, the Government have committed to spending £1.9 billion on cyber-security over the next five years, including tackling cybercrime. It is about resources, earlier identification and preparation, but it is also worth saying that we have established the national cybercrime unit, so the Government are doing more, taking the steps necessary, tackling this seriously, listening and learning—unafraid of taking action.

Contraband: Entry into UK

6. Jeremy Lefroy (Stafford) (Con): What steps the Government are taking to stop firearms, illegal drugs and other contraband entering the UK. [902908]

The Minister for Immigration (James Brokenshire): The United Kingdom’s border controls are among the toughest in the world. Border Force works closely with other law enforcement agencies, including the National Crime Agency and the police, to target and disrupt freight, international post, vehicles and vessels attempting to smuggle prohibited and restricted goods, such as firearms and illegal drugs, into the UK.

Jeremy Lefroy: I thank the Minister for that answer. Will he expand on how the National Crime Agency is co-operating with authorities overseas to protect Britain from serious organised crime?

James Brokenshire: The National Crime Agency does vital work, both here in the UK and overseas, to track down the source of plots and conspiracies, as well as to disrupt the activity of organised crime groups. It has been crucial in recent operations, for example in arresting those suspected of drug smuggling offences in Greece, intercepting shipments of cocaine passing through the English channel and cracking down on Europe-wide people smuggling operations. The NCA is increasingly showing the importance of that international work, and equally it is working through organisations such as Europol to show that we have the best intelligence and good co-ordination to combat organised criminality.

Mr David Hanson (Delyn) (Lab): Given that at least 67,500 small planes or boats landed at British ports or airports unchecked by Border Force, does the Minister have any concerns that that might be a route for illegal drugs or firearms?

James Brokenshire: The right hon. Gentleman will be aware, through his experience of being a Home Office Minister, of the steps that are taken by all our various agencies in looking at each potential way in which people may smuggle into this country. We are improving the systems through which general aviation reports are captured in order to ensure that we are tackling non-compliance. We are also working through air traffic control to track flights that fail to report and, through improvements to legislation, take action against those who fail to comply with the requirements. We remain focused on these issues.

Mr Philip Hollobone (Kettering) (Con): Which port or airport sees the biggest flow of illegal drugs into the United Kingdom?

James Brokenshire: My hon. Friend seeks to draw me into issues that we do not comment on. We do not comment on specific issues or particular ports, but I can assure him that Border Force, the National Crime Agency and others take an intelligence-led approach to the way in which people and technology are deployed in order to have the most effect in confronting the criminals who are trying to smuggle stuff into this country.

Ian Paisley (North Antrim) (DUP): The single largest item smuggled into Northern Ireland from the Republic of Ireland is illicit fuel. Last month, the Republic of Ireland produced a report that showed that in one month alone €316,000 was spent on cleaning up sludge from waste illicit fuel. Will the Government review the markers that are used in our British fuels? The Dow ACCUTRACE marker is a dud because it can be removed.

James Brokenshire: The National Crime Agency, working with the Police Service of Northern Ireland, is looking at all threats across the border from the Republic of Ireland. Indeed, we have very good relations with the Government there. I will refer the hon. Gentleman’s comments to other colleagues across Government who take a direct interest in this.

Mark Pritchard (The Wrekin) (Con): Perhaps the most lethal weapon of mass destruction is the AK-47 and similar small arms weapons rather than any nuclear weapon. The Government have done a huge amount in the arms trade treaty. As of December 2015, 79 countries had ratified the arms trade treaty, while 53 have signed it but not ratified it. What more can the Government do
to deal with and tackle the illegal supply of weapons across borders and get those countries to ratify the treaty?

James Brokenshire: We are taking this forward at a European level. My right hon. Friend the Home Secretary is in discussions with other European leaders on how best we can co-ordinate with and lobby Governments beyond Europe as well, to share the focus that we as a Government have on confronting the smuggling of weapons and ensuring that this issue is dealt with even more firmly.

Diana Johnson (Kingston upon Hull North) (Lab): I raised concerns about Hull’s port security with the Home Secretary on 16 November and followed that up with information to her office on 18 November. In the light of today’s reports in The Guardian by Vikram Dodd about ferry security, what additional steps might be introduced to increase security at our ports?

James Brokenshire: I cannot comment on the individual case that the hon. Lady mentions. Lady mentions, but I can say that we take seriously the issue of our ports, and indeed the juxtaposed ports in northern France. We have maintained 100% screening checks on those coming through. Our introduction of operational and technological improvements has prevented nearly 70,000 illegal entry attempts through those juxtaposed ports.

Police Services: Co-operation

7. Neil Carmichael (Stroud) (Con): What steps she is taking to promote co-operation between police services.

The Secretary of State for the Home Department (Mrs Theresa May): The Government are supporting local policing leaders to invest in cross-force capabilities and collaborative initiatives by protecting police funding over the course of this Parliament, using the police innovation fund to incentivise collaboration, and providing new transformation funding to drive further investment and innovation.

Neil Carmichael: That is a very encouraging answer, but bearing in mind the work of the ministerial taskforce on child protection, what steps is the Home Secretary taking to make sure that the police co-operate well with other agencies in schools, in the healthcare system, and in social work?

Mrs May: My hon. Friend raises a very important point about the police’s interaction with other agencies in dealing with child protection. On Friday, I visited a school and talked to people there about the work they do with the multi-agency safeguarding hub in bringing together police and various parts of the school and the local authority to deal with those issues. We recognise the role that schools have to play, including through personal, social, health and economic education and through sex and relationships education. We also announced in March, when we launched our “Tackling Child Sexual Exploitation” report, that we will be looking at the training of staff, to enable them to be better able to spot the signs of where children may be being exploited in that way.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Is the Home Secretary aware that, although there is a lot of good co-operation across the police services in Yorkshire, many criminals in our part of the world flee to Pakistan and, given that we do not have an extradition treaty, that is becoming a great burden on the police services when dealing with very serious crimes?

Mrs May: I am, of course, aware of a small number of particular cases where concern has been expressed. I would not want to comment on individual ongoing police investigations, but both we and the police recognise the significance of the issues. Indeed, as the hon. Gentleman says, some of the cases involve very serious crimes indeed.

Ben Howlett (Bath) (Con): As my right hon. Friend will know, Avon and Somerset police and Wiltshire police are working together strategically to help increase efficiency. The police and crime commissioner elections are coming up in May. Does she agree that PCCs across the south-west should work together to help merge the authorities in order to not only increase the efficiency of the police, but help tackle cross-authority crime?

Mrs May: I absolutely agree with my hon. Friend. Some weeks ago, I visited the new combined firearms training facility that is being used in that way by the Avon and Somerset, Wiltshire and, indeed, Gloucestershire forces. That is a very good example of collaboration. It is absolutely right that police and crime commissioners should also be looking for ways in which they can collaborate, not just in relation to the police, but, increasingly, in relation to fire services.

Louise Haigh (Sheffield, Heeley) (Lab): Such co-operation is vital for the Disclosure and Barring Service to meet its target of 40 days to deal with applications, but it is taking much longer in many cases, including that of a constituent of mine who has been waiting five months since his initial application, causing serious hardship. Is the Home Secretary aware of such delays, particularly within the Metropolitan Police, and what steps will she take to correct the situation?

Mrs May: I assure the hon. Lady that I am aware of the delays taking place in the Metropolitan Police, which is a matter that the Under-Secretary of State for the Home Department, my hon. Friend the Member for Staffordshire Moorlands, is taking up and looking into in detail.

Tom Pursglove (Corby) (Con): Northamptonshire has been extremely innovative in developing new policing models, particularly in relation to rural crime, so what steps will the Home Secretary take to share that best practice nationally?

Mrs May: Northamptonshire has indeed taken a number of initiatives and I am very pleased to say that, in collaboration, the police and crime commissioner, Adam Simmonds, has been particularly innovative in his thinking, looking at ways in which collaboration, not only between police forces but with other agencies, can take place. It is part of the role of the College of Policing to ensure that good practice, where it occurs,
is spread so that other forces are aware of what action can be taken, to help them deal with the same issues, such as rural crime.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Could the Home Secretary update us on the progress she is making on co-operation between emergency services, be they the police, the NHS or the fire services?

Mrs May: Yes, I will refer later to some of the steps the Government are taking in relation to that collaboration. We are encouraging police forces and fire services in particular to look for collaboration where they can find it. In some parts of the country, such as Northamptonshire, the police and crime commissioner is also actively looking to see what action can be taken in relation to ambulance services, too.

Net Migration Figures: International Students

8. Mr Virendra Sharma (Ealing, Southall) (Lab): What her policy is on the inclusion of international students in net migration figures. [902910]

The Minister for Immigration (James Brokenshire): The independent Office for National Statistics includes international students in its net migration calculations. Like other migrants, international students who stay for longer than 12 months have an impact on communities, infrastructure and services while they are here. We continue to welcome the brightest and best to study at our world-leading institutions. There remains no limit on the number of genuine international students who can come to study in the UK.

Mr Sharma: The Minister will be aware that the UK Statistics Authority and others have expressed concern about the robustness of the international passenger survey and that, therefore, the contribution of students to net migration may be significantly lower than thought. How will he ensure that immigration policy is made on the basis of good evidence?

James Brokenshire: It is the Office for National Statistics that provides the figures. It includes international students in its net migration calculations, as does Australia, Canada and the US. We keep such issues under review all the time, but I underline to the hon. Gentleman that changing the way we measure migration would not make any difference to our policy because there is no limit on the number of genuine international students who can come here to study. We certainly remain open to attracting the brightest and the best.

Mrs Flick Drummond (Portsmouth South) (Con): In Portsmouth, there are 4,000 international students from 130 countries. Does my right hon. Friend agree not only that they help the immediate economy, but that the relationship between such foreign students and Britain should last a lifetime and helps the long-term political and economic future of Britain?

James Brokenshire: The Government certainly recognise the benefit that international students bring in enriching so many of our university campuses. We want to continue to attract international students to study at our world-leading universities. It is important to note that, since 2010, university visa applications from international students have increased by 17%, and by 39% for Russell Group universities.

Barry Gardiner (Brent North) (Lab): Is the Minister not concerned that the word has increasingly gone out to countries such as India and China that Britain is no longer as welcoming a place for international students, and that that is affecting our long-term business relationships quite seriously?

James Brokenshire: No, I do not agree with the hon. Gentleman’s analysis. When we look at the students coming from China, we can see that the numbers have increased by about 9%. The way in which international markets operate can sometimes be quite complex, particularly in countries such as India, where the use of agents can be important. When I go to India later this year, I will certainly underline the clear message that the UK remains an attractive place for students to come to study.

Police Funding Formula

9. Helen Hayes (Dulwich and West Norwood) (Lab): What recent progress she has made on reviewing the police funding formula. [902911]

The Minister for Policing, Crime and Criminal Justice (Mike Penning): I announced in the House before Christmas that I was delaying the implementation of the new funding formula. We are considering the next steps, especially in the light of the excellent spending review settlement on behalf of the police that the Home Secretary has managed to get. I will update the House on the decisions I will make in the near future.

Helen Hayes: In the autumn statement, the Chancellor said:

“I am today announcing that there will be no cuts in the police budget at all. There will be real-terms protection for police funding.”—[Official Report, 25 November 2015; Vol. 602, c. 1373.]

We seem to have smoke and mirrors on police funding, because we now know that the draft settlement for the Metropolitan police in fact contains a 10% cut. That is in a context of increasing need, not least the need to investigate allegations of child abuse that occurred in the past. That need will increase as the Goddard inquiry gives victims and survivors the confidence to come forward. Will the Secretary of State commit to resource such investigations separately within the new formula
so that they can be completed quickly and so that the perpetrators, many of whom are now elderly, can be brought to justice before it is too late?

Mike Penning: I do not recognise the figure of a 10% cut to the Metropolitan police, and neither does the commissioner nor the Mayor. I think the level of spending was a surprise to Labour Members, considering that they wanted a 10% cut across the board. We did not go along with that.

18. [902924] Daniel Kawczynski (Shrewsbury and Atcham) (Con): May I press the Minister, when there is a review of the funding formula, to take into consideration the additional costs involved in policing rural areas such as Shropshire?

Mike Penning: When the previous Government announced a review—in 2006, I think—that was one of the reasons why they looked at the funding formula so closely. Yes, we most certainly will look at funding for rural constituencies and rural police forces, just as we will look at why that is so opaque under the present system.

Jack Dromey (Birmingham, Erdington) (Lab): The police were the unsung heroes of the floods crisis, which was the latest example of the growing pressures on a diminishing police service. The Policing Minister was right to apologise for the omnishambles of the chaos over the police funding formula. Will he also admit that it is simply not true that there will be, in the words of the Chancellor, “no cuts in the police budget at all”?—[Official Report, 25 November 2015; Vol. 602, c. 1373.]

Mike Penning: I visited Lancashire last Thursday on my first visit as the fire Minister as well as the Policing Minister. Although I absolutely praise the work of the police force, which went way beyond what we would expect any of our officers to do, all the other emergency services did so as well. The chief constable thanked me for making sure that there were no cuts.

Andrew Bridgen (North West Leicestershire) (Con): Will the Minister confirm that when the precept is taken into account, it could mean extra funding for the police of up to £900 million across the country by 2019-20?

Mike Penning: My hon. Friend is absolutely right. If police and crime commissioners take the opportunity of the precept increase, it will amount to an increase of just under £1 billion or just over £900 million, rather than the cut of 10% that the Labour party wanted.

Immigration of Children

10. Natalie McGarry (Glasgow East) (Ind): Under what circumstances her Department permits the immigration of children to join relatives living in the UK.

Karen Bradley: I do not recognise the length of time the hon. Lady suggests the process takes. We work very closely with the French authorities, but let us bear it in mind that those children are in camps in France, which is part of the European Union. It is important that they are processed properly in that sovereign state.

Tim Loughton (East Worthing and Shoreham) (Con): Some 15 years ago, Victoria Climbié came into this country from west Africa and was placed with a so-called aunt in a private fostering arrangement. The Government no longer collect figures about private fostering, so what measures are they taking to ensure that children who come to this country do not have their welfare compromised in the way that she did?

Karen Bradley: My hon. Friend has great expertise in this area, particularly given his time as a Minister. He knows that I take the welfare of children extremely seriously, as does the Home Secretary. We make sure that we have the information we need to protect those children.

Keir Starmer (Holborn and St Pancras) (Lab): I spent Friday in the camps in Calais and Dunkirk. I have seen some pretty appalling conditions in my time, including in prisons in Africa and the Caribbean, but nothing could prepare anyone for the squalor of those camps, particularly in Dunkirk. What was obvious, among other things, was that there is simply no process in place on the ground for anyone—particularly children—who is entitled to join their family in the UK. What steps are the Government taking to address that issue and to ensure that children in Calais and Dunkirk who have the right to join their families are able to do so?

Karen Bradley: The hon. and learned Gentleman knows that we work very closely with the French authorities. We are working with them to make sure that their processing is done as swiftly and efficiently as possible. I must repeat that these are camps in France. It is a sovereign country and we cannot interfere in French matters.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Just after Christmas, 15-year-old Masud, an asylum seeker from Afghanistan, died in the back of a lorry trying to make it from Calais to be reunited with his sister here in the United Kingdom. The Home Office was seeking to defend his exclusion in protracted legal proceedings relating to the Dublin convention. Will the UK Government please reconsider
their approach to the Dublin rules and, indeed, to their own family reunion rules to avoid similar desperate journeys ending in tragedy?

Karen Bradley: Refugees can seek asylum in the first country in which they arrive in the European Union. I cannot comment on an individual case, but it is important to make the point that people should not try to make that journey illegally. We have a relocation programme to bring 20,000 Syrian refugees to this country. I must restate that France is a sovereign country and we must not interfere in its affairs.

Stuart C. McDonald: Will the Government reconsider the stress and anxiety caused by their policies to children who have one British parent and one non-EU parent? Last week we learned about Andrew McLaughlin, who served this country in Afghanistan and now has to choose between leaving Britain or leaving his wife and child, thanks to the grossly excessive financial requirements in the immigration rules. Why do the Government continue to defend the indefensible?

Karen Bradley: Our current family reunion policy is already more generous than our international obligations require, and we have no plans to widen the criteria under immigration law. We consider each individual on a case-by-case basis, but we have no plans to change the rules.

20. [902926] Tom Brake (Carshalton and Wallington) (LD): The Minister will be aware that 3,500 people died last year trying to reach safety in Europe. Twenty-seven non-governmental organisations and charities wrote to the Prime Minister at the beginning of the year, asking him what the Government would do about extending safe and legal routes to the United Kingdom, and about family reunion. When does the Minister expect a response to be forthcoming, and is it likely to be positive?

Karen Bradley: I am proud of the support that this Government are giving to people in the camps and in the region, where we can support far more people for the same amount of money than if they arrived in Europe. We have a relocation policy for 20,000 Syrian refugees, but it is important that we help as many people as possible, and we can do that best in the region. We must not encourage people to get on those boats, because nearly a quarter of people do not get off at the other end and die in the process.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Has the Minister had a chance to look at the report by Save the Children that we should take 3,000 children to this country who could not speak English and who were going to bogus colleges.

Karen Bradley: I thank the hon. Gentleman, who I know has considerable expertise in this area. As the Prime Minister said last week, we are looking at those proposals and will come back on that.

Overseas Student Visas

11. Mr Laurence Robertson (Tewkesbury) (Con): How many visas were issued to overseas students to study in the UK in the last year for which figures are available.

The Minister for Immigration (James Brokenshire): Some 196,000 study visas were issued, excluding dependants, in the year ending September 2015, and we continue to welcome the brightest and best to study at our world leading institutions.

Mr Robertson: Given that students who come to this country for more than a year are officially classed as immigration, and given the concern about levels of immigration into this country, would it be sensible to give a separate classification to students who come here to study? As we have already heard, those students bring a lot of money to the country, and they extend British influence abroad.

James Brokenshire: As I have already indicated, the Office for National Statistics includes international students in its net migration calculations, and like other migrants, international students who stay for longer than 12 months have an impact on communities, infrastructure and services while they are here. I underline that having those numbers there does not bear on our policy.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Many businesses in Scotland, higher education institutions, wider civic society and all political parties, including the Scottish Conservatives, support the reintroduction of the post-study work visa as a means to attract foreign students to our universities and boost the economy. Will the Minister join that happy consensus in Scotland, reconsider the Government’s position, and reinstate the post-study work visa?

James Brokenshire: I gave evidence to the Scottish Affairs Committee before Christmas, and underlined the fact that in our judgment, there are already adequate opportunities for students who graduate in Scotland to move into employment that is commensurate with their qualification. I will look carefully at the recommendations of that Committee.

Rob Marris (Wolverhampton South West) (Lab): How does the UK’s proportion of the world market in international students last year compare with equivalent proportions in previous years?

James Brokenshire: Numbers of university applications continue to rise, and that underlines the effect of our crackdown on the abuses that we saw under the previous Labour Government, where people were coming to the country who could not speak English and who were going to bogus colleges.

Policing: Administrative Costs

12. Dr Andrew Murrison (South West Wiltshire) (Con): What steps she is taking to reduce the administrative costs of policing.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): The Government have made it easier for the police to do their job by cutting red tape, scrapping bureaucracy, ending targets and giving officers the discretion of their professional judgment. In my hon. Friend’s constituency, the number of front-line officers has increased from 87% to 90% in the past 10 years.
Dr Murrison: The TaxPayers Alliance and HMRC have made clear that they consider Wiltshire to be both efficient and effective administratively in delivering first-class services, so good governance does not have to be taxing. Is the Minister confident that the existing legislative framework allows sufficient latitude for reforming police and crime commissioners, such as Wiltshire’s Angus Macpherson, to flatten and de-layer management structures and rationalise working practices in the interests of front-line policing?

Mike Penning: The Home Secretary has already announced that we will be bringing forward legislation in this Parliament to give police and crime commissioners the powers they need. Around the country, many PCCs are already collaborating. We are going to head that up here in government.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): There has been a lot of smoke and mirrors from this Government around police funding. Given the specific proposal, which I support, to increase the number of armed units in places such as Cardiff, will the Minister assure us that that will not be at the expense of crucial back-room offices and other front-line policing, such as stopping firearms getting into the country in the first place?

Mike Penning: I can categorically give that assurance, but savings can be made in the back room. We have seen savings made across the country through collaboration with other agencies, in particular the fire service.

**Police Grant Settlement**

13. Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): What recent discussions she has had with the police on the police grant settlement.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): The Home Secretary and I have regular meetings with our police partners on issues including police funding. The Government have already published, on 17 December, the police funding settlement for 2016-17. The consultation will finish at 5 pm on 25 January.

Gerald Jones: The House may be aware of the comments last week by the Conservative police and crime commissioner for Staffordshire that police forces are once again having their budgets cut, despite promises in the spending review. Will the Minister confirm that the message has got back to the Chancellor that his claim that police funding is being protected is incorrect?

Mike Penning: The Chancellor announced a settlement of zero cuts. The Labour party wanted 10% cuts. We did not think that was right and that is why we did not do it.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): Whether police stations are open or not, and where they should be open, is an operational matter for the police force. I am sure that my hon. Friend’s local force commander and the police and crime commissioner have heard exactly what he says, but this is a matter for local policing and not something for the Minister to get involved in.

Mr Peter Bone (Wellingborough) (Con): On the police funding settlement, would it help the Minister if, when the country votes to come out of the European Union, part of the £350 million a week the UK people give to Europe was spent on police funding?

Mike Penning: The Home Secretary negotiated brilliantly the funding agreement for the next four years. That was exceptionally good to hear.

Violence against Women and Girls

15. Maggie Throup (Erewash) (Con): What steps the Government have taken to tackle violence against women and girls.

The Secretary of State for the Home Department (Mrs Theresa May): Tackling violence against women and girls is a key Government priority. We have introduced a new offence of domestic abuse and are consulting on new measures to protect victims of stalking. We have already committed £40 million between 2016 and 2020 to support victims of domestic abuse. We will publish shortly a refreshed violence against women and girls strategy, setting out how we will do more still to support all victims.

Maggie Throup: Following the meeting with the Derbyshire police and crime commissioner candidate, Richard Bright, I was shocked to learn that on average between July and September last year one rape a week was reported to Derbyshire police, linked to nights out in Long Eaton, Ilkeston and Derby. Will my right hon. Friend outline what is being done to ensure that victims receive a good level of practical and emotional support following a sexual assault? What can be done to help the police bring predators to justice?

Mrs May: My hon. Friend raises a very important point. First, we have generally seen an increase in the number of reports of rape and other sexual violence. It is good that people have more confidence to come forward, precisely because of the support they now feel they will get from the police and other services. It is, of course, important to ensure that support is available to individuals, for example at Rape Crisis centres. I am pleased to say that over the past five years the Government have made money available to ensure that new Rape Crisis centres have opened, unlike under the previous Labour Government when they were closing.

Sarah Champion (Rotherham) (Lab): It is believed that 170,000 women and girls in the UK have endured female genital mutilation. It is right that the Government have introduced legislation and are funding projects in Africa and training NHS and education staff, but without significant UK grassroots intervention to change cultural norms, we will never prevent this horrific child abuse.
When will the Secretary of State change her approach and invest in helping communities to prevent FGM, rather than failing to prosecute once the crime has been committed?

Mrs May: As the hon. Lady knows, we have taken the question of forced genital mutilation extremely seriously, which is why we have significantly strengthened the law on FGM and have issued a range of materials to support professionals in being able to understand these issues and spot signs of somebody being taken out of the country. I commend the work of the all-party parliamentary group on female genital mutilation and, in particular, of the Under-Secretary of State for Health, my hon. Friend the Member for Battersea (Jane Ellison), who has ensured that information is made available to communities and community groups about what can be done to prevent forced genital mutilation and to ensure that people can spot the signs and stop it taking place.

Mr Burrowes: The Home Secretary has confirmed that the Government’s relocation programme applies to Syrian refugees who are also outside camps, but is the programme sufficient, given their number and vulnerability, and, not least, their risk of exploitation by people smugglers?

Mrs May: Yes, we have extended the list of criteria on vulnerability according to which we take people from the camps, but we have also provided specific expertise—for example, by working with the French Government to identify those who have been trafficked.

Andy Burnham (Leigh) (Lab): I shall take the Home Secretary back to a question she was asked several times last week but refused to answer. In late 2014, a terror suspect from east London well known to the UK security services skipped police bail and walked freely out of the UK to Syria via Dover. Let me try again: when was she first informed that this individual had absconded and were any checks made on his passport before he left?

Mrs May: I said to the right hon. Gentleman and other of his colleagues last week, and I will say it again today: I will not comment on individual cases because of issues relating to police investigations and proceedings. I would say, however, that this Government have taken significant steps to enhance our border security, including by establishing the UK Border Force, thereby taking it out of the failed UK Border Agency, which was set up by the last Labour Government.

Mr Burrowes: That is not good enough. The public are concerned about this and deserve answers. A UK terror suspect broke police bail and walked out of this country unchecked, but it gets worse: yesterday, it was reported that the mastermind behind the Paris attacks last year freely entered this country, through Dover again, despite being known to the authorities in Europe. Is this true, and were any checks made on this individual on his arrival in the UK?

Mrs May: I make it absolutely clear to the right hon. Gentleman that this Government have taken steps to enhance our border security, taken the UK into the second-generation Schengen Information System, introduced exist checks, and decided to do what the last Labour Government failed to do: put the UK into the Prüm system.

Mr Burrowes: Two straight questions; no answers. On matters as serious as this, that is simply not good enough. Terror suspects are freely walking in and out of the United Kingdom on this Home Secretary’s watch. Terror suspects know the sea border is a weak link, partly because she delayed UK involvement in the Schengen Information System, which would have given the UK access to EU security checks. The British public need answers, not Ministers hiding behind excuses. Will she today order an urgent review of our border security at our ferry terminals and of the police bail regime for terror suspects?

Mrs May: As my right hon. Friend the Minister for Immigration indicated earlier, we take a number of steps in relation to our border security, and indeed always look to see whether more can be done in relation to our border security, but I repeat what I said earlier—indeed, I said it to the right hon. Gentleman last week. The Labour Government had opportunities in relation to SIS II and Prüm. The Labour Government failed to get this country into Prüm; it is this Conservative Government that have taken the action necessary.
T3. [902930] Sir Simon Burns (Chelmsford) (Con): What are the Government planning to do to combat knife crime, given that in the last 13 months two young people have been tragically and callously killed by the illegal use of knives in Chelmsford? Also, there has been a rise in the number of crimes committed involving knives, partly due to drug-related incidents and gangs coming out from London.

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): Tackling knife crime is a priority for this Government. Knife crime is 17% lower today than it was in June 2010, but I know that is little comfort to anybody affected in the way that my right hon. Friend’s constituents have been. May I suggest that I meet him to discuss specific measures that could be taken in Chelmsford related to the work we have been doing across the country on gangs and other antisocial behaviour?

T2. [902929] Toby Perkins (Chesterfield) (Lab): People across the country are rightly very anxious that the Government do everything they can to keep our borders safe at this moment in time. On that basis, for the Secretary of State to stand there and blame a Government that have not been in power for five and a half years is an absolute dereliction of her duty. What can she say to constituents across the country who want to know what she is doing and what responsibilities she is taking to keep our borders safe, in the light of the incidents raised by my right hon. Friend the Member for Leigh (Andy Burnham), which people are justly concerned about?

Mrs May: The hon. Gentleman mentions people’s concerns about border security. It is precisely because this Government recognise the importance of border security that we have taken the steps to enhance our border security that I outlined in response to the shadow Secretary of State to stand there and blame a Government that have not been in power for five and a half years is an absolute dereliction of her duty. What can she say to constituents across the country who want to know what she is doing and what responsibilities she is taking to keep our borders safe, in the light of the incidents raised by my right hon. Friend. Friend the Member for Leigh (Andy Burnham), which people are justly concerned about?

Mrs May: The hon. Gentleman mentions people’s concerns about border security. It is precisely because this Government recognise the importance of border security that we have taken the steps to enhance our border security that I outlined in response to the shadow Secretary of State to stand there and blame a Government that have not been in power for five and a half years is an absolute dereliction of her duty. What can she say to constituents across the country who want to know what she is doing and what responsibilities she is taking to keep our borders safe, in the light of the incidents raised by my right hon. Friend the Member for Leigh (Andy Burnham), which people are justly concerned about?

The Minister for Security (Mr John Hayes): My hon. Friend will know that much of this is done online, where there are those who are seeking to corrupt people to inspire them to murder and maim their neighbours. Since February 2010, more than 120,000 pieces of unlawful terrorist material have been taken down from the internet, and our Prevent programme works with communities, schools, colleges and local authorities across the country. Mr Speaker, I am intolerant—intolerant of that wickedness which seeks to do so much harm.

Mr Speaker: We are better informed.

T4. [902941] Vicky Foxcroft (Lewisham, Deptford) (Lab): Figures released recently from the Met police show that serious youth violence is continuing to rise across the capital. Since being elected last year, I have lost three of my constituents to serious youth violence. Young people need to be safe on our streets. It is an issue for all of society. Can the Minister not see the link between rising numbers of knife crimes and falling numbers of police officers? London’s Mayor has been letting people down. Is it not time for a Labour Mayor of London?

The Minister for Policing, Crime and Criminal Justice (Mike Penning): I did not realise there was going to be a party political broadcast on behalf of the Labour candidate for Mayor of London on such a serious subject. It was this Government that brought in the legislation, with the help of Nick de Bois, to ensure that those caught with a knife twice will now get six months. That is the sort of legislation we need, but we need to work harder. The Met police do a fantastic job and we should not run them down.

Michelle Donelan (Chippenham) (Con): Despite the UK’s strong commitment to allowing 20,000 legal refugees into the UK, the fact remains that there are still thousands trying to enter illegally through the channel tunnel. What does the Minister think can be done to protect freight companies such as Broughton Transport in my constituency, which is threatening job losses and the end of the company?

The Parliamentary Under-Secretary of State for Refugees (Richard Harrington): We fully accept the vital role that hauliers play in the economy, and it is never acceptable for drivers to be attacked or threatened while doing their job. The Government’s funding, improved security measures, port infrastructure at Calais and the surrounding area and the new secure zone will provide a secure waiting area for 230 vehicles. It is expected to be completed by late spring this year. There is an enhanced French police response team comprising more than 1,100 officers. The Minister for Immigration regularly meets the haulage sector, and officials would be happy to meet Broughton as part of this consultation.

Mike Penning: I think we all understand what a fantastic job the police do in the 43 forces in England and Wales. For many years, they have done jobs that are not part of their front-line job, particularly around mental health. That is why the triage of mental health and mental health professionals in custody suites and elsewhere is a really important step forward. I fully accept what the hon. Lady says and that we need to do more.

David Rutley (Macclesfield) (Con): Further to earlier questions on the important issue of illegal immigration, will my right hon. Friend tell us what assessment has been made of the effectiveness of the Immigration Act 2014 in tackling this critical issue?
The Minister for Immigration (James Brokenshire):

Measures introduced in the Immigration Act 2014 included a number of issues confronting the accessing of services by migrants to which they are not entitled. I can certainly tell my hon. Friend that we have revoked more than 13,000 driving licences and deported more than 2,000 foreign national offenders, as well as exercise new powers to block bail when someone is scheduled to be removed within 14 days.

T6. [902933] Paula Sherriff (Dewsbury) (Lab): The Home Secretary will know of the vital work undertaken by the British Transport police to keep the public safe and support policing in her Department. In written answers today, however, Ministers have refused to rule out reducing the number of front-line officers, following the spending review. Does she agree that no police cuts should mean no cuts to policing levels, and will she urge her colleagues in the Department for Transport to rule out such cuts?

Mike Penning: As Minister for Policing, Crime and Criminal Justice in the Home Office, I work closely with the Secretary of State for Transport who is responsible for the British Transport police. I am sure he will have heard the hon. Lady’s comments, and I will talk to him about them, but this is not a matter for the Home Office.

Henry Smith (Crawley) (Con): Last week, an officer in Crawley suffered an appalling hammer attack. I am pleased to say that he has now recovered. Will my right hon. Friend pay tribute to the professionalism of Sussex police, which now has the prime suspect in custody?

Mike Penning: Let me say what a fantastic job that officer does, along with other officers. I hope that a full recovery happens soon. Body-worn cameras are going to transform policing, particularly assaults on officers, as can be seen from the roll-out of the pilots. Evidence like that is putting away the sort of criminal people who assault our officers.

T8. [902935] Jo Cox (Batley and Spen) (Lab): The message from my constituents who make applications to UK Visas and Immigration is that there is a distinct lack of fairness in the current system. They have a strong sense that the deck is stacked against them, their families and their ability to exercise their legal rights. Will the Minister take steps to address that, not least by allowing staff to exercise discretion in their deliberations in the better interest of fairer decisions on visa applications?

James Brokenshire: I am certainly happy to look at any individual cases that the hon. Lady might wish to send to me. Clearly, there are processes in place to ensure that decisions are fairly made and in a speedy manner.

Byron Davies (Gower) (Con): Will my right hon. Friend update us on progress made under the Khartoum process, which aims to tackle the trafficking and smuggling of migrants between the horn of Africa and Europe?

James Brokenshire: An officials group meeting took place just before Christmas to give effect to the Khartoum process, and, as a consequence, various actions have been agreed to maintain the momentum.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Home Secretary said earlier that she had extended the vulnerable persons scheme to help those who were at risk of being trafficked. On that basis, will she ensure that it is extended further to help vulnerable children, who are at more risk of trafficking and exploitation than anyone else and who are alone and abandoned in Europe? Masud, whom she heard about earlier, suffocated to death in the back of a lorry.

Mrs May: I thank the right hon. Lady for her question, which gives me an opportunity to clarify what I said earlier. I apologise if the way in which I put it gave the wrong impression. I said that we had extended the criteria of vulnerability that the United Nations High Commissioner for Refugees was using to determine who should be resettled under our Syrian refugees resettlement scheme. However, we have also, separately, offered extra support to the French authorities in relation to the identification in the camps of those who have been trafficked.

T10. [902937] Kevin Hollinrake (Thirsk and Malton) (Con): Given that 1.5 million migrants entered the European Union in 2015 and a similar number will do so in 2016, will the Home Secretary confirm that all European leaders are aware of the impact on fellow EU nations and, in particular, on the United Kingdom, which is already experiencing unsustainable levels of migration?

James Brokenshire: My hon. Friend will be well aware that, in the renegotiation, the Prime Minister is highlighting migration as one of the key elements. There is a sense of the impact that migration has on populations, which is why it remains a key issue.

Mr Speaker: Last but not least, Simon Danczuk.

T9. [902936] Simon Danczuk (Rochdale) (Ind): The Minister wrote to me saying that 33,000 asylum seekers were spread across 95 local authority areas. If they were spread across 326 local authority areas, there would be 101 in each area. Why does Rochdale now have 1,071 asylum seekers?

James Brokenshire: We have maintained the dispersal arrangements that were agreed by the last Labour Government, and we continue to operate those arrangements with strategic migration partnerships to ensure that people are well settled in this country.

Several hon. Members rose—

Mr Speaker: Order. I am sorry to disappoint remaining colleagues, but pressure was very intense today. Demand usually exceeds supply.
Prisons and Secure Training Centres: Safety

3.37 pm

Andy Slaughter (Hammersmith) (Lab) / Urgent Question: To ask the Secretary of State if he will make a statement on safety in prisons and secure training centres.

The Lord Chancellor and Secretary of State for Justice (Michael Gove): The safety and welfare of all those in custody is vital, so we take seriously all reports of the mistreatment of those in our care.

On 8 January, the BBC and other media outlets reported allegations of verbal and physical abuse directed towards young people detained at Medway secure training centre, an establishment managed by G4S. The allegations arise from an undercover investigation for a “Panorama” programme which will be broadcast this evening. It must be stressed that investigative reporting is vital to keeping government honest, and I am grateful to the BBC for the work it has undertaken.

We must treat these allegations with the utmost seriousness. Kent police and the Medway child protection team are now investigating matters on the basis of information shared with them by the BBC, and the police will decide in due course whether criminal charges should be brought.

It would be inappropriate for me to comment further on the specific allegations while these investigations are under way, but I can assure the House that my Department and the Youth Justice Board—under the determined leadership of my right hon. and noble Friend Lord McNally—will do everything we can to assist the police and the local council. Our immediate priority has been to make sure that the young people in custody at Medway are safe, which is why Her Majesty’s inspectorate of prisons and Ofsted visited the secure training centre this morning. They are meeting representatives of G4S, Medway council and the Youth Justice Board to ensure that all necessary action is being taken to ensure the wellbeing of young people at the centre. Inspectors will speak directly to the young people detained at Medway to satisfy themselves that everything is being done to ensure that people are safe. I will also be meeting G4S this week to discuss the allegations and to review its response.

I am under no illusions about the fact that our system of youth justice needs reform. Although youth offending is down, recidivism rates are high, and the care and supervision of young offenders in custody is not good enough. That is why I asked Charlie Taylor, the former chief executive of the National College for Teaching and Leadership, to conduct a review of youth justice. He will report back later this year with recommendations on how to improve the treatment of young people in our care. But it is not just youth justice that needs reform. We need to bring change to our whole prison estate. There is much more to do to ensure that our prisons are places of decency, hope and rehabilitation.

Violence in prisons has increased in recent years. The nature of offenders currently in custody and the widespread availability of new psychoactive substances have both contributed to making prisons less safe. There is no single, simple solution to the problems we face, but we are determined to make progress. We are trialling the use of body-worn cameras and training sniffer dogs to detect new psychoactive substances. We have made it an offence to smuggle so-called legal highs into prison, but ultimately the only way to reduce violence in our prisons is to give governors and all those who work in prisons the tools necessary more effectively to reform and rehabilitate offenders. That is the Government’s mission and one I am determined to see through.

Andy Slaughter: Thank you, Mr Speaker, for granting this urgent question on a most serious and troubling topic involving the mistreatment of children in custody. I am sure the Secretary of State and the whole Government take their responsibilities seriously, not least their duty of care under the Children Act 2004. I am grateful for the steps that have already been taken, which the Secretary of State mentioned, but perhaps he could have met G4S sooner, as I am sure the Government have had some notice. Perhaps he will tell us when he first had notice of these allegations.

As the Secretary of State said, these are serious allegations involving seven members of staff at Medway secure training centre. I also put on record my thanks to the BBC “Panorama” programme for bringing these matters to light.

The allegations involve matters such as slapping a teenager several times in the head; using restraint techniques; squeezing a teenager’s windpipe so as to cause problems in breathing; boasting of mistreating young people, including using a fork to stab one in the leg; equally seriously, the concealing of behaviour by deliberately doing it outside the sight of CCTV cameras; and covering up violent incidents to avoid investigation and the possibility of sanctions against G4S.

Deborah Coles, director of the charity INQUEST, has said that in any other setting the treatment “would be child abuse” and that “this points to a lack of accountability and culture of impunity.”

Adding to the seriousness of this situation, it is clear that these allegations have come to light only following the investigative journalism the Secretary of State mentioned, rather than following any monitoring or oversight from the Youth Justice Board or Ministry of Justice. Perhaps he would say what the Youth Justice Board monitors have been doing, as they are supposed to be an essential protection in these circumstances.

Will the Secretary of State confirm that a full independent investigation of the circumstances of the abuse will take place and that this will not be swept under the carpet or blamed on a few rogue officers? Any culpability or negligence by G4S management must be exposed. We must also be told whether the Ministry of Justice knew about the alleged abuse before the story was broken by journalists. If it didn’t know, why didn’t it know?

Sadly, this is only the latest in a long line of failures and mismanagement from G4S. In addition to inspection reports at Oakwood prison and the removal of the contract for Rainsbrook STC last September, there have been investigations into a number of deaths in custody or detention, including those of Gareth Myatt and Jimmy Mubenga. There was a debate in the House last week on the appalling healthcare at G4S-run Yarl’s Wood immigration detention centre. The Secretary of
State may wish to confirm that the Serious Fraud Office is still investigating G4S over fraud in the prisoners tagging contract.

Given the concerns raised over many years and in many areas about G4S, we urge the MOJ to review all its contracts with that company to see whether it is fit and proper to manage major public contracts. In the meantime it is our belief that G4S should not be considered for bidding for other Government contracts. Can the Secretary of State give me those assurances today?

There are serious questions—I think the Secretary of State acknowledged this—that go beyond G4S. We have to see this in the wider context of a rise in violence in prisons. Figures show that 186 prisoners took their own lives over the 23-month period to September 2015, which means that, over the last two years, on average, a prisoner has taken their own life every four days. Last Friday, the outgoing chief inspector of prisons told “Newsnight” that there were more murders and suicides than there had been in 10 years. We need a cultural shift across the entire secure estate.

To begin that process, we ask that today the Government take immediate action to put all G4S-run prisons, STCs and detention centres into special measures to assess the safety and competence of their operation. The Secretary of State has powers under the Criminal Justice and Public Order Act 1994 to intervene in contracted-out STCs. We urge him to do so and to put in management teams alongside existing staff, particularly those with experience of working with vulnerable children. It is clear that the measures currently in place are not working. It remains for the Secretary of State, who has said that he wishes to reform our prisons, to take action now.

Michael Gove: I am grateful to the hon. Gentleman for raising these questions in a serious and sombre way. He is absolutely right to say that the allegations involve children and that we have a duty of care towards them. We must ensure that those who are in our care are treated appropriately and responsibly. “Panorama” informed the local authority on 30 December and appropriate steps were taken by the local authority to ensure that an investigation could be initiated. Of course, Kent police were also informed at the same time, and because a police investigation is necessarily taking place, we have to respect due process.

The hon. Gentleman is absolutely right to say that the allegations that he has listed are very serious, but they are allegations, and it is important that we give G4S and those involved the appropriate time and space to respond in a way that is congruent with the seriousness of the allegations. It is because I take the allegations seriously that I do not want to rush to judgment or do anything that could be used to enable those who might be guilty of serious offences to wriggle off the hook.

I had the opportunity to meet the editor of “Panorama”, as well as the programme’s producer and the director who was responsible for this investigation, on the eve of the publication of the allegations in The Times and elsewhere on 8 January. It was as a result of that conversation that I had discussions with members of the Youth Justice Board and that we took the steps that I outlined earlier in my statement. It was also as result of that conversation that the roles of the YJB monitor and of Barnardo’s, which also visits the establishment, were enhanced to ensure that the safety of the children at that centre could be guaranteed to the best of our ability.

The hon. Gentleman is absolutely right to say that G4S has, in a number of other ways, at times in the past, let the Ministry of Justice and those in our care down. It is also important to stress, however, that there are other institutions run by G4S that continue to do a good job, and it would be quite wrong to make a blanket allegation against the organisation of the kind that I know the hon. Gentleman did not make but that others might be tempted to.

The hon. Gentleman was also right to make reference to the remarks of the outgoing chief inspector, Nick Hardwick. I thank Nick Hardwick for the superb work he has done. His candour and honesty in that role serve only to underline the scale of what we have to do to ensure that children and young people in custody and everyone else in prison are in a safe and decent environment, and nothing will stop us making sure that safety and decency are at the forefront of the changes that we bring to our prison and secure training centre estate.

Robert Neill (Bromley and Chislehurst) (Con): The Secretary of State will know that the Justice Committee is investigating the treatment of young people within the estate, and all those who are looking into this issue will welcome his measured approach. Does he agree that the Taylor review should not only deal with the present issue but have no constraints placed on either the areas it looks at or its opportunity to consider the learning that is now available on the questions of maturity and of the appropriateness of having very young people in the same establishments as hardened and much older people? Will he also tell us when Charlie Taylor is likely to be able to deliver his report?

Michael Gove: I am grateful to my hon. Friend for those questions. I have stressed to Charlie Taylor that he should consider there to be no limits on his review. I know that my hon. Friend’s points will be well taken by Charlie, and I hope that we will see the fruits of his report in two to three months’ time.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Like all hon. Members, we on these Benches were alarmed to see the reports emerging over the weekend about the Medway secure training centre, so we congratulate the hon. Member for Hammersmith (Andy Slaughter) on raising the issue today and the Secretary of State on his response. Three questions arise. First, will any review of procedures and practices at training centres include not only Medway and not only contracts involving G4S but similar centres including those run by Serco? Secondly, what improvements can be made to the system of inspection to prevent similar incidents from arising in future? Finally, are any procedures—even something as simple as providing a telephone number—available to the children in those centres to allow such behaviour to be drawn to the attention of outside authorities without having to rely on undercover journalists?

Michael Gove: I thank the hon. Gentleman for his questions. He is absolutely right: although there is understandable focus and attention on G4S, not least because of some of the mistakes the company has made in the past, what should concern us is the safety of...
Michael Gove: Knowing the right hon. Gentleman's experience, I take his request very seriously and I will come back to him on that.

Mark Pawsey (Rugby) (Con): A number of my constituents are employed at Rainsbrook STC, near Rugby, where the YJB has taken decisive action by transferring the contract from G4S to MTCnovo—that will take effect in May. For the benefit of my constituents, will the Secretary of State confirm that that transfer is proceeding satisfactorily? For the benefit of the House, will he confirm that the change will prevent the kind of distressing allegations that we have heard today?

Michael Gove: The transfer from G4S to MTCnovo should reinforce some of the changes that are already taking place, which ensure that children and young people are better looked after. I had the opportunity to visit Rainsbrook, where I saw that staff were taking very seriously some of the unhappy practices that had been reported in the past and were determined to improve the care of young people.

Mr David Winnick (Walsall North) (Lab): Despite what the Minister said earlier, why should organisations with such a dubious record, to say the least, be given such responsibility, as we all agree that the safety of children is of the utmost importance? Why should such work be outsourced in the first place?

Michael Gove: There are two related points. First, there are institutions that are run by G4S, which are the responsibility of the Ministry of Justice, that are well run, that have been inspected and that every respectable observer believes are run in the interests of the inmates in a way that ensures that inmates do have a chance to turn their lives around. More broadly, it is fair to say that, within the secure estate overall, there needs to be a balance between the innovation that can be brought by outside organisations, and the rigour that proper inspection and proper monitoring can guarantee. That balance is always a difficult one to strike.

Iain Stewart (Milton Keynes South) (Con): Today, Ofsted and HM Inspectorate of Prisons have published a report into the G4S-managed Oakhill secure training centre in my constituency. They have awarded the centre a “good” rating and found that young people there feel safe and are being helped in their education. Will my right hon. Friend join me in thanking the staff for all their hard work in raising standards?

Michael Gove: I am very grateful to my hon. Friend for making that point. We should stress that the overwhelming majority of people who work with offenders—young and old—in secure training centres, young offender institutions and prisons are idealistic figures who do an exemplary job. We take very seriously the allegations that were listed by the hon. Member for Hammersmith (Andy Slaughter) precisely because the majority of staff, such as those mentioned by my hon. Friend, do this work because they want to improve the lives of those with whom they work.

Jenny Chapman (Darlington) (Lab): In the light of what we have found out from the BBC, will the Secretary of State look again at the Harris report into deaths in
custody, because the original response from the Government was lamentable? Will he look again at the 30 or more recommendations that were rejected, as some of them could be implemented tomorrow and would save an awful lot of the problems that he is now having to confront?

**Michael Gove:** I am grateful to Lord Harris for his report, and we accepted more than half of his recommendations. I know that he will appear before the Justice Committee tomorrow, and there will be an opportunity for him to reflect on where we might have gone further. I will look with care and attention at the evidence he gives.

**Mr David Nuttall (Bury North) (Con):** Given that offenders have access to a private phone line, weekly meetings with their social workers, and regular visits from Barnardo’s and NHS nurses, and that all the staff are approved by the Youth Justice Board, does my right hon. Friend agree that, on the face of it, it looks as though there is little more that can be done?

**Michael Gove:** I am grateful to my hon. Friend for stressing the range of services that exist to help ensure that young people are kept safe. When an allegation or a series of allegations such as those in the “Panorama” report are made we must of course take them seriously. It is also important to stress that the Youth Justice Board, the Ministry of Justice and others have continually striven over the years to try to ensure that young people are kept safe in custody. Of course we can never do enough, but he is quite right that there have already been interventions that have been designed to ensure that young people are safe.

**Mr Alistair Carmichael (Orkney and Shetland) (LD):** I am sure that we will all watch “Panorama” with great interest, but, whatever we see, we have all known for years that there were problems with these institutions. That is why we have the recidivism rates to which the Justice Secretary referred. We must not be allowed to scapegoat the staff. They do an exceptionally difficult job, very often picking up the failures of other parts of the public services—the education system, the care system and the social work system. When he comes to give the remit to the inquiry that he has announced today, will he make sure that the work of all those different parts of the public services and others interacts with these young people before they end up in detention and is given proper scrutiny as well?

**Michael Gove:** That was a typically thoughtful intervention from the right hon. Gentleman. He is absolutely right. Ideally, we should prevent young people from getting into custody in the first place. Obviously, there are some people for whom custody is an appropriate response, but we should seek to intervene much earlier in the lives of these young people—whether that is through ensuring that they have appropriate education, that there is intervention from social workers in their family circumstances or that the criminal justice system is much more thoughtful in the way in which it treats them.

**Mr Philip Hollobone (Kettering) (Con):** I congratulate both the Opposition Front Bench team on raising this urgent question and the Secretary of State on his response to it. Following on from that very thoughtful question, does he think that, given the high recidivism rates among young people in institutions—even well-run institutions—the whole system is not fit for purpose? Will he ensure that his review is as thoroughly wide ranging as it can be, and will he give a date to this House on when it will report?

**Michael Gove:** Again, I completely agree with my hon. Friend. There are a range of aspects of the way in which youth justice operates that need reform and to change. I will write to him and share with the House a date by which we can expect Charlie Taylor’s report, in order to satisfy the desire which I know is felt across the House for as much urgency as possible in dealing with this problem.

**Keith Vaz (Leicester East) (Lab):**

**Mr Speaker:** Ah! I call Mr Nigel Keith Anthony Standish Vaz.

**Keith Vaz:** Thank you, Mr Speaker, for reminding me of my names.

I welcome all the steps that have been taken by the Minister. He has acted swiftly to deal with a serious set of issues. When he meets the chief executive of G4S this week, can he ensure that a Home Office Minister is also present? G4S has a number of contracts with the Home Office relating to the removal centres. That would help enormously in dealing with this issue.

**Michael Gove:** That is a helpful suggestion. There is a joint Minister for the Home Office and the Ministry of Justice, my right hon. Friend the Minister for Policing, Crime and Criminal Justice. We will do everything possible to ensure that there is as much sharing of information and as much agreement as possible about a way forward with our colleagues in the Home Office.

**Ben Howlett (Bath) (Con):** As my right hon. Friend will be aware, one of the communities that suffers daily persecution in prisons is the trans community. As the Women and Equalities Committee is about to publish its trans inquiry report later this month, will he confirm that young trans people will be included in the review of youth justice?

**Michael Gove:** Absolutely.

**Fiona Mactaggart (Slough) (Lab):** Given that there are currently record numbers of assaults in prisons, that a third of the deaths in prisons are self-inflicted, and that this year has seen a bigger increase than any other year in violence in our prisons, what is the Minister doing to make young people who are in prison because they have been offenders safe while they are there, in our care?

**Michael Gove:** Neither I, the Youth Justice Board nor the Ministry are in denial about the scale of the problem that we face. One reason why we initiated this review, which started in September, was that we realised that there was much that needed to be done to improve the care and welfare of young people in custody and those who come into contact with the criminal justice system. One reason why I have responded as I have done today...
is that I am determined to ensure that Charlie Taylor has all the support he needs to make radical suggestions, if necessary, to transform the opportunities available to those young people. But as has been pointed out by the right hon. Member for Orkney and Shetland (Mr Carmichael) and my hon. Friend the Member for Kettering (Mr Hollobone), there are so many different parts in the criminal justice system that relate to the fate of young people and for which this Government are responsible, from social work through education to the secure estate, that we need to be clear that when we come forward with proposals, they are coherent and meet the need of the hour.

Lucy Frazer (South East Cambridgeshire) (Con): Locking up young offenders has consequences of all kinds. Do events such as the one in question further persuade the Secretary of State that there is merit in monitoring low-level drug and alcohol offenders, rather than in sending them to prison?

Michael Gove: My hon. and learned Friend has a detailed knowledge of the criminal justice system. It is appropriate and important that the option of custody is always available. There will be some young offenders for whom a custodial sentence is appropriate, but it is also right, in particular where we can keep people out of custody and deal with drug, alcohol or substance abuse or mental health problems, that we make sure that there is an appropriate intervention that keeps them out of the sometimes tough and brutal environment of prison, but only if we can be certain that the intervention is getting their life back on track.

Andrew Gwynne (Denton and Reddish) (Lab): Given the severity of the allegations being made and the seriousness with which we should take the safeguarding issues presented to us, can the Secretary of State inform the House whether the officers concerned at the detention centres are being replaced by temporary personnel while the investigations into safeguarding take place?

Michael Gove: Seven individuals have been suspended. It is my understanding that staffing is at an appropriate level, but during my conversation with the chief executive of the Youth Justice Board I will seek to satisfy myself that we have exactly the level of both staffing and monitoring that we need to keep people safe.

David Rutley (Macclesfield) (Con): I am pleased that my right hon. Friend referred to body-worn cameras, which are proving to be a vital tool in tackling crime on our streets. Does he agree that they have an important role to play not only in our prisons, but in secure training centres?

Michael Gove: Absolutely. I was fortunate to be here when the Policing Minister pointed out the important way in which body-worn cameras can help in crime detection and in keeping officers safe. The same applies in the secure estate.

Carolyn Harris (Swansea East) (Lab): In 2012 G4S failed to provide security for the London Olympics and the Army had to save the day. It has had to repay £110 million for overcharging for security tags, and £4.5 million for overcharging for facilities management at UK courts. Surely its luck is up and it cannot be offered any more Government contracts.

Michael Gove: The hon. Lady is absolutely right to draw attention to those past failures by G4S, but I would stress that there are prisons and other facilities run by G4S that do meet a high and exacting standard. Although it is understandable that criticism of G4S will be heard again in the light of these allegations, and that it will become more intense if the allegations are sustained, it is nevertheless important that we take a step back and recognise that it is also the nature of our youth justice system that needs to change.

Jeremy Lefroy (Stafford) (Con): On Friday I attended the packed and moving funeral of the son of one of my constituents. His death in custody is currently under investigation. Will my right hon. Friend join me and my constituent in campaigning together for our young people, and indeed all people, in prison to be better looked after?

Michael Gove: I know just how closely my hon. Friend has taken this case to heart. Both the conversations he has had with me and the correspondence he has had with the Department are testament to the fact that he has been moved by the case and is determined to see reform as a result. I can only say that I will do everything I can to ensure that families do not have to live with the tragedy with which the family he so ably represents have had to live.

Diana Johnson (Kingston upon Hull North) (Lab): Does the Justice Secretary think that it is time for a review of the vetting and barring scheme that the Government introduced in the previous Parliament, to see whether it is actually providing the most suitable people to work with young people?

Michael Gove: I know that the hon. Lady has a number of concerns about changes to the vetting and barring scheme. If she has specific concerns about how it might have failed in that area, I would be interested to hear them. More broadly, I absolutely take her point, and it will be the subject of the conversations I have with the Youth Justice Board and others.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State will know that I admire his passion for reform in the Prison Service, particularly in youth justice. Having been a shadow Prisons Minister many years ago, and having faced exactly the same challenges in youth offending and how we look after young people, I find the situation today depressing. Does it not often come back to the absolutely essential principle that we need those children to be looked after and supervised by highly qualified, well-paid, well-trained and well-supervised people? Have this Government not become far too dependent on half a dozen companies that do not have the greatest track record when it comes to recruiting and training those sorts of people?

Michael Gove: The hon. Gentleman knows that I have the greatest respect for his passion on these issues. I think that he hits a number of nails squarely on the
head. I do not want to pre-empt the results of Charlie Taylor’s review, but I think that it is important that we review the qualifications and professionalism of those who work in youth justice. One thing that I should say, however, is that it is appropriate for me to thank the chairman of the Youth Justice Board, Lord McNally, for the work he has been doing. It is on his watch that the number of young people in custody has diminished and youth offending has fallen. Even as we recognise that there is progress to be made, it is important that we also thank those who have worked in this area in the past few years.

Mr Speaker: We can all be assured that the noble Lord has heard that message in real time.

Marie Rimmer (St Helens South and Whiston) (Lab): I welcome the Secretary of State’s words today, and I think that most of us would agree that it is absolutely essential that we have reform, particularly in youth justice. Will he consider introducing the duty of candour in the prisons estate, particularly in young offender institutions, because young offenders are extremely vulnerable? The duty of candour was introduced in the national health service only last April. I think that it would be worth while looking at that, because of the need to safeguard young people in custody—sadly, there will always be a need for that. It is absolutely essential that we have that duty, so will he please give it consideration?

Michael Gove: I will ask Charlie Taylor to reflect on the hon. Lady’s thoughtful recommendation.

Sarah Champion (Rotherham) (Lab): I served on the Committee on the Bill that became the Criminal Justice and Courts Act 2015, where we argued against the inclusion of the use of restraints to preserve good order and discipline for youth offending, and said that instead force should be used only where there is a danger to staff or the child. Unfortunately, the Minister in Committee ignored this, even though the UN Committee Against Torture had said of the UK:

“The Committee is concerned that the State party is still using techniques of restraint that aim to inflict deliberate pain on children in Young Offender Institutions”.

Does the Secretary of State now regret this decision, and will he amend the legislation accordingly?

Michael Gove: The principles behind MMPR—minimising and managing physical restraint—are designed to ensure, exactly as the hon. Lady would hope, that physical restraint is used only when there is a danger to other prisoners or to the individual themselves, but of course there will be occasions when physical restraint is used inappropriately, and in those circumstances disciplinary or other action may need to be taken.

Syria: Madaya

Mr Speaker: Before we start exchanges on the urgent question to the Secretary of State for International Development, I wish to record my thanks to the Secretary of State, who is here to answer the question. I am sure that the Minister of State, the right hon. Member for New Forest West (Mr Swayne), would have done a most admirable job in her stead, but it is much appreciated that she has come here. I want also to record my thanks to the Chair of the International Development Committee, which was scheduled to be hearing from the Secretary of State now but has courteously volunteered to postpone its sitting until half-past 5 in order that she, and the Minister, can be here in the Chamber. That is a very good sign of respect for the Chamber and for the importance of the subject, as well as for the questioner, and I am most grateful for it.

4.11 pm

Jo Cox (Batley and Spen) (Lab) (Urgent Question): To ask the Secretary of State to make a statement on the current situation in Madaya and other besieged communities in Syria.

The Secretary of State for International Development (Justine Greening): Thank you for your kind words, Mr Speaker, which are appreciated. I am very grateful to you, and to the hon. Member for Batley and Spen (Jo Cox), for the chance to discuss this important matter here in the House today.

No one who has seen the pictures coming out of Madaya over recent days can say this this atrocious situation is anything other than utterly appalling. The situation is deliberate and man-made. The Assad regime has besieged the town since July, causing horrific suffering and starvation. I should remind the House that the UK has been at the forefront of global efforts to help ensure, from day one, that people suffering inside Syria have been helped over the past four years.

I would like to update the House specifically on what is happening now. The House will be aware that there are reports that a humanitarian convoy is delivering enough food to all those in Madaya for the next month. In fact, the aid on this convoy is UK funded. We have allocated about £560 million to help people inside Syria. That is partly delivered out of Damascus, which is about 40 km from Madaya, with the consent of the regime, as well as across borders from neighbouring countries, without regime consent. This sits alongside all the work that we are doing to help Syrian refugees across the region and outside Syria. Our overall response of just over £1.1 billion for Syria and the region is our largest ever response to a single humanitarian crisis, and it makes us the second largest donor after the US.

We have lobbied hard for UN Security Council resolutions 2165 and 2191, which has now been superseded by resolution 2258, enabling the UN to deliver aid across borders without the consent of the regime. That is absolutely pivotal for us in order to be able to get to the people we need to get to. We have to remember—that is a very important point for the House—that the people of Madaya are not alone in facing these horrors. In fact, they represent just 10% of those people in besieged areas and just 1% of those living in so-called besieged areas and just 1% of those living in so-called besieged areas and just 1% of those living in so-called,...
hard-to-reach areas in Syria. About 400,000 people now live in besieged areas like Madaya, and about 4.5 million in total live in hard-to-reach areas across Syria.

Across Syria, Assad and other parties to the conflict are wilfully impeding humanitarian access on a day-by-day basis. It is an outrageous, unacceptable and illegal mechanism to use starvation as a weapon of war. The most effective way to get food to people who are starving and to stop these needless and horrific deaths is for Assad and all parties to the conflict to adhere to international humanitarian law, so right now I call on the Assad regime and all parties to the conflict to allow immediate and unfettered access to all areas of Syria, not just Madaya.

We will not stop in our fight, whether it be through hard work on a political solution that will deal with the root cause of the problem or through our humanitarian efforts, which provide immediate, life-saving relief. This shocking situation underlines the vital work of aid agencies and shows how important it is that they can have the assurance of knowing that they have the resources to keep going. It also underlines the importance of next month’s Syria conference in London, which we will co-host. I look forward to further questions from Members.

Jo Cox: I thank the Secretary of State for her response. I am sure she will agree with the following quote:

“In order to break the siege, you need to first break the silence surrounding it.”

Those words were spoken by an individual in Yarmouk—a camp in Syria’s capital, Damascus—which was besieged for two years by the Syrian Government, causing a reported 200 people to die of hunger. It should not have taken an international outcry on this scale to agree what is a nominal agreement on access to just one small community of 40,000 people out of up to a potential 1 million currently living under siege in Syria.

As we know all too well, it is the Assad regime that is primarily responsible for the policy of sustained, systematic starvation of the population of Syria. Of the areas under siege, 52 are under Assad control, two under rebel control and one under ISIS, so let us be clear: he is responsible for 99% of those areas under siege.

I would be honoured if the Secretary of State could reply to a few questions. First, UN Security Resolution 2165 states that

“United Nations humanitarian agencies and their implementing partners are authorized to use routes across conflict lines”.

Does she agree that, to date, the UN has not pushed the envelope and used that clear authorisation to break the siege not just in Madaya, but country-wide?

Secondly, will the Secretary of State demand answers from the UN on why it is still waiting for permission from Assad when resolution after resolution states that that is not necessary? It has the authority and the mandate to go in right now. Thirdly, will the Secretary of State ask the head of the Office for the Co-ordination of Humanitarian Affairs why certain besieged areas are not yet classified as such? For example, why is even Madaya not classified as besieged in the latest OCHA report to the Security Council?

Fourthly, does the Secretary of State agree with me, Médecins sans Frontières and other aid agencies that one-shot distribution to Madaya and other places will not alleviate the problem in the months to come or deal with the wider issue country-wide? Sustained and ongoing access is needed. What measures will the Government take from today to make sure that that pressure is maintained?

Fifthly, does the Secretary of State agree that, as the second largest donor, we have a critical role to play in making sure not just that next month’s donor conference is successful in raising the significant amount of money needed, but that that aid actually reaches Syrian children? We play a welcome role as the second biggest donor to the country, and it is critical to get access.

Finally, does the Secretary of State agree that, if the UN fails to negotiate and agree sustained, ongoing access to those populations under siege, we should start contingency planning for RAF food drops? It has worked before—we have seen it happen. I was an aid worker for more than a decade and I have seen the difference that airdrops can make. Will she investigate whether that is a viable option at this time?

Justine Greening: I thank the hon. Lady for her questions. I underline that all parties to the conflict, including Assad, are besieging various parts of the country, so I condemn all of them.

The hon. Lady mentioned OCHA, which is the UN relief organisation that co-ordinates the overall response of UN agencies on the ground in such situations. I spoke to Stephen O’Brien earlier today to go through the latest UN assessment of the situation on the ground. At that stage, the aid convoy had reached the town lines, as it were, but had not passed the border of the town. There are some reports that the aid convoy has now gone into the town.

As much as anything else, the challenge on the ground is to have a viable UN operation that can be carried out safely. In fact, 42 UN aid workers and people delivering aid on its behalf have already lost their lives in the Syria effort, and 40-plus aid workers and UN workers have lost their lives delivering humanitarian aid in Yemen since mid-December. The reality is that we need some sort of agreement on the ground, because if we do not, it will simply be unsafe to deliver aid. Indeed, if there is no agreement with warring parties on the ground—incidentally, such an agreement is part of international guidelines in this area—there is a real danger that the aid will end up in the hands of the very people who are causing the misery in the first place.

I assure the hon. Lady that everyone working on the crisis—I have been involved with it for some time—has no thought in mind other than to get aid to all the people who are desperately in need. That is why we condemn utterly the fact that international humanitarian law is routinely being broken. We often have challenges in reworking aid access when territory switches from one military group to another, and we have to work through such difficulties on the ground every day. It is important to take safety into account, because if we do not, there is a real danger that any system to deliver aid within Syria and similar countries will break down entirely.

I can assure the hon. Lady that there are such discussions. I have regularly and routinely pushed UN agencies on their need to remain impartial, but not to get into
unnecessary and inappropriate negotiations, if I may call them that, with the regime. They should not have to make choices about where they deliver aid; aid should go to where it is needed. I and the UK Government, through me or through officials, reiterate that point virtually daily. The UN system agrees with that, but we also need to make sure that UN workers are safe.

The issue of how to protect people caught up in this crisis will be at the heart of the forthcoming conference. That will sit alongside two other strands: one is to have a pledging conference to make sure that UN agencies and non-governmental organisations can get the significant resourcing they need to deliver aid on the ground; and the second is about education and the kind of jobs needed for the people caught up in the crisis, so that remaining close to home in the region is a viable option for them.

The hon. Lady highlighted the children caught up in this crisis. If there is a face of this crisis, it is one of a child. If we look at the people who are left in Madaya, we can see that they are predominantly women and children, which is why the situation unfolding there is so dreadful. As she pointed out, that situation is one of many in Syria right now that, all too often, are happening away from the cameras.

The hon. Lady was right to raise the issue of ongoing access. Frankly, the transparency of the media reporting about Madaya and the profile that the town has received have helped to ensure that the regime felt it needed to provide access. I condemn the fact that it takes the BBC, Reuters and other news agencies to have to report what is going on there for the regime to respond. Such an approach is outrageous, unacceptable and illegal.

There are many things in this world—including at the UN Security Council, which I had the privilege of chairing in November—on which we cannot agree. Finding a long-term peaceful resolution to the Syria crisis will obviously be complex and require significant diplomatic effort, but one thing on which we should be able to agree is the need for adherence to international humanitarian law. I assure the House that I will continue to press for that right through this crisis until we find a peaceful resolution in Syria.

Sir Nicholas Soames (Mid Sussex) (Con): May I say to my right hon. Friend how glad I am that our country is the second biggest donor to Syria and that Britain has sponsored the aid convoy to Madaya? Does she agree that the appalling and unspeakably cruel acts that have been visited on mainly women and children in Madaya and elsewhere amount to a fundamental breach, even in such a barbaric conflict, of all the laws of war, and are thus war crimes? Does she agree that those responsible will be brought to justice, and that the British Government will see to it?

Justine Greening: This is a clear breach of humanitarian law. We cannot see those who perpetrate these sorts of crimes and illegalities go unpunished. The system relies on there being no impunity for people who are involved in perpetrating such atrocities.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): Part of the unfolding horror of the Syrian civil war has been the tactic of siege and counter-siege. The Secretary of State will be aware that only 10% of the UN’s requests to deliver aid to people in besieged and hard-to-reach areas were granted, yet that is where 4.5 million Syrians live. The Opposition absolutely support her call for Syria and other combatants to offer humanitarian access and to stop flouting international law. Does she agree with me that while in the short term we have to get aid to these communities and we have to get Syria and other combatants to stop flouting international law, in the medium term there has to be a political solution and an end to the horrific civil war in Syria, and that must involve not just the west and the UN, but the key regional players on the ground?

Justine Greening: I do agree with that. If this situation shows us anything, it is that Assad can have no place in Syria’s future. How can people living in besieged areas such as Madaya ever realistically be asked to live under the leadership of a man who is willing literally to starve them to death? The only way in which we will tackle this situation is through tackling the root cause of the conflict. That will require a regionally owned response in the end. Of course, it requires other countries, such as Russia, to be around the table. I want to hear condemnation of these breaches of international humanitarian law from all those people who have stood alongside the Assad regime. They need to play their role in helping us to get aid through to the people who need it.

Jason McCartney (Colne Valley) (Con): I congratulate the hon. Member for Batley and Spen (Jo Cox), my near neighbour in west Yorkshire, on securing the question. The horrors of Syria transcend party politics. I am proud that the United Kingdom is taking the lead in delivering humanitarian relief in Syria. I visited Domiz refugee camp on the Syria-Iraq border. Will the Secretary of State continue to rule absolutely nothing out in helping civilians in Syria, even if it means looking seriously at Royal Air Force aid drops?

Justine Greening: We do not rule anything out. The key thing that we always consider is what is the most effective way to get to the people in need. The challenge when using military assets, particularly in the context of the airdrops that are being discussed, relates, as much as anything else, to the practicalities of dropping food and water from what would need to be very great heights to do it safely, while targeting them at the people who actually need them, as opposed to risking them ending up in the wrong hands. Additionally, there is the need to make sure that there are the logistics on the ground to get that aid from wherever it arrives to the people who are most at risk of death and starvation.

Right now, what will hopefully be happening, not just in Madaya but in two other besieged communities quite close by, is not only that food has got into the town, but that it will be directed to those—particularly children—who are most acutely malnourished. As the House will start to see, this is not just about how we get food and supplies into a community and area; it is about ensuring that we have people on the ground to distribute that aid fairly.

Patrick Grady (Glasgow North) (SNP): People in Scotland and across the country have been horrified by the images and stories coming from Madaya, and we condemn the use of starvation as a weapon of war. People are calling for airdrops. We were told about the logistical capabilities of the RAF and the precision with
which it could hit military targets, so why cannot those logistical skills and precision be applied to the dropping of food? Does the Government aid that the right hon. Lady mentioned come from the £1 billion of aid announced by the Prime Minister, or is it from previously committed funds? If we are to rely on land convoys, how can we at the London conference—and, indeed, beforehand—ensure preparation so that as soon as access to those sites is assured, land convoys can be mobilised as quickly as possible?

**Justine Greening:** I mentioned some of the challenges of using different routes, other than those on the ground—as I said, Damascus is literally 40 km from the town of Madaya. The issue is not about whether there is sustenance and humanitarian supplies in the area—it is there—but about ensuring that we get it from the centre of Damascus to those people who are starving. That is why this situation is so utterly atrocious and should be condemned. Food is within the proximity of the people who need it, and it is being prevented from getting there routinely. UN agencies made seven requests last year to get into Madaya, and only one was permitted by the regime.

The money I mentioned is part of how we fund aid convoys such as the one seen today. We fund UN agencies such as the World Food Programme, and the Syrian Arab Red Cross is also part of the convoy that has been organised. We work with the International Committee of the Red Cross on its operations, and the Syria conference in London in February is important because it will give us a chance to discuss some of these important issues and press for better adherence to international humanitarian law. It will also mean that we can replenish the kind of funding that those organisations need to keep going.

**Antoinette Sandbach (Edglosbury) (Con):** I welcome the Secretary of State’s condemnation of those who are refusing to let the convoys through. What action is her Department taking to ensure that there is proper documentation, so that the International Criminal Court can step in and send a clear signal that those who breach international law in this way will be prosecuted?

**Justine Greening:** My hon. Friend raises an important point, and one challenge of these besieged areas is that it is hard to find out what is going on inside them. It is therefore hard for us to understand exactly what the humanitarian needs are. As she says, that makes following up these atrocities all the harder. However, whether for this kind of atrocity or for some of the sexual violence that we see in such conflicts, there is increasing recognition across the international community that such crimes should be tracked, monitored and logged. Those are precisely the discussions that we had with the UN and agencies on the ground, so that when we finally get some kind of peaceful resolution in Syria, these atrocities will not simply be swept under the carpet—they will be dealt with.

**Stephen Twigg (Liverpool, West Derby) (Lab/Co-op):** I congratulate my hon. Friend the Member for Batley and Spen (Jo Cox) on securing this urgent question, and I welcome the strength of the Secretary of State’s response and the fact that the UK is once again at the top of the queue in providing much-needed aid. I understand that today’s convoys contain food, which is urgent. Will she say what the position will be for medical supplies and medicines for those who are besieged, because that is also of great importance and will make a difference?

**Justine Greening:** It is not only food but nutritional supplements for children, and I understand that there may be some medical supplies as part of the convoy, too, which relates to the point made by the hon. Member for Batley and Spen (Jo Cox) about making sure we have ongoing access to these areas. That is why adherence to international law is so important. In the end, that is the only way we can guarantee reaching people—including the other 360,000 people who are not in Madaya—not just today but in the future.

**Stephen Phillips (Sleaford and North Hykeham) (Con):** The House will know—indeed, the hon. Member for Hackney North and Stoke Newington (Ms Abbott) pointed it out—that the UN Office for the Co-ordination of Humanitarian Affairs has said that only 10% of the requests made for the delivery of aid to the besieged areas were granted by the Assad regime last year. As my right hon. Friend has indicated, the Security Council has passed a resolution to authorise the delivery of aid without permission from the Assad regime. Is she confident that the resolution can be effected? What steps can be taken to ensure the convoys can get through, and that those who are in charge of operating them are sufficiently protected?

**Justine Greening:** The Security Council resolution and the discussion around it has been specific about which borders can be used as cross-border aid routes. This means there is accountability and that we can check to ensure those border routes remain open. The critical challenge is that even when convoys are able to leave Damascus and get across the border, will they always be able to get to the place they need to? The reality is that we want them to do that safely and reliably. We do not want to send aid not knowing whether it will get to the people who need it. Possibly the worst thing that could be to see scarce resources of UN agencies falling into the hands of the very people who are committing atrocities. We have a structure in place. The key is to make sure it is stuck to by all the warring parties concerned. In the end, the only thing that will really solve the Syria crisis is a political resolution. That is what we all must aim for. What we have seen in Madaya tells us why the sooner we reach a solution, the better.

**Fiona Mactaggart (Slough) (Lab):** We all know how many great voluntary aid organisations there are in the UK. One based in Slough that I particularly admire is Khalsa Aid, a Sikh-led organisation that provides aid to people—from the victims of flooding in the north of England to victims of situations like the one we are discussing. Ravi Singh, the founder and chief executive of Khalsa Aid, wrote to the Secretary of State for Defence some time ago requesting that the RAF agree to drop up to £50,000 of food aid that Khalsa Aid is sponsoring. He has yet to receive a reply. The Secretary of State for International Development has argued that RAF drops are not the most efficient way to deal with this, but I am absolutely certain that failing to respond to this kind of initiative is completely unacceptable and
makes it less likely that great organisations such as Khalsa Aid will want to step up. What is she going to do about it? Will she speak to her colleague the Secretary of State for Defence?

Justine Greening: The hon. Lady makes her point very well today in the Chamber. I will follow it up with the Ministry of Defence. Indeed, the Minister for the Armed Forces, my hon. Friend the Member for Portsmouth North (Penny Mordaunt), who is here today, has said to me that she will follow it up. I pay tribute to the many faith-based charities that are playing a key role in working on the ground with local communities in what is an incredibly challenging situation. We will follow up the points that the hon. Lady has set out.

Tom Tugendhat (Tonbridge and Malling) (Con): The Secretary of State will know very well that Madaya used to be a holiday resort for the denizens of Damascus. To see it today is heart-breaking. Will she talk a little about the help being offered by our friends and allies in the region to the communities that are so badly affected? I am thinking in particular of Lebanon, which is barely a few kilometres over the mountains from Madaya, and Jordan. Will she also say a little about the requests made for help from our Gulf allies and the support she has received from the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Bournemouth East (Mr Ellwood), the Minister with responsibility for the middle east, who is in his place? Unless we approach this in a more universal fashion, we will struggle to find a solution.

Justine Greening: We are supporting countries such as Lebanon and Jordan, which have been hugely generous in accepting millions of refugees—alongside Turkey, Egypt and Iraq, whose contributions have been perhaps less recognised—by helping refugees with food, shelter, medical support, counselling—in some cases—and, in Lebanon and Jordan, with education. Critically, we have also worked with host communities, many of which have seen their populations double in size. Members can imagine the strain that puts on public services, food prices and labour wages, for example.

On our broader efforts in the region with Gulf partners, it is worth saying that Kuwait has hosted the last three pledging conferences on Syria and is co-hosting the one in London next month. It has played a role in marshalling the overall efforts and humanitarian resources in the region. Needless to say, however, we all need to do more. This is a protracted, ongoing crisis, and not only does it require day-to-day lifesaving support of the nature discussed this afternoon; but we need to see children in school and young people with the ability to find work and support themselves. If we cannot deliver those basics, we should not be surprised if people leave the region to try to build their lives elsewhere.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): This weekend in the region to the communities that are so badly affected? I am thinking in particular of Lebanon, which is barely a few kilometres over the mountains from Madaya, and Jordan. Will she also say a little about the requests made for help from our Gulf allies and the support she has received from the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Bournemouth East (Mr Ellwood), the Minister with responsibility for the middle east, who is in his place? Unless we approach this in a more universal fashion, we will struggle to find a solution.

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On our broader efforts in the region with Gulf partners, it is worth saying that Kuwait has hosted the last three pledging conferences on Syria and is co-hosting the one in London next month. It has played a role in marshalling the overall efforts and humanitarian resources in the region. Needless to say, however, we all need to do more. This is a protracted, ongoing crisis, and not only does it require day-to-day lifesaving support of the nature discussed this afternoon; but we need to see children in school and young people with the ability to find work and support themselves. If we cannot deliver those basics, we should not be surprised if people leave the region to try to build their lives elsewhere.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): This weekend in The Daily Telegraph, a Mr David Blair made an unwarranted and ill-informed attack on the Royal Air Force, going as far as to suggest that the absence of airdrops was due to the RAF. Will the Secretary of State take this opportunity to pay tribute to our forces and make it clear that the absence of airdrops is due to political and practical problems and nothing to do with the capabilities of our forces?

Justine Greening: The hon. Lady has set out very clearly just how much work the RAF has done and the challenges of carrying out airdrops in this particular situation. DFID and the MOD have never had a closer working relationship in providing humanitarian support to those who most need it around the world. Whether in tackling Ebola, responding to Typhoon Haiyan in the Philippines or saving the lives of people on Mount Sinjar by dropping water, the MOD, and the RAF in particular, have played a critical role, and I have no doubt that they will continue to do so.

Jeremy Lefroy (Stafford) (Con): I thank the hon. Member for Batley and Spen (Jo Cox) for her urgent question and my right hon. Friend the Secretary of State for her answer and all the work she and her Department are doing 24/7. Will she make it a top priority to send food not just to Madaya but to wherever there is the opportunity to do so? Does this not show the importance of the UN system? Whatever its faults—there have been many—it is the only game in town, and the UK must support it in every way possible and encourage our friends, our allies and indeed the whole world community to do the same.

Justine Greening: I agree wholeheartedly. It shows that in such circumstances our main leverage is the existence of a rules-based international system. Human rights are universal. It is occasionally argued at the UN that sovereignty is more important than human rights, but human rights do not depend on where someone is; they are universal and apply to people wherever they are, including in Madaya.

Tom Brake (Carshalton and Wallington) (LD): Have the UK Government had discussions with Russia about stopping Assad dropping bombs on people in Madaya as soon as aid has been delivered, and about whether it would allow the RAF to drop food supplies in Madaya, the other two places the Secretary of State mentioned and elsewhere, if the aid trucks fail to get through?

Justine Greening: The Vienna process at last gives us a chance to get the right people around the table—the people who will need to reach some kind of an agreement if we are ever going to see peace in Syria. Russia clearly has a role to play in helping us to achieve a peaceful resolution to the Syrian crisis. The most important thing that Russia could do right now to help would be to ensure that the Assad regime, which it is propping up, complies with international humanitarian law. That, in the end, is what we need to see happen. Ultimately, no amount of RAF airdrops can make as big a difference, frankly, as getting the Assad regime to comply with international humanitarian law in Syria.

Mr Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Batley and Spen (Jo Cox) on asking the question and the Secretary of State on her detailed response to it. With our engagement in Afghanistan, this country has very recent experience of driving convoys through hostile territory. If we are to achieve what the Secretary of State wants to achieve—getting aid to where it is needed, not where we are given permission for it to go—there needs to be an element of force protection for the convoys, in terms of a certain degree of hardware and armoured capability within the
convoys, to demonstrate that the UN really does mean business. In that respect, may I ask the Secretary of State what negotiations are taking place with the Ministry of Defence and the United Nations to see how we might have a hard convoy of that sort? Following on from the thoughtful question posed by the right hon. Member for Carshalton and Wallington (Tom Brake), were there to be Russian vehicles in some of those convoys, that would seem to suggest an element of protection from the Syrian forces.

Justine Greening: I recognise the points my hon. Friend is making: the challenge in what he suggests is that the impartiality of UN agencies is the main reason they are able to get on with the kind of work they do. The reality is that it would be extremely difficult to get any kind of acceptance around the UN Security Council table of a particular military force supporting a particular convoy. There is a security aspect to what we look at in ensuring that the UN convoys can get to where they are going, but as we see with the loss of humanitarian workers on some of those convoys, it is an immensely dangerous role for any of them to play. We should pay tribute to the humanitarian workers who, in spite of those dangers, are out there right now, crossing lines into territories where they may lose their lives getting support to people who need it.

Brendan O’Hara (Argyll and Bute) (SNP): It is a terrible irony that, on the day that the UK Government announce the first use of Brimstone missiles—the ones we are told minimise civilian casualties—we are forced to watch children starve to death in Madaya. If the convoys do not get through, does the Minister agree that if we have the ability to drop bombs, then surely we have the ability to drop bread?

Justine Greening: I recognise the point the hon. Gentleman is making, but those operations are very different in nature. One of them can happen from literally thousands of feet up, but if we are going to get bread, water and medical supplies to the right people, that is an entirely different RAF operation, requiring aircraft to fly much, much lower, which is why it is so hard to do effectively. That is why, in the end, we have to get the system that is there to work. That is why we have international humanitarian law. We should not let up on this. We should make sure that the political system that is in place delivers for the people on the ground. As we are seeing, when pressure is brought to bear, that is what happens.

Mary Creagh (Wakefield) (Lab): The abhorrent use of siege as a weapon of war is a symptom of Assad’s war without law and a war without end in Syria. He has reduced his economy to a wartime economy, based on disappearances, looting, and arms and people smuggling. The London conference, which the Secretary of State is organising, is an important step in the plan for peace and the economic reconstruction of that country. I wrote to the Prime Minister before Christmas, and copied her in, asking how UK-based people from Syrian civil society could be involved in that conference, so that the voices from Madaya and all the other besieged towns and cities in Syria can be heard in the conference, rather than it just being a top-down process. I wonder whether she has had a chance to look at that.

Justine Greening: I did see the hon. Lady’s letter, for which I thank her. I can reassure her that civil society is a core part of the conference; we will make sure that those voices are very much heard when the conference takes place. I will write to the hon. Lady, ensuring that she is responded to formally.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I thank the Secretary of State for her assurances today. However, can she confirm that consideration is actively being given to the use of food drops by the RAF, which we have done before, so that those who are starving—and are just six miles from the border with Lebanon and a 40-second flying time away for the Hercules transport aircraft—can have some hope of aid being delivered to them much more swiftly than it currently is?

Justine Greening: I repeat my earlier answer—that convoys are getting into Madaya now and that the key issue is safety on the ground. I am sure the hon. Lady would not want any airdrops to fall into the hands of the people who are besieging the affected communities. It is not a question of just doing an air drop; it is not as simple as that. We need to ensure that we use the most effective route so that we get the help to the people who are starving on the ground. That is why we are using the routes that we are. I can assure the hon. Lady that we of course look at all options. There is no doubt, however, that the most effective option is to enable the UN agencies to get on with the work they are there to do.

Jenny Chapman (Darlington) (Lab): The local authority and charities in my constituency are willing, ready and able to take refugees, but they are being told by the Home Office that none will arrive in our region until April. Why that delay, and can she do anything about it?

Justine Greening: We are, of course, relocating people from the region, saving them from having to put their lives into the hands of the people smugglers. The hon. Lady raises the issue of her particular local authority. I am not familiar with the details, but I am happy to make sure that the offer made is followed up and responded to.

Kirsten Oswald (East Renfrewshire) (SNP): This is a hugely concerning issue, and the besieged people in Madaya are starving while we talk tactics. What specific action has been taken to secure the agreement of all parties to permit the necessary access for food, medication and other vital supplies by whatever means necessary to reach the residents of Madaya and other places where civilian populations are being besieged?

Justine Greening: As I set out earlier, my discussions with Stephen O’Brien, who heads up the UN Office for the Co-ordination of Humanitarian Affairs, are going on daily. Then, of course, we have the London Syria conference in early February, and the issue of the protection of civilians will be a key part of it.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): One of the International Committee of the Red Cross reports that I read about the situation in Madaya clearly states: “We saw pure hunger and despair in people’s eyes…We saw mothers not able to breastfeed their new-born children because they lacked adequate food for themselves to produce milk.”
That was in October, and we now hear of people having to eat dogs and cats, along with all the other appalling things we have seen on the news. As the right hon. Lady says, some time must be spent by all of us to consider this for this situation, but it is also clear that other groups such as Hezbollah are involved in the blockage, too. What would she say about that, and what is being done to encourage those other groups to abide by the very basics of humanity?

**Justine Greening:** The hon. Gentleman is right to point out that it is not the Assad regime alone that is breaking international humanitarian laws. Some areas that we find it hard to reach are held by Daesh, for example. Two of the nearby communities in Fua and Kefraya are not being besieged by the Assad regime, whereas Madaya is. All of this is unacceptable. It all represents a breach of international humanitarian law, which is why I roundly condemn it. There is no place for people who are civilians to be caught up in this situation. It is horrific in the 21st century to see the images that we have seen over recent days. An even more shocking fact than that, if it is possible, is that these cases represent only the tip of an iceberg of the suffering in Syria.

**John Woodcock** (Barrow and Furness) (Lab/Co-op): Rather than asking the Secretary of State to waste time explaining to the Scottish National party what would happen to a food parcel if we tried to deliver it via a Brimstone supersonic missile, may I ask her to focus more on the issue of Russia? Specifically, what have the United Kingdom Government done to try to persuade Russia to be a constructive force in this regard, and what more can she do from here?

**Justine Greening:** I think that, for the first time, we can welcome the fact that, as a result of the Vienna talks, Russia is now one of the countries around the table. However, we want to see—I want to see—the actions that have led to the situation in Madaya condemned roundly by all countries. The United Kingdom has condemned what has been happening, and I want countries such as Russia to do the same. There can be no excuses for what we have seen going on in Syria: none whatever. There can be no excuses for the breaches of international humanitarian law which have been happening day in, day out for the last few years. All countries, but particularly those on the United Nations Security Council and those that have signed the resolutions allowing us to send cross-border convoys, should stand up for the underlying principle of international humanitarian law, and for the free and unfettered access of civilians to life-saving humanitarian supplies.

**Mrs Madeleine Moon** (Bridgend) (Lab): The horrific events that are unfolding in Madaya are part of a dramtic power shift that is taking place in the region. Russia has carried out more than 60 airstrikes against Free Syrian Army forces in the last 48 hours, and there are huge numbers of Hezbollah and Iranian-backed militias on the ground. Is it not time that we were all very clear about the fact that it is for Russia and Iran to direct their puppet regime in Syria to allow freedom of movement of aid to civilians? There is nothing that the R.A.F. can do when the air is not under its control but under the control of the Syrian and Russian forces, unless they agree to freedom of movement. It is in their hands that the alteration of this crisis rests.

**Justine Greening:** The hon. Lady is right to point out that the countries and regimes that are backing the Syrian regime need to be tough on that regime, and need to call it out for its lack of adherence to basic human rights and international humanitarian law. As a result of the Vienna process, we now have countries around the table that need to be around the table, and that gives us a glimmer of hope for the first time, but I think we should be under no illusion about the challenging nature of the diplomatic process that lies ahead. That is all the more reason for us to have a successful Syria conference in London. We must ensure that the necessary resources are there to support people who have been caught up in the crisis in the meantime. The political issues which can make or break our ability to ensure that humanitarian support gets through absolutely must be resolved if we are to be able to take care of the people who have been caught up in this terrible crisis.

**Steven Paterson** (Stirling) (SNP): I welcome the statement, and the comments that the Secretary of State has made. She has mentioned the United Nations Security Council resolutions a number of times. Resolution 2258 states that the Security Council expresses “outrage at the unacceptable and escalating level of violence”, and that it is “gravely distressed by the continued deterioration of the devastating humanitarian situation in Syria and by the fact that urgent humanitarian assistance, including medical assistance, is now required by...13.5 million people”.

That is an enormous number of people. I welcome the contribution that the United Kingdom is making and the fact that it is the second greatest contributor, but many other countries have signed up to those statements. What efforts can we make internationally to ensure that those other countries do more to live up to them, and to help the poor Syrian people?

**Justine Greening:** Security Council resolutions of that kind are important, because they provide a statement of intent in making clear that we condemn what is going on and that we need to act collectively to at least provide humanitarian support for people. As the hon. Gentleman says, and as I said earlier, the countries that are on the Security Council need to back up those words with clear action. I welcomed the renewal, at the end of December, of the Security Council resolution that enables cross-border deliveries to continue. But that is the first step of putting that plan into action. As he says, we now need countries not only to support that, but to be clear in their condemnation of the Syrian regime and of other warring parties that fail to adhere to basic law.

**Natalie McGarry** (Glasgow East) (Ind): I congratulate the hon. Member for Batley and Spen (Jo Cox) on raising this political issue, and I welcome the Secretary of State’s condemnation of the Assad regime. She said that only one previous request to the regime to allow the delivery of aid to Madaya was granted, suggesting that the international community has for some time known about the potential for a humanitarian crisis and about the actions of the Assad regime. Does it not demonstrate the incoherence of tackling only Daesh without tackling Assad, when Assad and allies such as Hezbollah are so comprehensively breaching international law? To slightly misquote Harry Patch, the last remaining Tommy, surely this is a war that must end around a table.
Justine Greening: That is why the Vienna talks are so important. In the end, it will end with talks reaching a resolution around the table, but let us be clear: a resolution needs to be reached for a Syria that has territorial integrity. Daesh is a clear threat to that. That is why this House passed a motion enabling us to take action against Daesh not only in Iraq but in Syria. Unless we tackle Daesh, there will not be a Syria to regain its freedom and to have peace in the medium term. So there are two strands. One is tackling Daesh and the second is reaching a political resolution on Syria itself. In the meantime, I remain committed, as the Government do, to ensuring that we remain a leading partner in the work to help people who are affected by the crisis and need humanitarian support.

Points of Order

5.1 pm

Michael Fabricant (Lichfield) (Con): On a point of order, Mr Speaker. At the risk of being accused of going from one extreme to the other, may I commend you—this sounds very oleaginous and creepy, I know—for the production of your “Quick guide to participating in the Chamber and Westminster Hall”? Very succinctly put it is, too. I notice that you say that, at Question Time, for example,

“Keep your question short…Don’t read out your question”.

I also note that the guide applies not just to new Members but to older Members. One of the rules is “Don’t walk between the Chair and whoever is speaking.”

There is one particular elderly miner—I cannot name him; it would be wrong to do so—who constantly walks between you and someone asking a question. I wonder whether you can somehow make the guide compulsory reading, particularly among elderly miners and some of the older Members.

Mr Speaker: I am grateful to the hon. Gentleman, who is seeking to establish himself as a general aid of first-class character to the occupant of the Chair and to other Members. He has just provided a real-time advertisement for the rules of behaviour and courtesies in the House. That document has just been circulated and I hope that all Members are paying the keenest attention to it, even if an hon. Member is currently consulting an iPad and taking an intense interest in some matter other than that which I am dealing with. I feel sure it is only because the hon. Member for Beckenham (Bob Stewart) has already read and possibly inwardly digested over breakfast the document concerned.

It is a most useful document. The quick guide to participating in the Chamber and Westminster Hall has been circulated to all Members, but I am extremely grateful to the hon. Gentleman for Lichfield (Michael Fabricant). I am trying to work out who has caused the hon. Gentleman’s consternation through his offending conduct. I cannot think of the individual concerned but, whoever that Member is, it is never too late to learn the courtesies of the House. I am very grateful to the hon. Member for Lichfield.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): On a point of order, Mr Speaker. In that vein, I have also taken the liberty of enjoying your new book. In point 35, you rightly draw our attention to the importance of Members informing other Members when they intend to visit their constituencies, unless they are on a private visit. I was therefore particularly surprised and dismayed to get a letter this morning from the Chancellor of the Exchequer informing me of not one but two visits to my constituency that took place five days ago. Further to that, it has been alleged that at least part of one of those events was of a party political nature relating to the Welsh elections and involving the Chancellor urging people to support the leader of the Welsh Conservatives. The second event was a purely party political event involving activists in Wales and perhaps even fundraising. It has also been alleged to me that Treasury civil servants were involved in the facilitation of at least one of those events. Could you tell me
whether the Chancellor has received a copy of your book? Could you also tell me how I might find out whether Treasury civil servants were indeed involved in activities that might have breached the ministerial and civil service codes?

Jo Stevens (Cardiff Central) (Lab): Further to that point of order, Mr Speaker. I am in the same situation as my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty). Last week, the Secretary of State for Wales and the Chancellor of the Exchequer visited my constituency, but I had no notice of either visit from either right hon. Member. I would be grateful if you advised me on how I might take the matter further.

Mr Speaker: I am grateful to the hon. Members for Cardiff South and Penarth (Stephen Doughty) and for Cardiff Central (Jo Stevens) for those points of order, and I appreciate their giving me notice of their intention to raise this matter. As the hon. Member for Lichfield (Michael Fabricant) well knows—and as everyone else should know—it is a long-standing and firm convention that hon. Members should give notice if they intend to visit another hon. Member’s constituency in anything other than a purely personal and therefore, in a sense, private capacity. In the case of Ministers, it is clearly stated in the Government’s ministerial code that such notice must be given. It is open to either of the hon. Members to raise this matter with the Cabinet Secretary, if either or both of them should wish to do so. However, I trust that what has been said, by them and by me, has been noted by those on the Treasury Bench and will be communicated directly to the Ministers concerned.

For the avoidance of doubt, as with virtually every convention in this place, the convention applies without fear, favour or discrimination. No Minister can be exempted or exempt him or herself from it on the ground of seniority. The hon. Member for Cardiff South and Penarth inquired whether the Chancellor of the Exchequer had received a copy of the note on conventions and courtesies, and the answer is that he most assuredly will have done so, because it has been sent to every Member.

On the hon. Gentleman’s point about receiving notification some days late, it is a fairly obvious common-sensical point that if people are going to comply with the convention, as they should, they should take great care to do so in a timely way. There is no point in leaving it to the last minute, only to find that the notification arrives late. It must be done in a timely way that is considerate of Members’ responsibility to each other. So all three Members have, in cross-party fashion, done the House a service today and I thank them for that.

Michael Fabricant: Further to that point of order, Mr Speaker. We have been discussing the Chancellor of the Exchequer and the Treasury, and I am just speculating, given the need to save money, that the letter might have been sent second class.

Mr Speaker: The imagination of the hon. Gentleman is vivid, and what I would describe as his spontaneous intellectual gymnastics are an example to us all.

Armed Forces Bill

[Relevant Documents: Oral evidence taken before the Select Committee on the Armed Forces Bill on 18 November 2015, HC 618, and Proceedings of the Select Committee on the Armed Forces Bill on 24 November 2015.]

Consideration of Bill, as amended in the Committee

Mr Speaker: To move the first new clause, I call the Minister, my near neighbour, the hon. Member for Milton Keynes North (Mark Lancaster). In wishing him a happy new year and inviting him to address the new clause, I notice that he has grown a beard, upon which we congratulate him.

New Clause 1

Discharge of members of the armed forces: homosexual acts

‘(1) The Criminal Justice and Public Order Act 1994 is amended as follows.

(2) In section 146(4) (homosexual acts as grounds for discharge from the armed forces etc), omit the words “discharging a member of Her Majesty’s armed forces from the service or”.

(3) In section 147(3) (homosexual acts as grounds for discharge from the armed forces etc: Northern Ireland), omit the words “discharging a member of Her Majesty’s armed forces from the service or”.

—(Mark Lancaster.)

This new clause removes wording which provides that sections 146 and 147 of the Criminal Justice and Public Order Act 1994 do not prevent a homosexual act from being a ground for discharging a member of the armed forces.

Brought up, and read the First time.

5.9 pm

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss Government amendments 1 to 5.

Mark Lancaster: Thank you very much, Mr Speaker. I assure you that the beard is only temporary—otherwise, Mrs Lancaster may divorce me.

I am delighted to be speaking to this new clause today. It reflects the Government’s commitment to the fair and equal treatment of lesbian, gay, bisexual and transgender armed forces personnel. It repeals two provisions regarding homosexuality in the armed forces that are inconsistent with the Department’s current policies and the Government’s equality and discrimination policies more generally.

John Howell (Henley) (Con): During the evidence session for the Select Committee, on which I served, I asked Mr Humphrey Morrison, from central legal services, whether this could be done. The answer I was given was that because it was tied up with the merchant navy, it could not be done. What has changed to allow this to go forward?

Mark Lancaster: We have simply decoupled the two issues. We will be dealing with this matter in this Bill and the Department for Transport has made it clear that it intends to deal with the merchant navy aspect as soon as possible. I am delighted to say that we are therefore moving ahead quickly, as we said we would.
This new clause would amend sections 146(4) and 147(3) of the Criminal Justice and Public Order Act 1994, which currently contain wording indicating that a homosexual act can constitute grounds for discharging a member of the armed forces. New clause 1 removes this wording, while amendments 1 to 5 make a number of small technical changes to implement this clause. When sections 146 and 147 were enacted, it was Government policy that homosexuality was incompatible with service in the armed forces and, accordingly, members of the armed forces who engaged in homosexual activity were administratively discharged. That policy was rightly abandoned in January 2000, following a judgment of the European Court of Human Rights.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I wholeheartedly support the Minister’s efforts on new clause 1. I have received a letter from a constituent who was discharged from the Women’s Royal Air Force in 1968 because she was gay, and there will be a number of similar cases historically. She says that “there was a witch hunt of proportions you cannot imagine, inevitably ending in ignominious discharge...When I was discharged I was told (as were others) that unlike our male counterparts, we had not broken the law and could not be court martialled and an administrative discharge is not ‘dishonourable’. However, the...regulation is generally understood to cover...theft and similar unsavoury matters”.

She therefore sees this as dishonourable and she says: “It has certainly influenced the whole of my life.” Will the Minister agree to meet me to discuss this? Will he say what he thinks about dealing with historical cases, where people were so dreadfully treated in our armed forces? They served with distinction, but because they left they were affected by what happened for the rest of their lives.

Mark Lancaster: The hon. Gentleman highlights precisely why the then Government decided to make the changes they did, and I think we all agree in this House that they are very positive changes. Of course I would be delighted to meet him to see what we can do for his constituent.

Since 2000, the provisions I mentioned have had no practical effect and they are therefore redundant. I would like to thank Professor Paul Johnson and Mr Duncan Lustig-Prean for raising this important issue in their evidence to the Bill’s Select Committee. I would also like to thank the hon. Member for North Durham (Mr Jones) for championing the repeal of these provisions through his amendments introduced in Select Committee and in Committee of the whole House. These provisions in no way reflects the position of today’s armed forces. We are proud in the Department of the progress we have made since 2000 to remove policies that discriminated against homosexual men, lesbians and transgender personnel, so that they can serve openly in the armed forces. All three services now feature in Stonewall’s top 100 employers list, and we continue to benchmark our activities to ensure we are doing as much as we can to support our LGBT staff. This new clause is a practical step which shows that this Government are serious about our commitment to equality in this area.

Bob Stewart (Beckenham) (Con): I had the sad duty of discharging a man administratively from my battalion. I really regretted it happening at the time, but I must urge caution about going back in time to try to put right what was apparently right at the time but which was clearly wrong.

Mark Lancaster: I hear what my hon. Friend says. Of course there is balance in all such cases, but the moves in 2000 were absolutely right. They reflected a change in policy and a change in attitude in society.

Toby Perkins (Chesterfield) (Lab): I welcome this opportunity to speak in support of the Bill on behalf of my colleagues in the Labour party. I am conscious of the fact that the previous stages of the Armed Forces Bill were led by my hon. Friend the Member for North Durham (Mr Jones), who rightly enjoys tremendous respect across the House and will be a considerable loss to the Front-Bench team. I wish to place on record my thanks to him on behalf’ of the Labour party and of all those who know how important the armed forces are to the Labour party. As a new member of the team, I also wish to thank him for the help, assistance and wise counsel he has offered to me.

The Labour party has a strong tradition of supporting our armed forces both in Government and Opposition. The reason many of us feel so passionately that this Parliament should do right by our armed forces is that they step forward and answer the country’s call in the most dangerous situations imaginable. They risk life and limb daily to protect Britain’s interests around the world, often facing the prospect of mortal danger at just a moment’s notice. We also recognise that a significant proportion of serving servicemen and women are from Labour-supporting constituencies. As a result, the scale of the sacrifice required of our armed forces personnel and the importance of standing by them is very keenly felt by us all.

When we were in government, we ensured that forces’ pay increases were among the highest in the public sector. We also invested heavily in accommodation and rehabilitation facilities, and increased access to the NHS for service personnel injured in action. In Opposition, we have looked to build on that Labour tradition, ensuring that we do all we can in support of our armed forces and their families. We are proud of the role that we have played in campaigning successfully to have the military covenant enshrined in law.

Happily, the amendments before us today, which were argued for in Committee by my hon. Friend and by other Labour Members, now return to the House with the Government’s support. Labour is determined to continue to offer that support to everyone who chooses to serve in our armed forces. We will do that by developing policy around a commitment to the highest standards of welfare and well-being for all our service personnel. We will scrutinise any proposals brought forward by the Government and continue to make the arguments about the extent to which personnel cuts have stretched to the limit the capacity of our armed forces to respond. We will also work constructively with the Government to support legislation that will ultimately improve the welfare and security of the British armed forces.
On the specific amendments being discussed today, the Government have ultimately decided that my hon. Friend the Member for North Durham was right in Committee when he promoted new clause 4. We also welcome proposed new clause 2, which has been tabled by the hon. Members for Fermanagh and South Tyrone (Tom Elliott) and for South Antrim (Danny Kinahan). It is reminiscent of the amendment that my hon. Friend proposed in Committee.

We welcome the opportunity to renew the Armed Forces Act 2006, which completely overhauled legislation relating to military and service discipline. It is encouraging to see that the Government have adopted new clause 4, which will bring the legislation up to date and remove the now superfluous references to homosexual acts within the Bill. Although it is 16 years since the ban on gay men and lesbians in the armed forces was lifted, the legislation still contained references to homosexual acts despite the fact that that is just one form of sexual activity that could lead to someone being dismissed under certain circumstances and does not need to be specifically singled out. As that has now quite rightly been superseded by more appropriate guidelines, there is no need to have such references in the current law. Removing them from the statute book is a welcome step forward so that the explicit refusal to discriminate against homosexual servicemen and women is expunged from the service book, just as it has in practice been outlawed. That is an important step forward, and we welcome it very strongly.

We will continue to support our armed forces and the invaluable contribution they make to ensure Britain’s security. This Bill and these amendments offer a further step forward in ensuring that support for our armed forces personnel, and we will continue to support them enthusiastically.

Mr Kevan Jones (North Durham) (Lab): I support the amendment. Tomorrow will be the 16th anniversary of the Labour Government abolishing the draconian regulations that meant that someone who was gay or bisexual could be dismissed from the armed services, so it is apt that we are agreeing to the amendment today.

It is strange how things work out. I moved similar amendments in Committee and on the Floor of the House. I pay tribute to the Minister, whose approach to the Bill has been constructive, ensuring that practical measures such as this are taken forward. I accepted during earlier stages of the Bill that the measure should apply also to the merchant navy, and I look forward to the Government introducing legislation to mirror this provisions for the merchant navy.

I join the Minister in paying tribute to Professor Paul Johnson, professor of sociology at York University, who not only gave evidence to the Committee but in my conversations with him assisted me and ensured that I understood that the legislation currently on the statute books was discriminatory. As the Minister rightly said, it means nothing, but for lesbian, gay and bisexual potential members of the armed forces, the measure expunges those provisions from the law. That should be celebrated. I wholeheartedly support the new clause, which is a great step forward.

Kirsten Oswald (East Renfrewshire) (SNP): The SNP fully supports the Bill. We appreciate the requirement that Parliament’s consent is given, and we appreciate too the significant contribution made by members of our armed forces. We support progressive change in our armed forces and welcome the Government’s actions to address discrimination against LGBT personnel.

The SNP welcomes the new clause and the action from the Government, which is a step forward for better LGBT rights among our armed forces personnel. I am very pleased that the Minister has felt able, as he put it, to uncouple this from other legislation which was previously thought to hamper such progress. I echo the words of the hon. Member for North Durham (Mr Jones) in looking forward to the Government moving similar provisions forward in relation to the merchant navy.

It is scarcely credible that we are discussing this in 2016. The existing provision is discriminatory and it is offensive that it exists. Notwithstanding the fact that it has not been used for a number of years, we welcome the fact that the Government are finally removing the provision, as they should, because it has clearly infringed the rights of LGBT people over a number of years. I am pleased that this was the clear view of all members of the Committee and, as we have heard, of witnesses as well, who noted that the existing provisions were out of step with where our armed forces are now.

John Woodcock (Barrow and Furness) (Lab/Co-op): Almost everything in praise of the Bill and of my hon. Friend the Member for North Durham (Mr Jones) has already been said. Looking at the time perspective from a different angle, it is remarkable how much this country has changed—only in 1994 the provisions on the statute book were renewed. The idea of doing that now would rightly provoke outrage in the country and in the House. Sometimes what we do in this place does not fill us with pride, but we can take pride in enabling the statute book to catch up in this respect with where the country and the armed forces have been for some time. I welcome the new clause and praise everyone who has had a part in bringing it forward.

Mark Lancaster: I am grateful for the comments from hon. Members across the House, and delighted that we have consensus on the issue.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

New Clause 2

PAYMENTS TO VETERANS SUFFERING FROM MESOTHELIOMA

‘(1) From 11 April 2016 the Secretary of State has a duty to ensure that compensation due to former members of the Armed Forces who have contracted mesothelioma during the course of their military service is assessed and paid efficiently and promptly.

(2) By 1 October 2016 the Government must put in place:

(a) a publicity programme to raise awareness of former members of the Armed Forces who may be at risk of, or susceptible to, mesothelioma; and

(b) a monitoring process to ensure the comprehensive and prompt detection of mesothelioma cases.’.—[Danny Kinahan.]’

This new clause would place a duty on the Secretary of State from the date sums are due to be paid to pay compensation due to former members of the Armed Forces who have contracted mesothelioma during the course of their service is paid swiftly. It would also
require the Government to put in place a publicity programme to raise awareness of those who are at risk of mesothelioma and a monitoring process to ensure the comprehensive and prompt detection of mesothelioma cases.

Brought up, and read the First time.

Danny Kinahan (South Antrim) (UUP): I beg to move, That the clause be read a Second time.

I would first like to say how pleased I am to see new clause 1 added to the Bill. I do not intend to rerun all the arguments on mesothelioma today, because we all know that it is a deadly disease. I wish instead to speak to our new clause, the purpose of which is to push for compensation payments to be made as quickly as possible. Those who heard last Thursday’s Westminster Hall debate on the armed forces covenant annual report will know how essential it is that things happen more quickly.

I very much welcome the announcement made before Christmas about those affected by mesothelioma having the choice of receiving either £140,000 or a war pension, which I think was an extremely good move. I am keen to hear from the Minister on how that is proceeding and whether there have been any changes. I welcome the fact that he is still considering whether the Ministry of Defence will look at retrospective cases, because I think that is absolutely essential, particularly for the families who have lost loved ones.

I would like to praise all those who have worked on this matter, such as the Royal British Legion, the shadow Armed Forces Minister, and the hon. Members for North Durham (Mr Jones) and for Wythenshawe and Sale East (Mike Kane). Just after the announcement in December, the Royal British Legion stated:

“Whilst we are pleased that the Minister has indicated that he will review special arrangements for these individuals, we urge him to do so quickly under the terms of the Armed Forces Covenant and in light of the limited life expectancies and extreme suffering of these veterans.”

That is the key: we want compensation to be paid quickly. I hope that the Minister will indicate today how that will be done so that everyone can go away confident that it will happen quickly. Those involved know that mesothelioma is a deadly disease and that, unfortunately, an individual is lucky to live more than one or two years after diagnosis. However, that diagnosis might be made 30 or 40 years after exposure.

We also want to ensure that compensation is comprehensive and that every single person who might be affected is personally contacted by the Ministry of Defence to ensure that they know that there is a chance they have the disease. When it comes to submarines, I am told that it is the P, O, Valiant, Resolution, Dreadnought and early S classes that might have contained asbestos, and in the Army it is the Centurion tank. I am asking the Minister to look at all the places where there might have been asbestos and ensure that the message gets to everyone who might have been exposed to it, and extremely quickly. I am told by one source that this could involve as many as 2,500 people, although the Royal British Legion says the number is only 60. It is essential that we look at who was serving on those submarines at the time and work out how to get the message to them personally.

Bob Stewart: Does my hon. Friend mean that 2,500 people are affected, or that 2,500 people may contract mesothelioma in the end, because I suspect that the number is much higher? I am slightly confused on that point.

Danny Kinahan: My hon. Friend is right to ask that question, because I went through exactly the same thought process when I received those figures. I am told that 2,500 people may be affected. However, many more will have served on all those different submarines, and indeed in the various tanks. The onus is on the Ministry of Defence to work out exactly which ships and what equipment contained the threat of asbestos, find out how to contact the people affected and then get the message to them. That is really what we are pushing for. We are keen to make sure that the MOD also looks at other illnesses that may well be hiding in the background of those who have worked with depleted uranium or had carbon monoxide poisoning.

We should always be thinking of how we look after our armed services, not just those who serve but their families, well into the future. We must set that example for everyone who has joined the services. It is a fantastic career that I myself have thoroughly benefitted from. They must know that their families will be looked after and that we will look at all the risks well into the future.

We want this to be dealt with very quickly and to make sure that there is a good campaign that ensures that everyone is informed. We must keep an open mind and think about how we will look after all our armed services and their families into the future.

5.30 pm

Mr David Anderson (Blaydon) (Lab): I start by doing something I have done very rarely in this House, and that is to say “Thank you” to the Government. I thank them for the important steps they have taken in treating people who have served this country, in many years of war, in the way that they should be treated. Sadly, though, because of the potential effects of retrospective legislation, some people may be left behind, and I want to focus on them.

I spent a lifetime working in the trade union movement before I came here, including representing people in the mine works who had a variety of diseases such as vibration white finger as a result of being exposed to the damage caused by pneumatic tools, and pulmonary diseases caused by exposure to coal dust and stone dust. However, I had never heard of mesothelioma until about 15 years ago, when I was asked by a friend if I could do some fundraising on behalf of an organisation that was being set up by a woman called Chris Knighton—the Mick Knighton Mesothelioma Research Fund, of which I am very proud now to be a patron—and I asked them what it was about. I have been castigated in the past by a member of the public for the brutal way in which I have exposed this disease, but it is a brutal disease. I was told about it very bluntly by a solicitor from Thompsons some 15 years ago.

When someone is exposed to asbestos, the fibres lie dormant for decades, but one day they wake up, they suffer horribly, and then they die. There are no two ways about it. Once someone has full-blown mesothelioma, they have a death sentence. The only thing that is questionable is how long it takes to happen. In a small
number of cases medication and drug treatments such as chemotherapy can help, but it only slightly extends the time in which people suffer and eventually die.

There is a huge moral issue for all of us regarding what happened. Asbestos was shown to be poisonous as far back as 1892—a long, long time ago. It was banned from 1965 onwards—50-plus years ago. It was seen as one of those wonderful things that did so many good things for people. In a huge number of different areas, it was seen as being something worth working with, so it was in lots of places that people would not even have thought about—when changing brake drums, lagging pipes, and all that sort of thing. I myself have worked with it. It is in schools and other buildings. It is in our own homes.

As long as asbestos is not disturbed, people are usually okay, but a lot of those who were exposed to it worked in places where it was in the air all the time, so they were working with it without knowing, and they should have known. Clearly, in some cases they were criminally exposed. I am not, by any means, saying that about the MOD. The history of fighting for justice for people with asbestos has been long, tortuous, and hard.

When my party was in government from 1997 to 2010, we would take two steps forward and one step back. There were challenges in the courts by insurance companies and £1.4 billion was handed back to them, because the Law Lords allowed them to no longer make payments for certain asbestos-related diseases. Thankfully, through the efforts of successive Governments, people with mesothelioma are treated much better now than they used to be, but the truth is that a significant group of people are still affected by that case. I am not going to argue about the numbers, because that case is so moronic that it overrun any discussion about numbers.

Mr Kevan Jones: My hon. Friend is explaining very well the history behind how we have got to where we are today. Will he join me in paying tribute to the trade union movement? Without its expertise and campaigning zeal, the conversation taking place with regard to not just this Bill but others would not have started.

Mr Anderson: I appreciate the work my hon. Friend has done on behalf not just of the armed services, but of our part of the world, where he has been an MP for many years, and long may that continue. He is right to say that the trade union movement has been involved from the beginning, and without it we probably would not be where we are today in trying to right this wrong.

The issue is of interest to Members across the House. On 4 November 2015, the House of Commons debated the Armed Forces Bill, and in an adjournment debate on the same day, the Leader of the House presented a Bill to implement the Armed Forces Bill. The Prime Minister said that we will go the extra mile for these people. I know that this is not part of the new clause, but I ask the Minister, please try to do more. Let us work together across the House to make this work in a way that delivers what these people deserve.

Mr Kevan Jones: It is a pleasure to follow my next-door constituency neighbour, my hon. Friend the Member for Blaydon (Mr Anderson).

I, too, pay tribute to the Minister for accepting amendments that I tabled in Committee, and for looking at this issue in a practical way. That has been his approach to the Bill: he has looked at where he can make a practical and real difference to people’s lives. In Committee, he announced that, from that date onwards, people would have a choice about whether to accept compensation as a lump sum payment or as a war pension.

My hon. Friend has just outlined the issues involved in retrospection. I am aware of them from my time as a Minister, when I had to deal with issues such as pensions, but will the Minister consider this point? Will he make an exception for individuals alive today who were diagnosed just before the cut-off date that he had to introduce? As my hon. Friend said, they are under a death sentence—in many cases, they will not live for very long—so can that specific group be looked at? From speaking with my hon. Friend, I understand the difficulties of retrospection,
so I know that there is a broader issue, but could individuals who already have a diagnosis and may be in receipt of a war pension be looked at? I do not expect the Minister to come up with an instant solution and say yes, but it would be very much appreciated if he could go away and consider that point.

Mrs Madeleine Moon (Bridgend) (Lab): I rise to support my hon. Friend the Member for North Devon—[Interruption. I have dramatically moved him from the north to the south. I mean my hon. Friend the Member for North Durham (Mr Jones).

The armed forces have no trade union or anyone to fight for them, except armed forces charities and Members of the House. It is very much the responsibility of Members of the House to be their champions, to fight their cause, to fight for what is right, and to fight for justice for them. I totally and utterly agree with my hon. Friend that people alive today who have received such a diagnosis are under a death sentence. The acknowledgment that their service in the armed forces has caused them to suffer from this most hideous of diseases would make a difference to them and their families. My brother—law died of mesothelioma, so I know how short but horrific such a death is, and how horrific it is for the family to watch as people struggle to breathe and die inch by inch, day by day.

This subject is very emotive, but it is one that says what we are as a country and how seriously we take our responsibilities to the members of the armed forces who faced risk not in war, but in their place of work. As a country, we have accepted such a responsibility for people who worked in civilian life, and we have a moral responsibility to accept that we have a duty to meet the needs of those armed forces personnel currently diagnosed, who are dying now, and to give them access to the compensation scheme.

I hope that the Minister will take this matter very seriously. As Opposition Members have said, the Minister has been very active in this matter and supportive of making changes to the Bill. I hope that this is another change that he will accept, consider and bring forward.

Nusrat Ghani (Wealden) (Con): I put on the record not only that I sat on the Select Committee that considered the Armed Forces Bill, but that I am a proud member of the armed forces parliamentary scheme, attached to the Royal Air Force. Along with other members of the Committee, I raised the issue of compensation for servicemen and women who have contracted mesothelioma. We were united when we raised it with the Minister in Committee, so I welcomed his announcement of the news that compensation would be made available as a lump sum payment.

Earlier, the hon. Member for South Antrim (Danny Kinahan) quoted the Royal British Legion, which led the campaign on this issue so strongly. I, too, would like to quote it. When the Government made the announcement on lump sum compensation payments, the Royal British Legion said:

“Thank you to everyone who gave their support; the new changes really will make a difference for the families of thousands of veterans diagnosed with Mesothelioma.”

5.45 pm
I am proud that we have taken some really positive steps for veterans who are struggling with this disease and their families. Without the need for the new clause, the Government have taken steps in the right direction. Of course time is of the essence and I urge the Minister to put forward a timetable. Also of the essence is how we publicise the scheme to people up and down the country.

We must do the right thing by the people who spend their time protecting our great country. I want to recognise the welcome news that the Government have announced compensation for veterans with mesothelioma.

Kirsten Oswald: The SNP fully supports the new clause and its aims of creating accountability and ensuring the speedy implementation of the compensation. We are supportive of its efforts to raise awareness and to move at some speed.

It is inescapable that there has been real inequity in how we have treated veterans suffering from mesothelioma. I entirely agree with the hon. Member for Blaydon (Mr Anderson) that until now the situation has not been consistent with the military covenant and has not been an appropriate way to treat our armed forces.

As we have heard, this is a matter of urgency because veterans who are suffering from mesothelioma simply do not have time for us to delay. The campaign run by the Royal British Legion has been incredibly effective. It is right to highlight what a terrible disease mesothelioma is and the injustice of this situation.

The tragedy of a mesothelioma diagnosis cannot be overstated. As the hon. Member for South Antrim (Danny Kinahan) said, veterans and their families in this situation do not have time to spare. While rectifying this unfair treatment will not make anyone who is suffering from the disease any better, it may well improve the quality of the life they have remaining and it may mean less anxiety about those they leave behind.

Ensuring that there is a swift process and a campaign of awareness would be useful mechanisms in allowing us to deal better with our veterans as we should, so we fully support them. I call on the Government to look just a little further and to deal fairly with the group of about 60 veterans who are currently in receipt of a war disablement pension by allowing them to access this contribution. That would simply be the right thing for the Government to do.

Toby Perkins: This is another important step forward that is being taken in the Bill. I again pay tribute to my hon. Friend the Member for North Durham (Mr Jones) for the difference that he made to the Bill in Committee.

All of us who serve former industrial communities are very conscious of the terrible disease that is mesothelioma and of the appalling and swift end it brings to the people who are unfortunate enough to suffer from it. It is an issue that many of us have campaigned on and for which we have campaigning groups in our constituencies because of the industrial legacy that we have. In my constituency, I am pleased to work closely with the Derbyshire Asbestos Support Team, which has done a tremendous amount of work to highlight the appalling plight that afflicts mesothelioma victims.
To see measures being brought forward in this context is incredibly positive. In recent years, the Labour party has campaigned tirelessly in support of the Royal British Legion’s campaign to ensure that there is a better deal for veterans who have fallen victim to mesothelioma. We therefore welcome the Government’s announcement of an improved compensation package for armed forces veterans who suffer from it.

My hon. Friend the Member for Blydonon (Mr Anderson) was right to say that it is a clear breach of the armed forces covenant that veterans who have suffered from this awful disease have received up to £150,000 less than civilians. We are delighted that the pressure has forced the Government into action. I echo the comment of my hon. Friend the Member for Bridgend (Mrs Moon) about the credit that needs to go to the Minister for taking a positive approach in Committee, for being open-minded and for being willing to think again about the initial positions that the Government took. It is welcome that he has taken that step and it reflects well on him.

As my hon. Friend the Member for Blydon said a few moments ago, where possible we would like the Government to go the extra mile and take extra steps to support veterans of our armed forces. There was an anomaly because members of the armed forces were being treated less well than those in civilian trades, and we all felt that that wrong needed righting. I echo the comments of the hon. Member for Wealden (Nusrat Ghani) about the urgency of this pressing matter. The House should feel proud that we have put right something that was wrong, as that is the least that our service personnel who have tragically contracted mesothelioma deserve. The new compensation package is a great victory for everyone who has supported the Royal British Legion in its campaign, and I am pleased and proud to be supporting it today.

Mark Lancaster: I thank the hon. Member for South Antrim (Danny Kinahan) for his opening comments, and the hon. Member for Blydon (Mr Anderson), whom I know has campaigned on this issue for a long time and played a positive part in the progress made to date. I thank the hon. Member for North Durham (Mr Jones), and the hon. Member for Bridgend (Mrs Moon) who spoke passionately, as well as my hon. Friend the Member for Wealden (Nusrat Ghani) and the hon. Member for East Renfrewshire (Kirsten Oswald) who has rightly pressured me on this issue for some time. I also thank the hon. Member for Chesterfield (Toby Perkins) for his kind comments.

It would have been impossible for anyone involved in this issue for a period of time not to be deeply moved and determined that the House should do all it can to move this issue forward. I am pleased that we have managed to make positive steps in recent times, but I am clear that we cannot simply rest on our laurels. I am determined to try to push this issue forward.

I hope I have demonstrated that the Government are committed to supporting veterans with mesothelioma and the wider armed forces community. On 16 December I was pleased to announce to the House that veterans diagnosed with mesothelioma from that date would have the option to receive a £140,000 lump sum, to be paid from 11 April this year. That lump sum will be provided through the well-established war pensions scheme, which is administered by Defence Business Services Veterans UK. With speed in mind, Veterans UK prioritises claims for mesothelioma, and will continue to do so.

Claimants will be given a choice of either the new lump sum or the existing war pension payments. The details will be explained in correspondence, and I have asked the veterans welfare service to be on hand to help claimants understand the options available to them. I am determined to do all we can to support claimants. In addition to my announcement on 16 December, on the same day details of the lump sum option were given to ex-service organisations for them to publicise to their members and help raise awareness. I am keen to ensure that this measure is as widely known as possible.

When individuals leave the armed forces, their healthcare needs become the responsibility of the national health service in England and the devolved Administrations. Most people with mesothelioma will see their GP first, because they are concerned about their symptoms. Given concerns over a potential monitoring process, I have been told—I will go back and check again—that unfortunately there is currently no reliable screening test for mesothelioma. The aim of screening is to pick up cancers at an early stage of the disease before symptoms develop, but mesothelioma can be difficult to diagnose since the usual test for lung diseases often appears negative.

We are engaging with NHS bodies on disseminating information to GPs, respiratory clinics and other healthcare professionals, so that when they treat a veteran with mesothelioma caused by military service, they can direct them to the Gov.uk website and the Veterans UK helpline, which have details of how to make a claim under the war pensions scheme and the new lump sum option.

Mr Anderson: The Minister is giving a good response. May I politely suggest that some people in the NHS will never have seen mesothelioma—I mean no disrespect, but it is relatively rare? One body that might be able to play a key role is the British Lung Foundation—I mentioned earlier a fundraising group that I worked with, and it has given the BLF more than £1 million. A lot of that is about identifying mesothelioma as early as possible.

Mark Lancaster: I am grateful to the hon. Gentleman for that helpful suggestion, and I shall instruct my officials to take it up.

On retrospection, whether to apply the lump sum to those diagnosed before 16 December 2015 is a complex issue that many past Governments have had to deal with. I have directed the Department to review options to support those claimants in a similar manner, and I am determined to consider those options carefully and as quickly as I can. Indeed, officials are actively working on that, and although I am sorry that I cannot update the House today, I will update hon. Members as soon as I can.

Following my announcement on 16 December last year, our legal staff are preparing the changes needed to the service pensions order to give effect to the payment of the lump sum from 11 April 2016. At the moment, I am told that 11 April is the earliest date we can do that, but I have asked my officials to look again and to do what we can to bring that date forward. If in the meantime an accepted claim is concluded before 11 April 2016, payment of a war disablement pension and any
supplementary allowances will begin until the lump sum can be paid. The lump sum will be reduced by the weekly or monthly amounts paid until that point.

I hope I have demonstrated that the Government are absolutely committed to trying to resolve this issue as fairly and as fast as possible. Hon. Members have made kind comments about my efforts to deal with this issue quickly, and I will be proactive in making the changes. If I may, I simply ask Members to allow me that credit, and with that in mind, to take me at my word that I am trying to move these issues forward. I do not believe that legislation is required, but I am deeply committed to moving the issue forward as quickly as I can, and I ask the hon. Gentleman to consider withdrawing his new clause.

Danny Kinahan: I am grateful for the debate we have had, and pleased with what I have heard from the Minister. I am also particularly pleased with what I heard from Labour Members, and we have gained a great deal from today. It would be wrong of me to pursue the matter further, knowing that the Minister will come back and keep the House updated, so I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 18

COMMENCEMENT AND TRANSITIONAL PROVISION

Amendments made: 1, page 17, line 16, leave out “Sections 15 and 16 (Ministry of Defence fire-fighters)” and insert “The following”,

This amendment and amendment 2 provide that NC1 comes into force two months after Royal Assent.

Amendment 2, page 17, line 18, at the end insert—

“(a) section (Discharge of members of the armed forces: homosexual acts) (discharge of members of the armed forces: homosexual acts);

(b) sections 15 and 16 (Ministry of Defence fire-fighters).”

—(Mark Lancaster.)

See amendment 1.

Clause 19

EXTENT IN THE UNITED KINGDOM

Amendments made: 3, page 17, line 32, leave out “section 16 (Ministry of Defence fire-fighters: minor amendments)” and insert “the following sections”.

This amendment and amendment 4 provide that the amendments of the Criminal Justice and Public Order Act 1994 made by NC1 have the same extent as the provisions which they amend. Section 146(4) of that Act extends to England and Wales and Scotland. Section 147(3) extends to Northern Ireland.

Amendment 4, page 17, line 33, at the end insert—

“(a) section (Discharge of members of the armed forces: homosexual acts) (discharge of members of the armed forces: homosexual acts);

(b) section 16 (Ministry of Defence fire-fighters: minor amendments).”

—(Mark Lancaster.)

See amendment 3.
the Bill to extend there. Those discussions are ongoing. If necessary, the Government will introduce an amendment to the Bill in the other place.

I am most grateful to hon. Members on both sides of the House for the contributions they have made. I thank them for their interest and support. As a member of the reserved forces, I have a personal interest in the Bill. I will repeat here my words spoken on Second Reading, which are that I take very seriously the obligations I have to the men and women who choose to abide by the high standards of discipline and behaviour that the Bill supports. I said then that I very much looked forward to taking it through the House. Today, I am very proud to have done so.

Finally, I pay tribute to the brave men and women in our armed forces who serve our country with honour and distinction, and to those who, as MOD firefighters, work to protect life and property. The Bill is for them. I believe the Bill we send to the other place is in good shape.

6.2 pm

Toby Perkins: The first test of an Opposition is whether it can support the Government constructively when they do positive things, introduce positive additions to Government legislation, and scrutinise both the intentions and implications of Government legislation. In all these regards, I believe the Labour party has done an important job of work in Committee and on Report. I am glad that the Bill leaves the House in a stronger state than when it arrived. We should be very pleased with that.

We welcome the provisions in the Bill to: extend the circumstances in which commanding officers can require service personnel and civilians, subject to service law, to be tested for drugs and alcohol after accidents; simplify the processes by which service personnel are charged with offences by reducing the number of stages required to decide and bring charges; and create of a statutory framework for immunity and sentence reductions for offenders who co-operate in investigations and prosecutions. The Bill will also bring the Armed Forces Act 2006 into force in the Isle of Man. As we have heard, consultation is ongoing with regard to Gibraltar. The Bill will also ensure that MOD firefighters will have the statutory powers to act in an emergency to protect life or property.

I have already covered the Labour amendments to the Bill, which we are pleased the Government now support. We were, however, disappointed that in Committee the Government failed to adopt our amendments relating to the incredibly important issue of sexual assault in the military. There is substantial evidence that sexual harassment is a major problem for a number of people serving in our armed forces, and for servicewomen in particular. Last year, General Sir Nick Carter described the level of sexual harassment in the military as “totally unacceptable”. Despite widespread acknowledgement of the problem, however, there is an alarming scarcity of reliable data. The Government do not regularly collect or publish statistics on the number of allegations, prosecutions or convictions related to sexual assault and rape. Labour’s new clause 5 sought to require the MOD to publish statistics on sexual assault and rape, including: the number of cases referred to the service police; how many cases are prosecuted and how many convictions are secured. Without a central register, we are leaving our armed forces at a disadvantage.

A recent report by Her Majesty’s inspectorate of constabulary on the Royal Military Police found that there was a “lack of standards and guidance on incident and crime recording”. Currently, when allegations of sexual assault are made it is up to individual commanding officers to decide whether to investigate them themselves or to refer an allegation to a police force, which may be either military or civilian. We on the Labour Benches believe it is wrong to put allegations of serious sexual assault alongside other misdemeanours in behaviour. Labour’s proposed new clauses 6 and 7 would have removed commanding officers’ discretionary powers in these cases, introducing a legal requirement for all allegations of sexual assault to be referred to the relevant civilian police force for investigation. The Government chose not to adopt any of the amendments in Committee, deeming them all “unnecessary”. We feel that this is an opportunity missed.

Nevertheless, we recognise that, partly thanks to pressure from Labour, important amendments have been made to the Bill, including measures to ensure compensation for veterans suffering from mesothelioma, and the removal of unnecessary discriminatory clauses. I would like to echo the Minister’s comments and take this opportunity to thank all Members who scrutinised the Bill, and all those who have made a contribution to it: the Chairman of the Bill Select Committee, the Clerks of the House and other staff who facilitated the Committee stage. I even thank those members of staff at the Ministry of Defence who have done an admirable job of persuading the Minister to make the right decision or to appear to know what he was talking about—never an easy task. Seriously, I thank the Minister for the very positive steps he has taken during the passage of the Bill to ensure it leaves in a better state than it was in when it arrived. I look forward to working constructively with him at further stages.

The Bill will now be scrutinised in another place and Labour will continue to push the Government on some of the issues raised in Committee. We will continue to stand up in every case for the rights of our armed forces personnel and veterans. Labour believes in a modern, effective armed forces to ensure the security of Britain in the world. It is for that reason that I am pleased to offer our continued support to all those who serve our country, and to the Government’s positive measures that improve the lot of the personnel who serve.

6.6 pm

Jack Lopresti (Filton and Bradley Stoke) (Con): It has been a real privilege for me, as somebody who has done a small amount of military service in the ranks before coming to this place, to have the honour of serving as Chair of the Armed Forces Bill Select Committee. I participated in, and contributed to, the previous Bill Committee. To chair the Committee this time has been a real privilege for me personally.

I would like to begin by reiterating what I said on Second Reading. I welcome the Bill in terms of its content and the fact that it comes from the great tradition of this place. It comes from 1688 and the Bill of Rights, under which “no standing army may be maintained during peacetime without the consent of Parliament.”
That provision is one of this country’s enviable documents that form our uncodified constitution, balancing the power of the monarchy and the Government with both Houses of Parliament.

The Bill will renew the Armed Forces Act 2006, update elements of the armed forces’ disciplinary system and extend the powers of MOD firefighters. To put that in context of what we ask our armed forces to do, the great General George Patton said:

“Perpetual peace is a futile dream”.

That quote is as relevant today as it was in his time. The world is as dangerous and unstable today as it has ever been. We never know where the next threat to our freedom and way of life will come from. We face threats from Putin in the east, are engaged in the global war on terror and ISIS in particular, and have to deal with threats from rogue states such as Iran and North Korea. The number of our service personnel deployed in joint operations in 19 countries has doubled over the past five years to over 4,000. Our fantastic and brave men and women of our three armed forces are the best soldiers, sailors, airmen and airwomen in the world.

The Bill is part of the UK’s investment in the security of our people, which enables the Government to safeguard our prosperity and way of life. Not only are the Government one of the five of the 28 in NATO to meet the recommended commitment to spend 2% of GDP on defence; but I am pleased to say they are also meeting the NATO guidelines to spend 20% of the defence budget on major equipment, research programmes and R and D. I am proud that the Government have plans to spend more than £160 billion on equipment and equipment support over the next 10 years.

I thank all Members of the Bill Committee, from across the House, for the constructive and informed way that the discussions and debates were conducted as the Committee scrutinised the Bill through this important stage in its passage into law. There has been a reassuring level of consensus, a word I am not normally very comfortable with and do not use very often. On this crucial matter of defence of the realm, however, and while we argue passionately for things we believe in, with our forces deployed in offensive operations, it is crucial that Parliament is united in support of them. In saying that, I sympathise with those Labour Members under pressure on account of their party leadership’s position on defence.

On behalf of the Committee, I thank members of the public, representatives of service charities and voluntary groups for their engagement and written submissions. I also thank all the witnesses who gave oral evidence. In particular, I thank General Sir Nick Carter, Chief of the General Staff, and Andrew Cayley, Director of Service Prosecutions, for their excellent, extremely informative and very useful verbal evidence. Finally, I thank the House and departmental staff for their work on the Committee stage. In particular, I wish to mention Dr Dickson, whose procedural guidance was extremely helpful.

The Committee produced new clauses supported by the Government. I pay particular tribute to the hon. Member for North Durham (Mr Jones), whom I have come to know during my few years in the House and with whom I was proud to serve on the previous Armed Forces Bill Committee, when we enshrined the military covenant in law. It is a shame that his expertise, passion and care in relation to the armed forces will be lacking from Labour’s Front-Bench team, and of course I support and admire hugely his passionate defence of the provisions on homosexuality. Of course, homosexual acts should not in any circumstances be grounds for the discharge of members of the armed forces. It seems astonishing that it was ever thus.

Finally, I pay tribute to the Minister for the progress the Government have made and their ongoing work on compensation for mesothelioma. It is another great example of the Government doing the right thing by our service personnel, to whom we owe an enormous debt of gratitude and appreciation. I thank them all for their service.

Kirsten Oswald: The Scottish National party supports the Bill and the immense work of our armed forces. It was a privilege to sit on the Select Committee, helping to move this vital Bill forward and make it the best it could be. The Bill is the thread running through all that we ask of our armed forces personnel, to whom we owe it to give proper consideration to the mechanics of what could seem like a dry topic. It is the means by which we put in place proper provision for our service personnel and veterans and continually review and, where appropriate, improve matters.

We must use the opportunities we have in this place, including in Committee, to continue to modernise the governance of our armed forces and to consider how properly to treat those who enter the services. In so doing, it is particularly important that we understand and act on our responsibilities to those who suffer as a result of their service and their families—for instance, in relation to their housing and education needs. In that regard, the Scottish Government’s funding for supported housing in Cranhill is very welcome, as are the progressive education provisions, including the links with the curriculum for excellence and the provision for free tertiary education, which provide positive benefits to our service personnel and their families.

It is interesting that we are here, a century after some of the most significant battles of the first world war, debating our armed forces and seeking to improve the provisions we have in place. I mentioned at a previous stage of the Bill that a war memorial was being built entirely funded by public subscription and organised by volunteers in Neilston in my constituency. I applaud their tireless work on what is now a dedicated memorial at the centre of the community. It did not take me long, when looking at the list of those from Neilston who had lost their lives, to see that many of them died 100 years ago this year, in battles whose names are still familiar today—Verdun, Jutland, the Somme—and it was poignant to see among them, aged only 17, Private James Path, of the Argyll and Sutherland Highlanders, who was killed in action in 1916.

It is right that we do not deploy 17-year-olds to the front line these days, but we do, as we did then, expose extraordinary things of ordinary people. We send our forces into the most dangerous situations, so they should expect us to make every effort to structure our armed forces in the best way possible. It was therefore heartening
to hear in Committee about the progress being made, such as the developments in the leadership culture of our Army, as detailed eloquently by General Sir Nick Carter. These changes will represent a continued and welcome development in how Army personnel can develop their careers and how issues of bullying, harassment and discrimination are dealt with.

I was also pleased to hear such interesting and compelling evidence from Liberty on the importance of repealing the outdated and discriminatory laws on homosexuality. It is scarcely believable that we need to discuss this, but I am pleased there was such universal and enthusiastic support in Committee and here for the repeal of these provisions without delay. There is no place for such discrimination in our armed forces. The outlawing of homosexual behaviour could at best be described as Victorian, and more accurately as grossly offensive and directly discriminatory, so we are very pleased that these provisions will now be changed.

It was interesting to discuss in Committee the simplification of the service justice system and how issues of sexual assault are dealt with in the armed forces. We heard interesting and useful evidence from a number of sources, and it was heartening to hear the willingness of our service witnesses to engage in progressing these discussions. It is vital that we make progress. The Minister has outlined the fact that he intends a voluntary system of publication to ensure that appropriate data are published and in the public domain. I hope that this turns out to be the case. As we have discussed in earlier stages, it is vital that the data be reported fully, consistently and in a uniform format, so that we can accurately assess the situation in all our forces and whether the desired progress has been made.

We have a duty of care to our service personnel, and it is vital that we see publication of allegations of sexual assault as part of this suite of statistics, so that we can clearly understand all aspects of this issue. The Minister has made positive assurances about progressing this matter without the need for legislation, and I will be keen to assess what progress is made. The SNP wants to see guarantees on the publication of sexual harassment statistics and a positive improvement in the 2017 survey regarding sexual harassment as against the 2014 survey. I am keen for the House to retain a focus on the retention and monitoring of these statistics.

I concur with the Minister about firefighters and the need to extend the powers available to MOD firefighters to act in an emergency to protect life or property, in line with powers available to civilian fire and rescue authorities. This will provide welcome clarity. It will be important, however, to continue to review the operation of this provision and to ensure that our regular firefighters also have a voice in this respect.

Our ex-service personnel—our veterans—have featured heavily in our discussions in this place and in Committee, which is as it should be, and I am pleased that Scotland is leading the way in supporting our veterans, with the appointment of our Scottish Veterans Commissioner. This reinforces the Scottish Government’s commitment to supporting the 400,000-plus ex-servicemen and women living in Scotland and to the capacity-building funding to Veterans Scotland that will allow the organisation to develop and improve support for our veterans over the next two years. I was encouraged by the Committee’s unified view on the importance of making progress on issues that affect our veterans. It is vital that we continue to make progress and that we consider carefully how best to fulfil our obligations under the military covenant. The covenant cannot simply be fine words; it is a call to action for us in the House to fulfil our obligations and continue to strive to do the right thing.

Regrettably, we have not always done the right thing by our veterans. Since I arrived in this place, I have spoken most about one subject—veterans suffering from mesothelioma—and mine has certainly not been a lone voice. It is scandalous that we have allowed ex-service personnel suffering from this terrible, terminal condition to be treated so much worse than their civilian counterparts. The Minister’s commitment in December, and his comments today, about resolving this unfairness are therefore welcome indeed. His announcement that veterans diagnosed with mesothelioma on or after 16 December will have choices in relation to their levels of compensation will help to resolve matters and to close the gap. However, I must mention again the excellent campaign work undertaken by the Royal British Legion and echo its call for the Government to go further and agree to deal fairly with the small group of about 60 veterans currently in receipt of a war disablement pension by allowing them to access the new lump sum compensation.

Veterans and our service personnel rightly expect the House to use the Armed Forces Bill to examine all the issues and to do so regularly. I hope that on this occasion we have done that.

6.19 pm

Mr Kevan Jones: I think this is my third Armed Forces Bill, and I have to say that it was a minnow, certainly compared with the 2006 Bill, which, as the Minister described, was a major piece of legislation reforming our armed forces law as it applied to the three services. However, this Bill is important because, as has been said, it is the means by which we maintain a standing Army and also—this is an important point for this House—a way to ensure clear scrutiny of our armed forces. That is something we take for granted in this country, but in many parts of the world people do not.

I join other colleagues in thanking the hon. Member for Filton and Bradley Stoke (Jack Lopresti) for his chairing of the Committee. I also thank and pay tribute to the Clerks and civil servants who helped the Committee in its deliberations. This was a small Bill, but we took some major steps forward. Mesothelioma has already been mentioned, and I pay tribute to the Minister, because he has taken a pragmatic and consensual approach to the proposals that were put forward. It was his tenacity in taking these things forward that ensured that we secured the changes. The mesothelioma changes will make a real difference to the individuals affected. I also pay tribute to the Royal British Legion for its campaigning work on this issue.

There is also an historic issue, in that tonight we are finally removing from our statute book a piece of legislation that discriminated against the LGBT community. As I said earlier, that will send a clear message to young men and women who want to join our armed forces—that they are joining services that I know, certainly from working with them, are not prejudiced in any way against people because of their sexuality, and that goes right from the top through the ranks of the services. I pay tribute to General Nick Carter, who gave evidence
to the Committee, who embodies that new approach in our armed forces. They want to be inclusive and welcoming. Not only do they want to be an effective fighting force when needed, but they want to give great opportunities to many of our young people throughout this nation of ours.

We also had many discussions about sexual assault. I do not quite want to correct my hon. Friend the Member for Chesterfield (Toby Perkins), but the Minister gave a clear commitment in Committee and on the Floor of the House that the sexual assault statistics would be published. That is a good and meaningful step forward, and I look forward to their being published in the next annual report.

I also welcome the changes made to the war pensions committees. I pay tribute to the individuals who volunteer for war pensions committees. They do not get paid; they are volunteers. They give advice free of charge, and a lot of their time is dedicated to ensuring that veterans get the advice they require. The changes made, which will ensure they can now cover not just war pensions but the other compensation Acts, are welcome.

Our armed forces do not have trade unions or representatives—I think it was my hon. Friend the Member for Bridgend (Mrs Moon) who made this point earlier—so they are in a unique position. They rely on this House to ensure that, when this Bill comes forward, we make the changes that look after their interests. This Bill will not make major changes, as the 2006 Bill did, but it takes us a step forward and is a way of ensuring every five years that this House can scrutinise what our armed forces are doing in applying the law to themselves.

I would like to finish by paying tribute to the men and women of our armed forces. I had the privilege in government of working with them. They are dedicated to unselfishness. They are individuals we ask to do remarkable things—things that we would never do. I pay tribute to the men and women from my constituency who serve—not just now, but in the past. I also pay tribute to a group who sometimes do not get mentioned: the families, who support our servicemen and women. Without them, our servicemen and women could not do the job.

With that point, I would like to say one thing to my own party. These people are a very important part of our society. We value them; we entrust them with huge responsibility; we need them. They keep us safe when we are threatened. That is something my own party should never forget.

6.24 pm

Mr Anderson: I want to pick up the point about families, which my hon. Friend the Member for North Durham (Mr Jones) closed on. One of the realities of the mesothelioma debate is that the people who have been diagnosed will quite possibly die before April. However, there is a precedent in other compensation schemes—in particular, the mineworkers compensation schemes for diseases such as chronic obstructive pulmonary disease—for widows to claim on behalf of their partners and vice versa. I plead with the Minister to see whether it is possible to find a way to help those who at the moment look like being excluded because they served before 1987, along with others who might have fallen through the net. If, sadly, they are not here when the law comes into force and the arrangements are put in place, please do not let it end there. The widows and the families will still be there and they still deserve to be looked after, because these people have made sacrifices on our behalf. I plead with the Minister to look at that.

Question put and agreed to.

Bill accordingly read the Third time and passed.
Backbench Business

Local Government Funding: Rural Areas

6.26 pm

Graham Stuart (Beverley and Holderness) (Con): I beg to move, That this House has considered local government funding for rural areas.

I begin by thanking the Backbench Business Committee for selecting this motion for debate this evening and for rescheduling the debate to a time when more colleagues could attend. I also thank my co-sponsors, the hon. Member for Workington (Sue Hayman) and the right hon. Member for North Norfolk (Norman Lamb). Their support is testament to the fact that this policy area crosses all party divides.

In my 10 years in the House, I have raised local government funding of rural areas on many occasions, but it would be fair to say that progress has been slow. Somehow, those in the countryside are expected to put up with less, whether it is poorer connectivity with broadband or mobile signals, the availability of neighbourhood policing, or affordable and convenient transport links. Indeed, in most aspects of Government expenditure, rural areas get a raw deal.

Sir Greg Knight (East Yorkshire) (Con): Going back to my hon. Friend’s first point, does he agree that more and more people are accessing local government services via the internet? That should be a boon to rural areas, but it has not been, because broadband in some areas does not exist, while in other rural areas it is patchy, and overall it is rather slow. He and I have worked together locally on this issue. Will he confirm that there is no reason whatever why an area that is geographically isolated should be, or should remain, digitally isolated?

Graham Stuart: My right hon. Friend is absolutely right. That is not the main focus of today’s debate, but that is the context in which it takes place.

We are here today because the situation I have described is also true in local government, which provides so many of the public services on which our constituents depend. The central facts for the debate are these. Urban residents receive 45% more in central Government grant than their rural counterparts and pay £81 less in council tax per head. One may say, “Well, that’ll be because rural residents are better off. They can afford it. It’s reasonable. Their needs are less”, but the Government’s own average earnings figures show that residents in urban areas enjoy higher earnings than their rural counterparts, whereas those living in areas of significant rurality are the very poorest paid. So how can it be fair for poorer rural residents to pay higher council taxes than their richer urban cousins while receiving fewer services? This central unfairness is why, in 2012, along with Liberal Democrat and Labour colleagues, I set up the Rural Fair Share campaign. For many years, rural councils have been underfunded by central Government because of historic political choices and the formidable lobbying power of metropolitan authorities.

John Redwood (Wokingham) (Con): My hon. Friend is doing a great job on this issue. Does he know that in West Berkshire and Wokingham—I am one of the area’s MPs—not only was the adult social care settlement so poor that it went to judicial review, but the Government lost, owe us a load of money, yet will still not pay?

Graham Stuart: My right hon. Friend is right. This story can be found in places right across the country, yet this inequity continues year after year. That is why so many colleagues are in their places to talk about it today.

In order to meet the shortfall in grant, of course, rural councils had to respond in the only way they could—and that was, in the past, by increasing their council tax rates. That is why the council tax base is much higher in rural areas, and modest homes in the East Riding of Yorkshire in my constituency can pay higher council tax than is paid on a £1 million property in Westminster. Under the Government’s proposed local government settlement, however, those higher taxes are being used to justify a further shift in support from rural to urban.

Norman Lamb (North Norfolk) (LD): I appreciate the hon. Gentleman’s efforts in pursuing this matter and securing the debate. Does he share my view that the impact on social care in rural areas is particularly acute? Large travelling distances, combined with the increase in the minimum wage, increase costs further. Does he share my concern that many social care providers are thinking of withdrawing from the market because they cannot make ends meet?

Graham Stuart: My right hon. Friend is right to say that. Not only are residents in rural areas poorer on average than those in urban areas, but it costs more to deliver services there, they have to pay higher council tax and they are also older, with all the costs that go with it—driving social care. Again and again across government and across our society, we hear about the pressures that will result from having to deal with an ageing population, yet it is rural areas that have the oldest population. However, Government Departments show no recognition of the additional costs of age, as reflected in the demographics of rural areas.

Anne Marie Morris (Newton Abbot) (Con): In my constituency, 25% of the population are over 65, compared with Exeter, a neighbouring urban area, where the figure is only 15%. Many of my constituents are aged over 85, but it is a travesty that many funding provisions do not provide for that very expensive group.

Graham Stuart: My hon. Friend is absolutely right.

Our campaign has argued from the outset that our councils have to bear additional costs because they serve sparsely populated rural areas. Rural councils face higher transportation costs, for instance, when refuse is collected from sparsely populated villages or when children have to be transported into schools—costs that do not have to be faced in an urban setting. As my right hon. Friend the Member for East Yorkshire (Sir Greg Knight) mentioned, as we move increasingly towards the digitisation of services, we find that there are additional costs of ensuring fair access for rural residents who do not have superfast, let alone ultrafast, broadband on which they can rely.
The Government have made a welcome pledge to conduct a new needs assessment preceding the new retention of business rates regime that they are introducing. That is great to hear, but colleagues would be wise to temper their optimism about any changes that might arise. After all, in 2012, the Government carried out a needs assessment and a consultation process. Those involved in the campaign were delighted—hurrah—when proposals were made that recognised the additional costs of delivering services in a sparse area, yet the additional funding that the Government had agreed was necessary was, for the most part, “damped” away. Under the mechanism designed to minimise volatility in funding in local areas, 75% of the gains that the Government had said rural areas should receive were not delivered. This was not damping as in delay, but damping as in totally and utterly removed. That is why our campaign has been calling for the residual amount, which we have calculated to be worth £130 million a year, to be paid in full to rural authorities.

Dr Andrew Murrison (South West Wiltshire) (Con): My hon. Friend is doing a great job, if I may say so. Does he agree that the rural services delivery grant was a fine innovation by the Government, and does he share my fears that as we move towards 100% of local authority business rates retention will bake in all the old inequities is going to be rather less than that of the likes of Westminster to grow its business rates base. I share that with colleagues, and I would be delighted if colleagues have any insights and want to put me right about it.

Graham Stuart: I do. As the system comes in, there will be equalisation, and because of the different dynamics at work and despite the righteous principle—on this side of the House—in believing people should be incentivised to do the right thing and then keep the money, there will almost inevitably be a revisiting. If it turns out that someone’s huge shopping centre is going to be closed, the idea of them being left with no money is preposterous; similarly, if a huge bounty comes someone’s way, it is pretty likely that the Government will do what Governments have always done and raid it.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): From the perspective of Buckinghamshire, it is no exaggeration to say that this year’s local government settlement is far worse than the worst case and the worst scenario that the county council had calculated. On my hon. Friend’s specific point, beyond 2018-19, when Buckinghamshire loses the revenue support grant, the council has learned that it will effectively lose a significant portion of the business rate top-up grant. In 2018-19, it is set at £1.6 million and in 2019-20, it is £10.95 million. Is this not, in effect, a tax on success?

Graham Stuart: My right hon. Friend makes a strong point.

Returning to my theme of why we should be at least cautiously optimistic about any review promise in future, the Government responded to our campaign in 2014 and promised to conduct research into the additional costs of delivering services in rural areas. They say that they cannot move to recognise it until the evidence is there, and we have long said, “Show me a single service that is cheaper to deliver per head in a sparse rural area than in a concentrated urban one, and we will be delighted to hear it.” I have not heard anything yet. Apparently the current inequities are defensible without any evidence, but any change, even on the most commonsense basis, requires vast amounts of it.

Anyway, the Government conducted the promised research in 2014. They gathered data from councils at short notice, during the month of August. Strangely, there was a shortage of data, and—unsurprisingly—no real conclusions were reached and no appreciable change was delivered. We were told, “We are sorry, but there is nothing to justify any change.” I therefore caution colleagues not to expect jam tomorrow.

Nick Herbert (Arundel and South Downs) (Con): Does my hon. Friend agree that the Government deserve real credit for announcing that they will adopt a national funding formula for schools to ensure that their funding will be delivered on an equitable basis in future, although the formula will be phased in? Should we not simply ask for the same approach in relation to wider funding?

I am not suggesting any kind of gerrymandering of the system. I am merely suggesting the introduction of simple fairness that would recognise equality of need.
Graham Stuart: My hon. Friend is absolutely right. That is why so many colleagues are here tonight—

Sir Greg Knight: On this side of the House.

Graham Stuart: On this side of the House, but, I am pleased to say, in all parts of the House. They are here because they want a system that is fair to all. Conservative Members represent rural areas, but we also represent suburban and urban areas. We do not want a system that is reverse-gerrymandered, an unfair mirror image of the previous system. We want a system that is demonstrably and objectively fair to all, as far as such a system can reasonably be delivered.

Mrs Sheryll Murray (South East Cornwall) (Con): Does my hon. Friend agree that the absence of representation on the other side of the House shows that this aspect of funding does not seem to affect different parts of the country in different ways? Labour Members representing urban areas do not feel the same concern, because their constituents do not have the same worries.

Graham Stuart: Historically, most of the Labour party’s support has come from the urban heartlands. That may have led it, when in government, always to use concentrated deprivation as an excuse for moving funds to those urban heartlands, at the expense of rural areas. As I said at the outset, it is important to bear in mind that people in rural areas are not part of an idyll. They are not richer; indeed, on average they are poorer.

Mr Owen Paterson (North Shropshire) (Con): I congratulate my hon. Friend on securing the debate, and on the splendid campaign he has fought on behalf of our rural communities.

May I take up the point made by my hon. Friend the Member for South East Cornwall (Mrs Murray)? Some of us were here throughout the long, long twilight years during which the Labour Government brutally transferred money from rural areas to urban areas. As a result of that, Shropshire will receive £325.67 this year, whereas Westminster, where we are sitting tonight, will receive £715.88. However, the settlement would reduce Westminster’s funding by 13.9% and Shropshire’s by a significant 24%.

As my hon. Friend says, delivering services in rural areas is expensive. Under the last Government we made some improvements, and we should be grateful for that, but the settlement is still extraordinarily unfair. We are exposed as a party. We are now the party of rural England, and we have to put this right. We do not want to ask for a single penny more from the Treasury; we just want a fair settlement within the envelope.

Graham Stuart: I agree with everything that my right hon. Friend has said, except one thing. We are not just the party of rural England. We are the party of the whole United Kingdom, and what we want, what we have pressed for, and what this campaign has always sought on a cross-party basis, is a system that is fair to all.

Victoria Prentis (Banbury) (Con): I do not represent some rural idyll. I represent two large and growing towns, Banbury and Bicester. I feel particularly strongly about the fact that because of the shortfall in local government funding my council is having to make some very difficult funding decisions that will affect areas of real deprivation. They will affect, for instance, children’s centres and health and wellbeing centres. Does my hon. Friend agree that that is a worry?

Graham Stuart: Absolutely. It is a worry. The distribution of funds becomes more important, not less, during a period of flat or reduced expenditure. It is a bit like when the sea goes out and all the undulations—the inequities—are suddenly exposed. That is what happens during a period of sustained control over public finances, which Conservative Members recognise as being inevitable following the economic wreckage that was left behind by the Labour party.

Dr Sarah Wollaston (Totnes) (Con): I thank my hon. Friend for his magnificent campaign. Does he agree that we must dispel the myth that there is no deprivation in rural areas, and make it clear that people in those areas are doubly disadvantaged by the lack of access to services such as transport?

Graham Stuart: My hon. Friend is absolutely right. Withernsea, a town in my constituency, is among the 10% most deprived areas in the country, and I know that similar stories can be told about colleagues’ constituencies throughout England. It is not true that there is no deprivation in rural areas. On average, it is not true. On average, the urban resident receives more. Urban areas do not consist of the most deprived, concentrated communities. They contain some communities of that kind, but on average people in urban areas earn a great deal more than those in rural areas.

Sir Oliver Heald (North East Hertfordshire) (Con): North Hertfordshire District Council is an excellent council which has been making efficiencies for years. Does my hon. Friend agree that expecting it to accept a 57% cut in grant year on year is a very big ask indeed?

Graham Stuart: It is, and where will the pressure fall? It will fall either on services, as it already does, or on the only thing that the council has left, which is council tax.

One of the aspects of this settlement—perhaps the most notable aspect—is the turnaround in the approach to council tax. The rural resident, who is already much more highly taxed, will experience compounded council tax increases. If council tax goes up by 4% in April 2016, and then by 4% a year in 2017, 2018, 2019 and 2020, that will mean five years of compounded 4% increases before the 2020 general election. I suggest to Ministers that they may wish to think long and carefully before presenting that result to the electorate in 2020, while suggesting to rural England that it should support us again.

Geoffrey Clifton-Brown (The Cotswolds) (Con): It is not necessarily the election in 2020 that we need to worry about, but the county elections in 2017. During the last Parliament, we managed to perform the really good trick of reducing waste in local government while often holding council tax at zero. However, it is not possible to go on making 30% cuts, which is what Gloucestershire will experience this year, and expect to do the same thing. Inevitably, council tax will rise.


Graham Stuart: As I have said, under this year’s provisional settlement, rural councils are being allowed to increase council tax by up to 4%. In order to compensate for the deeper cuts in their central Government grant, many rural councils will be forced to increase council tax by the full amount so that they can provide their statutory services. The impact of that will be that older, poorer residents in rural areas will be faced with an even larger council tax bill, and, more perversely, the gap in the amount of council tax that they and their urban counterparts pay will increase in cash terms.

I am also concerned about the mechanism whereby savings are being made in this year’s provisional settlement. At the end of the last Parliament, flat-rate cuts were applied across the central Government grant that every council received. If the Government were saving 11%, every council’s grant was cut by that amount. We argued strongly that that was not fair, because we needed to close the gap rather than allowing it to stay the same. This year, however, the Government are proposing to apply their broadly flat-rate cuts to the core spending power of local authorities. That sounds very reasonable and, indeed, natural, but it includes Government grant and council tax. As a result, the authorities that are already most reliant on council tax will experience a steeper cut in their Government grant, whereas those that are more reliant on Government grant will experience a smaller cut. Research by the Rural Services Network shows that, while metropolitan authorities will face a cut in Government grant of around 19% during this Parliament, rural authorities will face an average cut of 30% or more.

Tim Loughton (East Worthing and Shoreham) (Con): My hon. Friend is making an excellent case. May I enter a plea for semi-rural constituencies? Adur, which comprises most of my constituency, is a local government district. In half the areas within the national park we cannot have the development that would attract the new homes bonus, and the population is concentrated on the coastal strip where there are significant areas of deprivation. We are losing revenue support grant at a much higher rate, and it cannot be replaced by the new homes bonus because no land is available for development except on floodplains.

Graham Stuart: My hon. Friend is right. I remember speaking recently to a North Yorkshire councillor who said, “Given that we have a huge park here, we are specifically barred from development and we are rather restricted in our ability to respond to the incentives that have so generously been put in front of us.”

Just as we know all people are created equal and we hold them to be equal under the law, so surely we must insist on equity in the way we impose tax on them and fund the services that support their lives. Beyond imprisonment, taxation represents the supreme expression of the power of the state over the private individual citizen. As Members of this place, we would not accept it if the Government proposed to tax people more and to spend less on them because they were black or white, Christian or Muslim, a man or a woman. There would be uproar. Yet at present we presume to discriminate in this way based on the flimsiest of pretexts—the area in which someone chooses to live, to work and to raise their children.

The rural voice in British politics in some ways resembles our countryside itself. With a few glorious exceptions, ours is not a land of soaring mountains, plunging valleys and jagged peaks. To conjure up rural England is to convey the patchwork beauty of tended fields, the muted chime of church bells or the majesty of ancient woodland, reflecting man’s presence on the land as it has come down to us through innumerable generations. There is a softness and a neatness to our countryside that can be mistaken for cosseted privilege, all ruddy-cheeked squires and roaring fires. Those of us fortunate enough to represent rural areas know that that is not the case and that sleepy villages can be home to people whose lives are characterised by want every bit as intense, or blighted by strokes of ill fortune or ill health just as devastating, as those who dwell in our towns and cities. Yet this local government settlement would tell them once again, as it has done year after year after year, that they must pay more and make do with less.

The rural cause can—must, will—be silent no longer. It is for us in this place to give it a voice. For hon. Friends on my side of the House, I believe that to be especially true. It was rural England that kept the flame of Conservatism alive for a long period—nearly 20 years. Now is the time for those of us who have been loyally returned by rural areas to make good on our contract with our electors. I stand with colleagues to ask, politely but firmly, for fairness, not favours, from Ministers, and to express our unyielding resolution that that should be delivered.

6.53 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): The issue of local government finance, particularly in rural areas, is close to my heart, having served for eight years as a councillor prior to my election to the House. Having been leader of the opposition and then council leader on the Highland Council, an authority roughly the same size as Belgium, I have seen my share of financial challenges on both sides of the local debate, and I have great sympathy with right hon. and hon. Members discussing cuts to the budgets of English local authorities.

I would like to take a moment to pay tribute to the men and women who work across our councils. They deliver far more than many people appreciate, often in difficult circumstances, sometimes in distressing situations. Their help is there from before birth, throughout childhood and is woven into our daily lives. It is even called upon when we die and in support of those left behind. In the light of the recent floods, special mention should go to those council employees across Scotland and the other nations of the UK who went above and beyond the call of duty to assist those in need. The scale of the flooding was exceptional, and the response in Scotland was truly first class.

Local councils, emergency services and other responders worked tirelessly to minimise the impact on communities, to ensure the safety of people and to help local areas to recover. To help them, the Scottish Government had already announced nearly £4 million for the local authority areas most affected by severe flooding caused by Storm Desmond in early December. This week, the First Minister has also announced that in the light of recent events the Scottish Government intend to make a further financial allocation of £12 million, meaning £1,500 per household and an additional £3,000 for businesses severely affected.
Since 2008, the Scottish Government have provided funding of £42 million per year to enable local authorities to invest in flood protection schemes. In my constituency, the Inverness flood relief scheme was successfully completed last year and has not only provided vital protection for Inverness, but regenerated the city’s riverside.

The Scottish Government provide funding to the Scottish Flood Forum to work with local authorities, communities, householders and businesses to help them recover from a flood event. A scheme in Whitesands in Dumfries is now included in the published flood risk management strategy for the Solway, and funding will be available to the council via the local government settlement to begin work on a scheme when ready. Funding for the flood forecasting service run by the Scottish Environment Protection Agency has been protected by the draft budget settlement. That is provided directly by the Government and is in addition to the grant in aid that is provided to SEPA. Today, the Scottish Government flood risk action plan was announced, with 10,000 properties being supported by investment of £235 million.

The Scottish Government also activated the discretionary Bellwin scheme in November and December. That exists to give special financial assistance to local authorities as a result of their providing relief and carrying out immediate work due to large-scale emergencies, including flooding incidents. The Scottish Government have also recently legislated to give councils the power to reduce and remit rates bills, which councils could use to target support to the businesses in their areas affected by the floods.

The Scottish Government are investing in rural communities, are seeking to provide better transport infrastructure, and better access to medical care and hospitals, and are mitigating the cuts made by the UK Government with a new rural fuel poverty taskforce.

James Cartlidge (South Suffolk) (Con): The hon. Gentleman mentions fuel poverty. This is interesting. If there is one gleam of light for my constituents at the moment, it is the fact, as I have found recently, that if people fill up their oil tank—many rural constituencies use heating oil—the price is less than half what it was not so long ago. However, the fall in the oil price will have had significant implications for Scottish funding. I wonder whether he would care to reflect on that. He talks about UK cuts. What sort of cuts would have had to follow in the event of independence with the current forecast for the oil price and oil revenues in Scotland?

Drew Hendry: This is a common red herring that is introduced into the debate on Scottish funding. Scottish GDP is roughly the same as English GDP, and oil is a bonus for Scotland. When the price goes back up, obviously, the Treasury will continue to benefit from that bonus.

One of the first things that the Scottish Government did in 2007 was to decentralise local government funding by removing ring-fencing. Today, I am delighted to confirm that the Scottish Government Community Empowerment Minister has announced a £500,000 fund for a pilot scheme for people to take part in participatory budgeting in rural areas, giving people a direct say in how investment should be taken forward in their communities.

Health and social services in Scotland are to be delivered in partnership between health boards and local authorities. The Scottish Government are also taking action to support rural hospitals in recruiting and retaining their medical staff, ensuring that patients receive safe care. In some areas that will involve rotating staff between rural and urban hospitals to ensure that we continue to provide services close to communities. That work has already delivered early success in supporting general surgical services in Belford hospital. Working with NHS Highland, the Scottish Government are now putting in place a network between Caithness general hospital and Raigmore hospital in Inverness, rotating staff between the two hospitals. This will support the delivery of the majority of surgical care and all out-patient care close to the community in Wick, while NHS Highland engages with local stakeholders to develop options for high-quality, safe and sustainable services throughout Caithness.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): The hon. Gentleman has mentioned medical recruitment and retention in Scotland. I do not wish to reflect on the challenges that we have in England, but there are challenges in Scotland in psychiatry and general practice recruitment that are probably worse than those in England. Will he please reflect on whether the increased funding settlement in Scotland compared with that in England is beginning to bear fruit, or whether the challenge has actually worsened over the past two or three years under the current measures?

Drew Hendry: Funding for Scotland has been drastically reduced over the past few years. We recognise the fact that we need more medical professionals, and that is why a comprehensive support package for training is in place in Scotland.

The Scottish Government have also committed to working with local authorities to develop stronger and more productive relationships between central and local government in order to develop real benefits for the people of Scotland. The Scottish budget for 2016-17 for local government has taken place against a backdrop of the toughest public expenditure conditions we have faced. This is the austerity of choice not of necessity, and it has been rejected wholesale by the people of Scotland. Between 2015-16 and 2019-20, Scotland’s total budget will be reduced by 4.3% in real terms. Scotland’s total discretionary budget will be cut by £1.2 billion in real terms, or 4.2%, and funding for day-to-day public services—the fiscal resource—will be cut by almost 6% in real terms, or £1.5 billion.

Between 2009-10 and 2014-15, Scotland’s budget has fallen by around 11% in real terms, with capital expenditure falling by around 34%. This means that our budget has been cut by a staggering £3.5 billion in real terms since 2009-10. As a result of the autumn statement, the Scottish Government’s revenue budget will be cut by 5.7% in real terms over the next four years. However, Scottish local government finance settlements have been maintained on a like-for-like basis for the period from 2012 to 2016, with extra money for new responsibilities. This has resulted in a total settlement of £10.8 billion in 2014-15 and more in 2015-16, allowing rural local authorities and others to perform their duties.

Additional funding has been made available for health and social care, local authority school budgets and support to ensure that the council tax freeze is maintained for its ninth consecutive year. I have to say I agree that once we let the genie out of the bottle and increase
Scotland has had? that not wholly demonstrate what a generous settlement Beverley and Holderness (Graham Stuart) in his excellent of just 2%. I do not know whether he was in the Chamber a reduction in local government revenue support grant for the moneys that would have been collected by raising the council tax.

While I am on the subject of the freeze on council tax, it should be remembered that before the Scottish National party came to power and agreed the freeze with the councils, this most regressive of taxes had been going up every single year. That was hitting the poorest households and pensioners the hardest. During the 2007 election campaign, I knocked on the door of a constituent in Fort Augustus who was in tears at the thought of yet another pressure on her household purse because of the threat of an increase in council tax.

This measure has now saved the average family some £1,500 at a time when they find themselves most under pressure. Those advocating a return to increasing council tax should remember that that would be likely to result in a return to the yearly default of ever-higher council taxes, with services remaining under pressure due to the UK Government’s austerity obsession. This tax is applied not only to those who can afford a little bit more but to those who cannot withstand yet another squeeze on their ability to put food on the table or to heat their homes.

The net revenue reduction for local authorities next year will be £320 million. That amounts to a reduction of 2% of the total expenditure of local authorities. It is a challenging settlement. However, that does not take account of the additional allocation announced by the Deputy First Minister of £250 million for social care.

Geoffrey Clifton-Brown: The hon. Gentleman mentions a reduction in local government revenue support grant of just 2%. I do not know whether he was in the Chamber when I intervened on my hon. Friend the Member for Beverley and Holderness (Graham Stuart) in his excellent speech to tell him that my local authority of Gloucestershire was likely to face a reduction of 30% this year. Does that not wholly demonstrate what a generous settlement Scotland has had?

Drew Hendry: It wholly demonstrates the fact that the Scottish Government prioritise local authorities to ensure that they have the ability to deliver the services that they need. I have listened carefully to the complaints being made in the Chamber, and I absolutely agree that some of the cuts being faced by English local authorities are devastating. That is why I am proud that the Scottish Government are prioritising these measures.

The net revenue reduction will be £320 million, but that does not take account of the additional allocation of £250 million for social care. The national health service will now share that responsibility and will next year invest another £250 million in those services.

The funding settlement also needs to be seen in the context of further funding for local authority school budgets. The budget sets aside funds to ensure that we are progressing the work to close the attainment gap. The £33 million that will be invested next year is part of a bigger programme of £100 million that is being invested over and above local authority school budgets to prioritise improvement in attainment.

Let us compare the situation of Scottish local government with that of English local government. The funding for English local government has gone down by 27% over the past two years while Scottish local government has essentially had a flat cash settlement from the Scottish Government for a number of years. So we are starting from a much higher baseline figure for the provision of local authority services. This underlines the SNP’s commitment to supporting local government.

Sir Edward Garnier (Harborough) (Con): If the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) will forgive me, I will not follow him up the highways, byways and glens of Scotland. I find local government finance complicated enough without adding in a Scottish element. As he has spoken in the debate about local government funding for rural areas, which of course include vast swathes of Scotland, I hope that he will let us know during the course of the evening whether his party will vote in February when we come to discuss the final settlement for these proposals, which may or may not have a direct effect on Scotland. Given the way in which the Scottish nationalists’ rhetoric has been going since the May general election, they will no doubt claim that it has an indirect effect on the matter. I am sure that the Government will listen with great interest to whether Scottish National party Members of Parliament will be here on that night in February. That might have some bearing on the Government’s thinking.

In the 24 or so years that I have been in this House, I have deliberately never spoken about local government finance because it is an impenetrable subject. I am grateful to my hon. Friend the Member for Beverley and Holderness (Graham Stuart) for having spoken so cogently and clearly on the subject today and for leading our campaign to persuade the Government to treat rural areas more fairly when it comes to local government finance.

Jesse Norman (Hereford and South Herefordshire) (Con): Does my right hon. and learned Friend share my view that, in the extremely eloquent speech made by my hon. Friend the Member for Beverley and Holderness (Graham Stuart), he omitted to mention “The Picturesque”, which of course comes originally from Herefordshire, as described by Gilpin? Does he also agree that our hon. Friend was the most picturesque adornment present on these Benches as he gave us his presentation? Does my right hon. and learned Friend share my view that the counterpart to the extraordinarily poor settlement that rural areas have received might involve not only an improvement in that settlement on the current basis but also additional capital funding to allow rural areas to develop an economic strength from which future revenue could derive?

Sir Edward Garnier: A number of points flow from my hon. Friend’s intervention. First, he confirms why it was sensible of me never to have spoken about local government finance. Secondly, I agree with him that Herefordshire is a beautiful county, and he illustrates
that, but many of us who represent shire counties do not just represent rural areas. For example, my constituency is 90% rural geographically, but 50% of my electorate come from a suburb of Leicester—Oadby and Wigston, a borough in need of special attention from the Government. I have discussed that with the Minister and I will bring the matter back before the House before very long.

My hon. Friend the Member for North West Leicestershire (Andrew Bridgen) and my right hon. Friend the Member for Rutland and Melton (Sir Alan Duncan) are in their places tonight. Because we represent that bit of Leicestershire outside the city of Leicester—there are seven Conservative Members of Parliament for the county of Leicestershire and three Labour Members for the city itself—it is assumed that we all represent, and all our constituents live in, wonderful leafy idylls. I refer to the pre-penultimate paragraph of the speech made by my hon. Friend the Member for Beverley and Holderness there. There are, however, people living in my constituency, for example, in South Wigston, Market Harborough, Fleckney and Kibworth, who are not at all well off. Market Harborough is a market town, as its name suggests, but Kibworth and Fleckney are large villages. As my right hon. Friend the Member for Rutland and Melton would agree, there are people living on farms and in little hamlets who are not at all well off. The fact that we represent so-called “shire counties” does not mean to say that everyone there drives around in a Range Rover and is looking forward to the next cheque from the common agricultural policy—life is not like that.

As has been mentioned, school funding in our area is second bottom of the Whitehall funding list, although it costs just as much to educate a child in rural or semi-rural Leicestershire as it does in the city of Leicester. Indeed, many schools in the borough of Oadby and Wigston, which abuts for three or four miles the city of Leicester, are educating city children, who come across the boundary into the county of Leicestershire because, by and large, the schools in my constituency, and no doubt in the equivalent parts of the county around the border of the city of Leicester, are, on average, better than those in the city. Yet we have to pay for the education of those children from the city of Leicester with the much-reduced county funding. That is just an illustration of the problem we face year on year.

Victoria Atkins (Louth and Horncastle) (Con): In a rural area such as mine, where my local district of East Lindsey covers 700 square miles, most of which forms my constituency, there is an added problem with transport. It costs Lincolnshire County Council millions of pounds to transport children across the county to their nearest school, a cost that, happily, most city centre children do not have to bear.

Sir Edward Garnier: I agree on that, and my hon. Friend illustrates the sparsity factor. I am getting into the jargon now—you might almost think I am beginning to enjoy myself, Madam Deputy Speaker, but I do not want you to get that impression. On the sparsity factor, getting schoolchildren from parts of rural Lincolnshire or rural Leicestershire to the town centres where the schools are is an expensive activity and the county councils are finding it increasingly difficult to subsidise it, to the concern of the parents of those children.

I do not wish to think of this as being as complicated or difficult as the Schleswig-Holstein question, but I sometimes think that either I am either dead or mad, or I have forgotten the answer. Lord Palmerston, one of our greatest Prime Ministers, said that only three people knew the answer to the Schleswig-Holstein problem—one was dead, one was mad and one had forgotten the answer. That is a diversion, I hope.

I am relying heavily here on a note provided by the excellent Conservative leader of Leicestershire County Council. The council recognises that the Government wish to use “spending power” as the only means of discussing the funding available to local authorities and that there are financial constraints—there is a limit on the amount of public money available. In government jargon, “spending power” means Government-funded spending power—I know this gets very exciting, Madam Deputy Speaker—which means core spending power minus council tax. It consists of the settlement funding assessment, the new homes bonus and the rural services delivery grant, and from 2017-18 it will also include the improved better care fund—would that Lord Palmerston were with us now!

The Government’s proposed changes to the revenue support grant, designed to limit reductions in funding for the local authorities most dependent on RSG, such as inner-London boroughs and cities, will have a significant impact on Leicestershire and other similar counties. They will mean a £6 million additional loss of RSG, making a total reduction for the county council of £19 million in RSG for 2016-17. The additional loss to all counties amounts to £1360 million. The Government’s proposals also will mean that £2 million of retained business rates will be lost to Leicestershire in 2019-20 as those are redistributed—guess where, oh Conservative Government—to cities and inner-London boroughs. I am not making this up. These changes can fairly be seen as the latest in a series of “compromises”—I say that politely—made by successive Governments.

Let me quickly illustrate how the system is not working now. The RSG does not take account of the needs of the local population. RSG per head in 2016-17 in Leicestershire, which includes the seven or eight district councils or borough councils outside the city of Leicestershire, is £67, whereas the figure for Islington is £246 and the figure for the city of Westminster is £251. Council tax per head at band D in 2015-16 for Leicestershire, including the districts, was £490, whereas the figure for Islington was £416, with the city of Westminster figure at £352. One sees straightaway from those examples the imbalance that the campaign led by my hon. Friend the Member for Beverley and Holderness has been so successfully highlighting.

Spending power—I referred to that complicated compendium a moment ago—is apparently how the Government define income to a local authority. The Government headlines around the provisional settlement and the so-called “good news” are directed towards the position right at the end of this Parliament, in 2019-20, and not to the current year. My colleagues in the county council welcome the principle of a four-year settlement, but not if it’s certainty increases the savings required and compels further service reductions in the short term, and does not take account of spending pressures at the end of the four years, when a projected 3.5% increase in spending power for Leicestershire will be totally inadequate.
That sort of increase would simply not meet the needs of the over-65s, an increasing school-age population and the cost of the living wage. For example, the cash increase in spending power for Leicestershire County Council by 2019-20 equates to £12 million, but that is the context of living wage costs to the council by 2019-20 of £20 million. The 2% adult social care precept equates to £22 million, which compares with the increase in adult social care costs, including the living wage, of £50 million over the same period.

Sir Edward Garnier: I am sure that that illustration applies both to my county of Leicestershire and to my hon. Friend’s county of Suffolk. As a doctor, he will have seen how that matter touches on his constituents directly. Certainly in Leicestershire, 50% of the £350 million revenue budget is spent on adult social care. If my hon. Friend is right, that percentage can only go up as we move through this Parliament and beyond it, so the points that he makes have even greater purchase than perhaps he might have initially thought. It seems, too, that the scope for savings is necessarily restricted. As a result of the provisional settlement, Leicestershire needs to save £28 million in 2016-17, increasing to a total of £83 million by 2019-20 just to ensure that it is living within its means. That is on top of savings that the county has already achieved of £130 million.

I do not pretend to have an instant solution to any of this; I do not suppose that any one of us does, but I urge the Government to think a little more intelligently about how it distributes what is accepted to be a limited pot of money across the country. Without wishing to be rude to the hon. Member for Inverness, Nairn, Badenoch and Strathspey, I urge Members to forget about Scotland for the moment—it is a difficult thing to do, but we will do it just for this evening—and to call on the Government to work out what is fair. A poor person in Harborough is no better off than a poor person in inner-city Leicester. A poor elderly person in Harborough needs as much financial support as a poor elderly person in the city of Leicester. I appreciate that there will be rough edges and that there is no perfect solution to the problem, but I am reasonably sure that there is a better solution than the provisional settlement that we are looking at now.

Leicestershire is a well-behaved Conservative council—I do not mean that in a pompous way, although I have been accused of many things and pomposity may be one of them. It believes in using taxpayers’ money well and in getting good value for every public penny spent. We are not about to initiate some sort of riot or revolution in Leicestershire County Council. We are simply asking for a bit of fairness—not a difficult thing to ask for. Although I do appreciate that that is hard to deliver, I none the less think that the Government should try just a little bit harder.

Sue Hayman (Workington) (Lab): I thank the hon. Member for Beverley and Holderness (Graham Stuart) for securing this debate. I was absolutely delighted when he asked me to co-sponsor it, because this matter is so important for many, many rural communities, including my own in Cumbria.

This debate is about fairness. It is about local authorities in rural areas receiving fair funding. Wherever we live, we pay a fair amount of council tax, from which we as a resident or a business in that community expect to receive decent, accessible services. Currently, rural communities tend to pay higher council tax bills, receive fewer Government grants and have access to fewer services than communities in urban areas. One thing I have always thought is that those of us who have been brought up in rural communities have lower expectations about what services we are entitled to, and we should not have; we should demand what we pay for.

Cumbria, where I live, is a truly rural area. Aside from the small cathedral city of Carlisle, it is the market towns that grow our economy. Some 95% of our businesses are small and medium-sized enterprises, most of which employ fewer than 20 people. Other rural economies are hinterlands to city regions and they have very different expectations, problems and challenges to the ones that we face in Cumbria.

Cumbria has one of the largest land mass areas in the country. To illustrate my point, I ask Members here to imagine a map of London and its surrounding areas. If we laid Cumbria over that map, it would cover an area from Cambridge in the north, all the way down to Hampshire in the south, across to Oxfordshire in the west and over to Essex in the east. I do not think that many people really appreciate the size of the county. Given that alongside that we have a population of only 500,000, delivering services for our local authorities is a real challenge.

The real difficulty for Cumbria is that the business rates retention model is based on growth in business premises. I have already mentioned the number of SMEs and the small number of people they employ, and because of that many of them are based at home; they are residential businesses. Many, for example, are bed and breakfasts. We have only a limited amount of business growth that will be reflected in an increase in business rates income. To put it simply, we cannot increase our income from business rates in the way that can be done in urban areas; we simply do not have the capacity. As I am sure many Members will agree, it is also more problematic for those areas that have two-tier authorities, such as Cumbria.

Let me focus on some of the challenges. First, there is transport, which has already been discussed today. In Cumbria, we have 7,000 miles of roads, and that does not include all the footpaths that the local authority has...
to maintain. The geography and our weather conditions mean that a huge amount of resources are required to maintain those networks. The large number of visitors we receive also puts a lot of pressure both on the roads and the footpaths. In fact, under the current funding formula, Cumbria does not get any extra money for dealing with its visitors, who increase the population hugely during the summer.

We also need to think about the weather. Everyone has seen the recent flooding in Cumbria. Our roads always suffer very, very badly from the weather, which again puts increased pressure on the council’s funding. We now have huge problems to resolve. I know that we get extra funding from Government for the flooding, but it does not come close to what we need, particularly given the recent council cuts. Our transport budget has been cut by a third, so the roads are already in dire need of extra help.

Mrs Sheryll Murray: I have a lot of sympathy with what the hon. Lady is saying, but is she as disappointed as we are on the Conservative Benches that she is the sole voice from her party for this very important debate?

Sue Hayman: I thank the hon. Lady for that intervention. I am grateful that I have two of my hon. Friends in front of me, but I take her point. To me, rural issues should not be party political issues. Everyone who lives in a rural community is entitled to be represented by both parties, by the Scottish National party and by other parties that are not represented here today. I have discussed these issues with other Members. I know they are interested and I would have liked to see more of them in the Chamber this evening. I cannot deny that.

On another transport-related issue, let us look at the impact that lack of funding has had on our bus services. Owing to the reduction in funding for Cumbria county council, we have unfortunately lost a number of bus services as the county could no longer afford to pay the subsidies. In a rural area that is a real worry. In Cumbria, anyone who cannot afford to buy and run a car, or who cannot drive, is cut off from accessing services or even from being able to get a job and go to work. In the village where I live, we have a bus to Cockermouth on a Wednesday, which is fine for people who want to do a bit of shopping or meet some friends, but is not much good for anyone who needs to get to work. That service is now under threat. We could lose that important lifeline for the elderly people who live in my village.

My daughter was unable to get a job until she passed her driving test. It is not cheap for a young person to pass a driving test and it is not easy to do so—it took her three goes, but she passed and she now has some work. That situation puts extra pressures on our young people and does not encourage them to stay and live in our communities.

These huge costs of transport make it difficult for the local authority to deliver services across the board. Those transport costs are a factor in the delivery, for example, of social care, as has been discussed. Another example is waste collection. Studies have shown that it costs almost double the amount to collect a bin in a rural area, compared with an urban area. It is not just a little bit more expensive; it is much more expensive.

The public health funding model does not take into account the significant cost of running services in rural areas—again, because of the transport costs and the distances that need to be covered—so we risk setting down the people who live furthest from the centre. The people on the edges are often missed because of the difficulty in delivering those services. That is exacerbated by the fact that our population is ageing. If our population is ageing, does not want to drive and is experiencing more health problems, it seems crazy to me that we do not have sufficient funding to allow older people proper access to the health services that they need.

We have had a campaign running in Cumbria for some time to ensure that services from West Cumberland hospital are not moved to Carlisle and beyond that to Newcastle. It is still a long way for people in my constituency to go to Whitehaven to access services there. If we lose that, it becomes more problematic. Recent events in Cumbria and the number of road closures and bridges damaged show the paucity of our roads infrastructure and the further problems that that causes. We need proper funding so that the county council-maintained roads can be properly managed; otherwise, there is the risk of dreadful isolation in communities in rural areas.

Hon. Members have spoken about rural poverty. Pockets of rural poverty are very real, but often missed. If we do not have proper outreach services, we do not know what people need. As I said, people in rural areas tend to be quieter about their requirements. We could go down a dangerous route if we are not careful. We need to make sure that everyone has the services they need and that they can access employment properly. Unless we do that, we simply pile on the deprivation and do nothing to support those who need help most.

I shall move on to another issue, which I wish I did not have to do. The Government have suggested on a number of occasions that local authorities can make cost savings by prioritising internet-based services and advice. I do not know what it is like for other hon. Members, but I do not want to get bogged down in the lack of access to broadband in my constituency. It makes me want to tear my hair out.

Dr Poulter: The hon. Lady makes an important point. Broadband access, as we know, is not as easily available in rural areas as it is in urban areas. Also, given the demographic issues that have been discussed during the debate, we know that there is a challenge with the very elderly, despite the best efforts of local charities and outreach groups in many of our constituencies to get them to engage with digital technology. That is not to say that all older people do not engage, because some do, but with the very elderly there is a particular challenge, and those people can be the among the most vulnerable in our communities.

Sue Hayman: I thank the hon. Gentleman for that important point.

One of the problems with broadband is that too many assumptions are made about what we can achieve in rural areas. What I find most frustrating is that as the superfast broadband connection is rolled out in some areas, where we are not getting superfast we are getting super-super-slow as the speed goes down and down. By making it better for some people, we are creating a huge problem for others. I urge the Government not to tell hon. Members and their constituents that they should be accessing internet-based services, when it is incredibly difficult and frustrating to do so. We should either fund broadband properly or accept that we need to look at different solutions.
Graham Stuart: The hon. Lady may be a sole voice, but she is making a powerful and important speech, particularly given that it is from the Opposition Benches and grounded as it is in her constituency experience. Does she agree that the inability of rural councils to deliver services more cheaply and more conveniently digitally because the infrastructure is not there, as she has just described, is another reason why a further increase in the gap between urban and rural is untenable?

Sue Hayman: Absolutely. Our difficulty in accessing decent broadband acts as another block on enabling rural businesses to develop and grow. That reduces access to increased business rates, as we have heard.

Drew Hendry: The hon. Lady is indeed making some fine points and I agree with many of them. Does she agree, though, that the issue is not just rural broadband and accessing those services? She made the point about rural businesses. In many rural areas, they cannot even get a mobile phone signal. That further hampers rural communities’ ability to do business and look after themselves.

Sue Hayman: That is correct. I do not get a mobile signal at home, so I understand that point. Another point that has been made to me by a number of rural businesses recently is the inability of people who have gone to markets to sell, for example, to use the hand-held card things because they do not have the signal to be able to operate them. I do not know the technical term, but that causes them problems when they try to sell.

In conclusion, I would like to ask the Government to look again, as other hon. Members have requested, at the normal services that they should expect in rural areas?

Andrew Bridgen (North West Leicestershire) (Con): The hon. Lady is making a passionate speech. Does she agree that it cannot be right that our elderly, vulnerable rural residents, who have paid their taxes like everyone else all their life, may be faced at the end of their life with moving to an urban area so that they can access the normal services that they should expect in rural areas?

Sue Hayman: I thank the hon. Gentleman for that intervention. It comes back to the lack of bus services, for example. A number of elderly people in my village use the bus on a Wednesday because it facilitates a social life; they can go into town and meet their friends. If that bus service goes, where will that leave them? About a year ago one elderly resident fell and broke her shoulder. All she wanted was to get well enough to be able to get back on the bus and go into town. Had she not had that incentive, I worry that she might not have recovered so quickly. These services provide so much more than is indicated by their face value.

In a nutshell, I would like the Government to think about the bigger picture and consider how important access to transport services, and indeed to all services, is for rural communities. Without proper funding for local authorities, those services will deteriorate. We do not want anyone in our communities to be disadvantaged, so I urge the Minister and the Government to reconsider.

Simon Hoare (North Dorset) (Con): It is a great pleasure to follow the hon. Member for Workington (Sue Hayman), who said not a word with which I could possibly disagree, and who underscored in not only what she said, but how she said it, the point my hon. Friend the Member for Beverley and Holderness (Graham Stuart)—I thank him, on behalf of everyone in the House, for securing the debate—made in his opening speech: this is not a debate about party politics or affiliation; it happens to be a debate about geography. It is a debate about something that we would all hope underpins everything that any Government do: to strive for equity and fairness.

As a new Member of the House, I rise more in sorrow than in anger. I am disappointed that I find myself incredulous about the proposals that has been outlined for my county of Dorset. I have a bit of form in this regard. About nine years ago the leader of West Oxfordshire District Council—I lived there at the time—called me up and asked me to join his executive committee. I said yes, but I thought to myself, “So long as it has nothing to do with finance.” He then asked me to take the resources portfolio, so for seven years I struggled with the budget. We were all very sensible about it, as I believe most local government—particularly, though not exclusively, Conservative local government—has been in helping the Government of the day respond to the pressing financial challenges and the huge black hole in our national finances. Therefore, those of us who rise with concern about this settlement do so not like an ostrich with its head in the sand—we are not ignorant of the pressures on the Treasury—but because we are keen to ensure equity and fairness for our constituents.

Victoria Atkins: Will my hon. Friend allow me to demonstrate exactly what he has just said by giving the example of East Lindsey District Council? It is a Conservative council that has tried to look ahead and has planned and saved because it suspected that central Government would make funding decisions that would lead to a lower allocation. Those in the council have done their best, but with the latest funding settlement they are holding their heads in their hands and asking what more they can do.

Simon Hoare: My hon. Friend is absolutely right. She sets out a repeating pattern of change and evolution that we have seen in local government, and my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) will know of the work that his council did with my old council. Let me give an example of what North Dorset District Council has done. It is a low-spending, low-taxing, Tory-controlled, rural shire district council. It has been on its efficiency journey for well over 10 years, during which time it has developed a mixed economy of services, transferring some services to community groups and town councils. For example, Blandford Forum Town Council chips in £50,000 for the running of the town’s leisure centre, which just a few short years ago was the sole preserve of North Dorset District Council. It has transferred other services to commercial operators. Its final asset—the last jewel in its crown—is the council office site, and it has already agreed to dispose of that as part of its survival campaign.
North Dorset District Council is part of the Dorset councils partnership, which is the only tri-council model in the country, covering the constituencies of my right hon. Friend the Member for West Dorset (Mr Letwin), my hon. Friend the Member for South Dorset (Richard Drax) and myself. We share a chief executive, a senior leadership team and staffing with two other local councils. When the district council started this journey we had 300 members of staff, and we now have 100. This is not about arguing for the status quo; it is about arguing for fairness.

Mrs Sheryll Murray: My hon. Friend mentioned the funding settlement, and I understand about the level of funding, but does he not welcome the four-year budget plan that now gives councils at least the opportunity to plan ahead?

Simon Hoare: No, and for reasons that I will explain to my hon. Friend in just a moment.

If I took Members to my North Dorset constituency—this echoes what my hon. Friend the Member for Beverley and Holderness, the hon. Member for Workington and others have said—they would see that it looks lovely, and it is lovely. But we have poor public transport, notwithstanding the excellent service that Damory tries to provide with the budget it receives from the county. The majority of my residents are retired. We have poor and patchy broadband. We have an historical low skills base. We have a poor road infrastructure. One of our straplines is, “Come to Dorset; there are no motorways.” Forget motorways; we have no dual carriageway in my constituency. Indeed, a passing place on a road is greeted like an oasis in the desert. Access to affordable housing is constrained. The average salary of a vast number of my residents is well below the national average—the national average is about £24,000, but in my constituency it is about £17,500. A large number of my constituents are tenant farmers, or those associated with agriculture, living in tied accommodation.

Therefore, although those wonderful rolling hills and green pastures of the Blackmore vale look enchanting, and while the area of outstanding natural beauty of the Cranborne Chase is indeed beautiful, there are pockets of deprivation in those rural areas, for example in Blandford Forum, Shaftesbury and Gillingham, and for some unknown reason no wise expert in either the Treasury or the Department for Communities and Local Government can find a perfect mechanism for measuring that rural deprivation. That is a huge gap in how we approach the settlement.

James Heappey (Wells) (Con): My hon. Friend is speaking with his customary eloquence. I simply rise to add to his list of challenges. It is not just public services that challenge us; the inability to access banks and other amenities means that people in our communities have to travel that bit further to do their banking or grocery shopping, and that all adds to the cost, particularly when it comes to public transport.

Simon Hoare: My hon. Friend is absolutely right. He can add to that litany the fact that something as simple and mundane as a waste collection service costs far more in a rural area than it does in an urban area. It is far easier for a large rubbish truck to trundle up and down the terrace streets of Cardiff, Bristol, Manchester or Birmingham than to go up hill and down dale, and from one house here to two farms there, so it is more expensive. The costs of getting children to school on transport provided by the county council is higher. The cost of everything is higher. It costs more to heat homes, because they all predate cavity wall insulation, and because conservation area status and listed buildings simply preclude double glazing, solar panels and the like.

At every step, when we analyse it in the cold light of day, there is precious little reason to live in a rural area today. The difficulties are compounded by the Conservative Government who had had at the heart of their manifesto the firm commitment, on which I certainly stood, of rural-proofing these things, free from the fetters of the yellow peril of the Liberal Democrats—[HON. MEMBERS: “Hear, hear!”] The House is free of it now, too. The Government are now suddenly appearing to shirk the task that Conservative Members wish them to undertake.

Let me deal with the three things that I find particularly irritating within the proposed settlement and pick up the point made by my hon. Friend the Member for South East Cornwall (Mrs Murray). If only Dorset County Council had four years to deliver the medium-term financial strategy that it had planned—the £13 million-worth of savings that it had identified—but Dorset, like Buckinghamshire, has been given two years, and then its revenue support grant disappears. That is why I am afraid I cannot welcome what my hon. Friend asked me to welcome. East Dorset District Council, in which part of my constituency falls, sees its RSG disappear after one year. With no prior warning, no consultation and no advice, its medium-term financial strategies are now shredded.

That is unfortunate, because the local government of Dorset was significantly reviewing what it did. Exciting proposals were coming forward and a vivid debate was going on about large unitary districts, a combined authority and so on, all with the expressed aim of helping my hon. Friend the Minister and my right hon. Friend the Chancellor achieve what we all want to see—economic efficiency, with services delivered at the best possible price for the council tax payer. All those potential proposals have had to be put on hold while a reduced officer corps desperately tries to focus on which service is more, or less, important and must not just have the fat trimmed off—we have gone through the surface of the bone and, in some instances, are sucking out the marrow.

Michael Tomlinson (Mid Dorset and North Poole) (Con): My hon. Friend and neighbour mentioned east Dorset, part of which falls within my constituency, but he is making a very good case for Dorset as a whole. Does he agree that we are not calling for special favours for Dorset, but simply for fairness, and that the aim should be to reduce the inequality rather than increase it?

Simon Hoare: My hon. Friend is absolutely right. This is not special pleading. We are not saying, “Do this because these rural areas all, or broadly, vote Tory.” This is not some sort of banana republic in central Africa where the governing party’s Members of Parliament have more of the lion’s share because they are of the governing party. All we are asking for is equity and fairness—for the same rules to be applied across the piece.
Neil Parish (Tiverton and Honiton) (Con): My hon. Friend is making a very strong speech. Rural areas, particularly the rural counties, many of them Conservative controlled, have made these reductions to their budgets and run a very prudent house. In Devon, we are cutting back by £28 million. We have had a £2 million increase, and that is welcome, but when the budgets of inner-city and metropolitan authorities are being increased, it is time that we had a greater redistribution. As he says, we now have these seats in the south-west, and across the country, and we expect a really fair deal. Because of roads, transport and schools, we do need that extra money.

Simon Hoare: My hon. Friend is right. His comments have the extra weight of his being Chairman of the Environment, Food and Rural Affairs Committee.

The Minister should be clear that this settlement will create some jobs as local government sheds yet more staff and services are cut. I expect to see job advertisements for local government commissioners appearing in lots of publications, because a number of chief executives and leaders will be seeking, in effect, to hand the keys back to the Department, saying, “Look, pal, we have tried our best. We have done what we think we can. We can make no further cuts, hand on heart, without thinking that our electorate and our residents will be unduly hurt.”

Geoffrey Clifton-Brown: As my hon. Friend said, many of our rural councils have done exactly what the Government have asked. In Gloucestershire, four district councils now share back-office services. We share a chief executive. We have a common Gloucestershire-wide rubbish policy. We share business rates and second home bonuses. We have become super-efficient, yet we are one of the hardest hit local authorities, and we now have very little left to cut.

Simon Hoare: My hon. Friend is right. He amplifies a golden thread that has run through the debate.

I have two further points that I urge the Government seriously to reconsider. The Care Act 2014 implementation grant has hitherto always been free-standing of the RSG—a little bit of icing on the cake. The proposed settlement rolls it into the RSG, and that seems rather unfair. I am happy to stand corrected by the Minister, but it is certainly the collective view across local government in my county that, in essence, the strategy that the Department is setting out has a counter-Conservative mindset whereby every single year council tax will have to be year on year. I urge the Minister to unravel the knitting that the Department has done in meshing the grant with the RSG.

On the implied and presumed increase in council tax, the insult is compounded still more by the situation, as we understand it, on business rates. We cheered my right hon. Friend the Chancellor to the rafters in Manchester just a few short months ago when he gave ground on the localisation of business rates, which local government had been campaigning on for many a long year. I hope that the Minister will be able to clarify this, but our understanding is that while we will be allowed to set it and will continue to collect it, the centre will determine how much of it we retain and top-slice or cream off that which it believes we do not need in order to underpin and subsidise other, less efficient, authorities. That is, in itself, an insult, but when we add the factored-in, year-on-year increase in council tax of at least 3.99%, things start to get very tricky.

As my late and noble Friend Baroness Thatcher would have said to those three points, taking off her glasses with a sweep, I too have to say to the Minister, “No, no, no.” The increase of the rural services delivery grant to £65 million is welcome but way south of the £130 million that the network believes is required. It might just about make a fig leaf for a dormouse but will not add up to anywhere near what is required to service rural local government.

I have some questions for the Minister, for whom I have personal liking and huge respect. I do not envy him his position as he sits like Daniel in the lions’ den with the lions not having been fed for many a long month. The questions boil down to this: where is the equity in this proposal?

Andrew Bridgen: My hon. Friend is making an impassioned speech. The people of Leicestershire roared at the prospect of business rate retention, and the settlement for Leicestershire suggested full retention by 2020. The combined Government grant for local and county councils in Leicestershire is £136 million a year, and our current business rates are £226 million a year—a difference of some £90 million a year. I would be interested to hear from the Minister how soon we will be able retain those extra funds, especially given that North West Leicestershire has Coalville, which is the most deprived town in Leicestershire. North West Leicestershire is vibrant and has high economic growth. We have produced 23% of all the county’s business rates and we need those funds for the regeneration of Coalville. If that does not happen, we will be very disappointed indeed.

Simon Hoare: My hon. Friend makes a valid point and he can speak about Coalville with more detailed knowledge than I can. The underlying point is that there seems to be an incorrect assumption that Tory taxes in Tory shires will have to go up in order for Tory business rates in Tory areas to be relocated to other areas. That is a kick in the teeth and I fail to grasp the logic.

Why is the sparsity grant being back-loaded rather than front-loaded? The money is needed now. We are a two-tier county and the figures for Dorset County Council alone show that it loses 43.3%. The planned reduction was 30%, so it is not as if we did not expect some reductions, but 43.3% seems particularly high. I met district council leaders on Friday and they said that they are being led inexorably to the view that Her Majesty’s Government must have a vision for the reorganisation of English local government, but they have not quite worked out what it is yet, and that they are starving them into a form of submission.

Importantly, I welcome the fact that, for the second year running, the Government have delivered the £5 de minimis increase in council tax under the capping regime. If North Dorset takes advantage of that, it will give us an extra £160,000 a year. If we go with 2%, it would give us...
only £60,000 a year. I invite the Minister to give serious consideration to embedding the de minimis approach in future thinking.

Could we also end the cat and mouse game—it takes place every year—of, “Will they or won’t they cap the town and parish councils”? It is like baiting the lower tiers of local government. Blandford Forum Town Council in particular has made that plea to me. It wants to step into the breach, as evidenced by the 50 grand it is stumping up to help run the local leisure centre. It wants to help fill the vacuum, but at every step and turn it, too, feels constrained, because it does not know from one year to the next whether it will be capped.

North Dorset District Council’s Conservative leader, Deborah Croney, and its chief executive, Matt Prosser, have asked me whether the Minister will consider giving local control over matters such as local planning fees. At present, the council subsidises its planning function, with some £600,000 a year, because of the complexity of planning and the very small fees it is able to set.

**Graham Stuart:** I have a word of warning for my hon. Friend. I would not wish too strongly for the Government to be given licence to put up council tax and fees even more, because our residents already pay substantially more, even though they are poorer and older. The central feature of the proposed settlement is to stick up an already overly high council tax rate by even more, while subsidising urban residents who are richer and pay less.

**Simon Hoare:** I find myself pained, because I disagree not only with the settlement, but with my hon. Friend. Although he is absolutely right to say that this should not become a new cash cow for local authorities, surely to goodness most planning applications are either for very large-scale schemes—I speak with some authority, having been involved in that area for a number of years—and I am pretty certain that such schemes could absorb a proportionate increase—or for domestic planning applications that will add value to the property. If someone is having an extension built, they will pay a fee of £120 and then possibly add £10,000, £20,000 or £30,000 to the value of the property, so there could be a small increase to the fee. If we believe in the narrative of localism, that would help local councils to set their own agenda.

I have been asked whether the settlement and subsequent measures take into account both the increase in the national minimum wage and the living wage, both of which are welcome. Frankly, I do not know the answer to that, so I ask it as an open-ended question. At a time of significant reduction, when costs are going to go up, that will be a difficult situation. I have already said that the costs of delivering services in a rural area are, by definition and de facto, more expensive than they are in urban areas. The impact on adult social care, particularly in a constituency such as North Dorset, which is predominantly, though not exclusively, peopled by the retired, would, I fear, be lamentable. I fear for the future safety and security of many of my residents, many of whom will live in what Douglas Hurd used to describe as small towns, but with loneliness. I fear for the adequacy of help but certainly needing it. I fear that all of us are likely to face a tsunami of headlines, both local and national, concerning elderly vulnerable people who have been caught in this unappetising pincher movement of a reduction in income and being left in their own homes and to their own devices.

**Sue Hayman:** Will the hon. Gentleman give way?

**Simon Hoare:** In a moment. The Government have been absolutely right to pursue a policy that says that adult social care, particularly of the elderly, is best delivered in the home, not a home, but the reduction in the moneys available to county councils to deliver adult social care turns that welcome policy firmly on its head and renders it undeliverable.

In summary, this is a very poor and disappointing deal for my county of Dorset. My residents and councillors, and the officers who work flat out in my county and district councils, are only asking for equity and fairness. The current proposal delivers neither. It would reduce local government to being neither sustainable nor deliverable. In its current form, I cannot support it.
Train stations are often at a great distance and transport must frequently be found to go to a station, which means that stations cannot be a solution in their own right. There is simply not the demand for train services in rural areas. My nearest station is 8 miles away. In the neighbouring constituency of North Cornwall, there are no train stations at all. Such forms of transport cost money, especially for those who can least afford them and those who cannot drive.

Although many children in cities can walk to school, the transport infrastructure in the country is far more costly. Children often live a considerable distance from school, and because of their age, they cannot drive. That means a considerable burden on school transport, which often needs to be borne by the local authority before a child can be educated.

Bill Wiggin (North Herefordshire) (Con): One of the things my local authority—like my hon. Friend’s, it is a poor one—would like is the right to allocate the less popular bus routes with the more popular routes so that bus companies can still make a living. That power needs to be devolved.

Mrs Murray: That is something my hon. Friend the Minister could consider.

There is also a problem with specialist schools, which are often a considerable distance away from where children live. Facilities can also be more difficult to get to. As well as having to travel many miles to the local swimming pool or to see a film at a cinema, we have to look at essential amenities, such as doctors, dentists and hospitals. I worked as a doctors’ receptionist at one of my rural practices for more than 21 years, and I used to try to arrange people’s appointments around the bus timetable, but that was not always possible. My nearest hospital is over the Tamar in Plymouth, and getting there involves a ferry or a long trip around by the Tamar bridge. Google Maps shows it takes one and a half hours to get there by public transport.

Such matters create considerable transport costs for anyone in a rural area, and especially for any local authority that must help people to get around these vast areas. It is simply not financially viable for the private sector to run such services on a regular or affordable basis, as my hon. Friend the Member for North Herefordshire (Bill Wiggin) said. These rural communities, such as my own, need assistance with that extra burden. Last week, I spoke on the importance of food security, an essential in rural areas. I certainly could not do my job without access to one. I ask him simply to evaluate an essential in rural areas. I certainly could not do my job without access to one. I ask him simply to evaluate

I want to finish with a complaint from one of my long-standing councillors. Councillor Armand Toms from Looe wrote to me recently, although I acknowledge that he must also raise this matter in Cornwall Council. He said in his email:

“Year on year the revenue from the Cornwall Council car parks in Looe is going up hitting the local community and tourism. Yet the town gets very little if nothing in return and has taken on public conveniences which will cost over a million pounds in the next ten years.”

I remind the Minister and my hon. Friend the Member for North Dorset that when town councillors have the ability to increase a precept without being called to account for it, that often has the same effect as raising council tax revenue by the back door. In Councillor Toms’ words:

“I believe that Cornwall Council is treating Looe’s car parks as cash cows.”

Those are his words, not mine. He is a Cornwall councillor, but I point out that he is not a Conservative one.

Steve Double (St Austell and Newquay) (Con): Does my hon. Friend agree that that is the case right across Cornwall and not just unique to Looe? Newquay in my constituency, which raises more money from car parks than any other town in Cornwall, is just the same. The council keeps putting up the car parking charges, but the town gets very little back.

Mrs Murray: That is another thing I fully support. If we are providing a public facility, we should at least help town and parish councils to run them—but I digress.

Councillor Toms has claimed, of the whole issue of car parks:

“With the last minister saying that he would do something about this I was wondering what the new minister will do. Can you ask and see what can be done because there is a problem and coastal towns are being hit?”

It is important to find a funding solution for our transport issues in rural areas, rather than to slam these costs on to the motorist time and again. I have some sympathy with the Minister. As a councillor in the early 2000s, I saw the effects on rural areas of the changes made by the Government of the time, and we must rebalance those changes, although I appreciate that that will take time.

I remind the Minister that many people see the car as an essential in rural areas. I certainly could not do my job without access to one. I ask him simply to evaluate these important issues and to reflect on them when he considers local government funding.

Kevin Hollinrake (Thirsk and Malton) (Con): It is a pleasure to follow the beautifully presented case made by my hon. Friend the Member for South East Cornwall (Mrs Murray).

I am a former businessman, and fairness was a guiding principle of my business career. I think it will be the most commonly used word in this evening’s debate. Like many of my colleagues, I stood on a platform of getting a fairer deal for our rural areas. They do not get a fair deal today.

The provisional settlement is the opposite of fair. In effect, there will be a 37% reduction in North Yorkshire County Council’s budget, versus an average reduction for metropolitan areas of 19%. Compared with what would happen under a flat-rate reduction, counties
across the UK will be £161 million worse off in cash terms in 2016-17, while metropolitan authorities will be £73 million better off. That is a massive redistribution. In effect, council tax increases in my constituency and others like mine will be supporting London and metropolitan areas.

North Yorkshire County Council is one of the biggest losers, on the back of what is already a bad deal. A band D taxpayer in North Yorkshire pays about £1,430 a year, whereas one in Westminster pays £670 a year. Nationally, as my hon. Friend the Member for Beverley and Holderness (Graham Stuart) pointed out, people in rural areas pay about £81 a year more in council tax, but get about £130 less in their settlement funding allocation. We pay more, we earn less and we get fewer services.

Services are harder to deliver in rural areas. We have many bus passes in Thirsk and Malton, but very few buses because it is so difficult to provide buses on a commercial basis and it is getting more challenging to do so. All we are asking for is a fair deal. We welcomed the increase in the rural services delivery grant to £65 million a year, but that is back-loaded. Effectively, in 2016-17 it will deliver only about £4.5 million. The gap is widening, not narrowing. That is happening on the back of other areas where we do not get a fair deal, be it healthcare or schools, although huge progress has been made in this Parliament to remedy that situation.

Graham Stuart: My hon. Friend is right to highlight the Government’s promise to bring in fair school funding. We all welcome that. However, in the last Parliament, when reductions were made in local government funding, they were uniform. If the Government saved 11%, everybody’s grant was cut by 11%. That did not close the gap, but there was the development of the rural services delivery grant. In this Parliament, the proposal is that metropolitan areas will see their local government grant reduced by less than 20%, but in his area it will be reduced by 30%-plus. Does he agree that that is not acceptable, as it will make an already invidious situation even worse?

Kevin Hollinrake: I absolutely agree. I hope that this campaign will be as successful as my hon. Friend’s campaign for fair funding for rural schools.

This debate is not about the size of the cake. Local authorities need to share the burden of balancing the books. Governments of both colours have run deficits for 28 of the past 34 years. We are still running a deficit this year of about £75 billion. We need to make cuts. The challenges ahead will be about increasing social security budgets. Sixty years ago, social security accounted for 11% of spending. It now accounts for 28%. Health spending has gone from 7% of spending to 18%. Those issues are particularly profound in rural areas. We know that we need to make cuts. There is no alternative that will balance the books.

This debate is not about the size of the cake, but about how the cake is divided. North Yorkshire expected a flat-rate cut, which would have meant a 27% reduction. That is a challenging reduction. In the words of our chief executive, it would be “tough but understandable”. The proposed 37% reduction, which amounts to £23.7 million, is £6.9 million worse than a flat-rate reduction. The social care precept on the council tax will raise only £4.8 million, so we will be £2 million worse off, and that money is supposed to help our adult social care—another very profound issue in my constituency, which has seen huge increases in the elderly population. There will be a 20% increase in the number of over-65s and a 50% increase in the number of over-95s in the next five years.

We need to make sure that we get a fair deal. Of course, local authorities need to play their part in that. They need to develop greater synergies and more efficiencies. In the local authority area of North Yorkshire County Council, there are nine local authorities. I do not know how sustainable that number is in the longer term. I fully support reorganisation. At a time when we are losing services, local government must be more efficient.

One could say that local authorities should use their reserves, but many of those reserves are committed, particularly to flooding schemes, for which we have seen an increased need in my area over the past few weeks, and to supporting the roll-out of broadband, improving our roads and filling in potholes. There is a feeling among my constituents that we are not getting a fair deal, so I call on Ministers to revise the proposal to ensure that there is fairness for people in both urban and rural areas.

8.24 pm

Peter Heaton-Jones (North Devon) (Con): I congratulate my hon. Friend the Member for Beverley and Holderness (Graham Stuart) on securing this debate and on the fantastic work he has done in this area, particularly on the Rural Fair Share campaign, of which I am very proud to be a patron.

I will address my remarks principally towards North Devon, but will start with some general comments. We must remember from the outset that we are talking about taxpayers’ money, so it is right that we take careful decisions. I get that. All areas of spending have to be reviewed. The Government are making considerable progress in putting the nation’s finances on a sound footing, compared with what we inherited. I get that too and the people of North Devon also get it.

However, this settlement raises considerable concerns for North Devon. First, the overall grant for North Devon District Council is reducing from £4.9 million this year to £4.18 million in the next. That does not sound like a big figure, but it is a significant reduction for a small local authority. I have met the leader of the council, Councillor Des Brailey, and he has left me in no doubt whatever that he faces some very difficult decisions as a result of the settlement.

I want to pick up on a couple of points that have been made by hon. Members on both sides of the House that are relevant to the challenge faced by North Devon District Council. I am delighted that the hon. Member for Workington (Sue Hayman) is co-sponsoring the debate. It is good that it is a cross-party initiative, although the Liberal Democrats are conspicuous by their absence. None the less, the hon. Lady made a very good point about visitors to her area and mine. North Devon prides itself on being a very popular tourist destination, but we get not a penny more for the extraordinary increase in, in effect, the population of North Devon that occurs for several weeks of the year. This settlement does not take account of that fundamental unfairness.
My hon. Friend the Member for North Dorset (Simon Hoare) made a very good point about areas of deprivation and coastal areas in particular, as did my hon. Friend the Member for South East Cornwall (Mrs Murray). He said that we have areas of coastal deprivation that often go unnoticed. I have invited the Minister to visit Ilfracombe in my constituency. I am sure that his response is in the post. In Ilfracombe, I have one of the most deprived wards in the south-west. That is something that North Devon District Council has to deal with, but this settlement does not allow it to do so.

We must also consider the extra money that the Government give to rural areas such as North Devon. Yes, I am delighted that that is being increased nationally to £65.5 million in the next four years, but it is being back-loaded, not front-loaded, and there will be only marginal benefit to North Devon next year. The total figure is considerably lower than the £130 million increase that was calculated by the Rural Fair Share campaign, and it will simply get us to a standstill—it is considerably less than what is required.

The settlement figure for Devon County Council has also been reduced, which is a worry because that will simply add to the pressures on local services and council tax payers in North Devon. To set a balanced budget for 2016-17 Devon will need to make savings of more than £34 million, on top of savings made in the past five years, which amount to £174 million. That is a huge reduction and a huge challenge for Devon County Council.

The two authorities to which I have referred—North Devon District Council and Devon County Council—are both well-behaved, competent, Conservative-controlled councils. That is the point: councillors and officers are working hard to deliver good services and value for money for the taxpayers of North Devon. The Government should be helping them to do that, although I fear that with this current settlement, they are not doing so.

Mrs Sheryll Murray: The system in Devon is slightly different from that in Cornwall because we have a unitary authority and Devon has a two-tier primary authority system. Does my hon. Friend notice that his constituents are having excessive council tax imposed on them by services being offloaded from the district and county authority on to town and parish councils, as is happening in Cornwall?

Peter Heaton-Jones: We could happily spend considerable time on the debate about unitary versus multi-tiered authorities, but my focus is to ensure that whatever system we have presents value for money to council tax payers. That is what is being delivered by Conservative-controlled North Devon District Council and Devon County Council, and the Government need to assist them in that.

Andrew Bingham (High Peak) (Con): My hon. Friend makes a great point on behalf of his local councils, which very much mirrors my own experience in High Peak. Almost 10 years ago we entered into a shared service review with Staffordshire Moorlands, thereby saving our council tax payers a lot of money. It was a trailblazing scheme across regions and across the county, yet we have all the problems that my hon. Friend mentions about tourism and we do not even qualify for the rural services delivery grant. We are being kicked twice, and it is making life extremely difficult for what is a prudently and well-run Conservative local council in the High Peak area.

Peter Heaton-Jones: My hon. Friend makes a strong point on behalf of his area which, as he says, is mirrored in North Devon.

In 2016-17 some specific grants were included in the funding base for Devon County Council, and if those are excluded to give a more accurate like-for-like comparison, the reduction in grant for that council is 17.4%, compared with an average of 16.6% for the shire counties. Not only do we as a rural area do worse in comparison with urban areas, we are even doing worse in comparison with other rural areas. That seems something of a double whammy for Devon.

At the other end of the local government spectrum, let me echo a point that was ably made by my hon. Friend the Member for North Dorset—he has just retaken his place. He noted how one of his town or parish councils had complained how difficult it was to plan ahead because of the annual “will they or won’t they?” capping saga, and exactly the same point was made to me by Barnstaple Town Council, which has the same horror to face every year. That is stopping it planning ahead and adequately providing the services that it needs to provide, and I urge the Minister to consider that.

There are some beneficial aspects to the settlement. I accept that the rural urban funding gap is gradually closing, and the longer, four-year settlement period is welcome as it will help local authorities considerably with their forward planning. We will not have that worried look at the Advent calendar every December to wonder when the settlement will come and what it will be, and I welcome those two points.

Graham Stuart: I hate to interrupt my hon. Friend as he moves to his peroration, but I do not believe that there will be any closing of the gap. The proposal is precisely for lower reductions in the central Government grant for metropolitan areas than for rural areas and, even with the increase in the rural services delivery grant, we will see a widening, not a closing, of an already iniquitous gap.

Peter Heaton-Jones: I am sure the Minister will clarify that. I was coming on to say in my concluding remarks that although those two elements appear to be welcome, they are not enough. I say that quite plainly to the Minister.

I am disappointed overall. I believe there is more we can do as a Government to assist areas such as North Devon. That is why I have written to the Secretary of State. I have in my hand a piece of paper: a letter I have written to the Secretary of State. It is designed to be helpful and to suggest ways in which we could, as a Government, help areas such as Devon, in particular North Devon. I hope we can achieve a fairer settlement for these areas. I look forward to working with the Minister, his colleagues and other colleagues in areas similar to mine to help to make that happen. I say this gently but firmly to the Minister, and, I have to say, with some regret: at the moment, the Government have got
this wrong. We have time to put it right and I appeal to the Minister that we do so, for the sake of North Devon and other rural areas.

8.35 pm

James Heappey (Wells) (Con): I would like to start by introducing a bit of balance, to make the Minister aware that we are not all entirely against him, and welcome the commitment the Government have made to equalise spending on schools. My hon. Friend the Member for Beverley and Holderness (Graham Stuart) secured an excellent debate in Westminster Hall at the end of last year in which we were able to advance our views. We had some very encouraging responses from the Minister’s colleague, the Under-Secretary of State for Education, my hon. Friend the Member for East Surrey (Mr Gyimah).

We very much welcome the investment the Government are making to tackle poor broadband connections in rural areas, their commitment to encourage the mobile phone industry to tackle “not spots”, their welcome commitment—this is particularly important in Somerset—to improve flood defences in our county, and some very important improvements to our road and rail network, so it is not all bad. While imperfect, these Government funding commitments are very welcome and will be an important development to our local economies. It would just be great if they could be accelerated.

That said, Somerset is among the worst-funded local authorities in the country. Currently, those in Hackney receive well over three times the amount per head than residents in Somerset. I do not doubt there are plenty of challenges in Hackney, but it is important that the House recognises that there are plenty of challenges in rural areas too, many of which have been articulated well this evening. I will come on to talk about some of those challenges in my area, but it is important to realise the real deprivation in rural areas too. Some of the most deprived wards in the south-west of England are in my constituency, yet they are in towns and villages that, if we were to list them, would make people picture something very different from the reality of some of the lives of their residents. There is digital exclusion, too, and an isolation that is not felt in urban areas. Lower average earnings, a deteriorating demographic, and poor road, rail and bus connections add to the deprivation I have just mentioned.

Given the challenges we face in Somerset—and in Dorset, Devon, Cornwall and all the other places represented here this evening—one would imagine that the funding formula would be set to close the gap. Sadly, that is not the case. Urban areas will lose about 21% of their funding in the next five years, but in Somerset we will lose 26%. There will be Members in the Chamber whose counties will be losing even more than that. As a proportion, the gap is widening not closing.

It is important to place it on record that our local authorities in Somerset are guilty of good behaviour. They have already been riding to the instructions the Government have set. Sedgemoor District Council recently announced a co-operative working arrangement with South Somerset District Council, which crosses the partisan divide. There is a sharing of chief executive and there are greater synergies in the back office. Mendip District Council has a fantastic hub in its council offices, which brings together police and other local services so they can all take advantage of that council building and achieve a saving. Indeed, it has been outsourcing many of its functions to achieve greater cost-effectiveness.

Somerset County Council, too, is guilty of good behaviour, having worked incredibly hard to tackle the enormous debt left by the previous Liberal Democrat administration—no matter how much the latter try to forget it when criticising the council. It is heavily involved in joint working with Devon, North Somerset, and Bath and North East Somerset, and is considering the smarter use of buildings. Particularly successful is how it is trying to use libraries: Glastonbury library will soon be overhauled and be a place not only for books and the internet but to see the police, the citizens advice bureau and local council and public health representatives—all sorts of things delivered under one roof, achieving a welcome saving for local government.

This evening, we have heard many examples of the challenges of rural life and the expense, both public and private, to our constituents. On a particularly pressing issue, Glastonbury, which Members might consider to be a significant place, has recently discovered that all three of its remaining banks are to close within 12 weeks of each other. It is an extraordinary thing to happen in a place as important and internationally famous as Glastonbury, yet it is going to happen. All those who talk to the bank in Glastonbury, many of whom are elderly or less mobile, will now have to get the bus to Street or elsewhere. The banks will say, “You can do all this online”, but these are the people, even if they have the connectivity, who are least comfortable online. They will travel on the bus, requiring a public service they would not have needed if at least one of the banks had stayed.

We in rural areas pay the same for our mobile phones and internet connections as those who live in urban areas, yet we get so much less, and we travel further for our healthcare. Some appointments are inaccessible for those who rely on public transport. There are parts of my constituency from which one cannot reach Taunton, Yeovil, Bath or Bristol for an out-patient appointment, or from which it is extraordinarily difficult to reach a GP surgery or health clinic. I have met constituents who allowed minor conditions to fester because they put off making the journey until it became sufficiently urgent that they needed an ambulance to hospital. That cannot be right.

I have met young people in my constituency who allow the cost of public transport, or their inability to access a council-funded bus pass, to influence their decisions about the qualifications and education they seek post-16. It is ridiculous that they should limit their life chances because they cannot afford a bus pass to get to college to complete their A-levels, apprenticeship or something else.

My hon. Friend the Member for South East Cornwall (Mrs Murray) spoke eloquently about carparks. Free parking is very important to the rejuvenation of our high streets, yet local authorities are over a barrel because parking has become an essential part of their revenue generation, meaning they cannot free up free parking because they would risk no longer being able to balance their books. That is a real challenge.
Adult social care, which we have spoken about already, is a huge and growing expense. The south-west, and Somerset in particular, is a popular place for retirement. I welcome that and think we should celebrate it—it is because it is simply the most beautiful region in the UK—but that growth in the retired population comes at an extraordinary cost. I met a carer before Christmas who told me that her clients for a day were spread over 300 square miles. That means that that carer can see fewer people than her counterpart in an urban area, which means that the cost of adult social care is so much greater in our part of the world.

Sue Hayman: Very briefly on vulnerable older people, I was shocked to discover that nearly 300 elderly people died in Cumbria last winter because they did not have proper heating or were not able to look after themselves properly. If the cuts to rural authorities continue, I am concerned that carers will not spot these vulnerable people as they have in the past and the problem will be exacerbated. Does the hon. Gentleman agree?

James Heappey: I very much agree with the hon. Lady. I, too, have been struck by what I have heard when I have met social care providers in my constituency. While I trust absolutely that they would deliver first-rate care on their visits, they have been imploring me to get permission for them to visit people just once a day for 30 minutes, rather than twice for 15 or 20 minutes. That might make sense, in that ultimately the person will be getting one, better quality visit, but it would reduce the contact that these vulnerable people have with the outside world and extend the length of time they go without seeing anybody who is supposed to be keeping an eye on them. That is a challenge we face, and we may have to go for what the care providers are suggesting, but it would come at considerable risk.

That is an example of just how expensive it is to do these things in our parts of the world, and the Government need to recognise that in the way they fund local authorities. We understand well—certainly those of us on the Conservative Benches—the Government’s need to balance the nation’s finances. I have been struck by the sentiment expressed this evening, which is very much not that we expect more from the Government but that we expect fairer spending in what they have already committed to expecting more from the Government but that we expect fairer spending in what they have already committed to.

James Heappey: I welcome that intervention, as it raises a point that I was just about to make.

Mrs Sheryll Murray: Does my hon. Friend acknowledge that a failure of the European scheme is purely and simply the fact that Cornwall is in the third tranche of getting a handout because we are an area of deprivation? Despite that, we have attempted to address deprivation, but the reality is that unless people can plan properly for the future, get fair funding and properly invest in public services, we cannot address the issues surrounding deprivation and how to lift people out of a poor environment. We need proper funding and we need to know that it is going to be fair to help us to plan for the future.

Derek Thomas: I welcome that intervention, as it raises a point that I was just about to make.

Over the years, rather than give us fair funding, Government grants and generous handouts from Brussels have attempted to address deprivation, but the reality is that unless people can plan properly for the future, get fair funding and properly invest in public services, we cannot address the issues surrounding deprivation and how to lift people out of a poor environment. We need proper funding and we need to know that it is going to be fair to help us to plan for the future.

Three things provide encouragement and convince me that we can address the challenges that a rural area such as west Cornwall faces. The first is that the Government recognise the additional costs of delivering services in more sparsely populated areas. The second is that this connectivity. We pay more in tax and receive less in Government spending, and all to achieve the minimum in local authority service provision. We are asking Somerset County Council to achieve something akin to alchemy. While I applaud it for doing a very good job indeed, it is little wonder that things such as bus services, libraries, road improvements and myriad things besides—things that we would think of as essential to providing the grease for rural life—are coming to be seen as discretionary.

In rural areas we face deprivation, isolation, higher taxes and a contraction of the local services that are so valued and needed by our constituents, and we risk making that worse, not better, under this Conservative Government. I urge the Government to find another way. We must spend our money more fairly and bridge the gap between rural and urban.

8.49 pm

Derek Thomas (St Ives) (Con): I am glad to follow my hon. Friend the Member for Wells (James Heappey), not least because the name of his constituency is easy to remember and pronounce.

Fair funding for rural areas is something we have argued for in west Cornwall for as long as I can remember. The truth is that over successive Parliaments we have received less money per person than many urban areas. Over the years, this has affected our ability to care for our elderly, educate our children, provide public transport, deliver our health services, care for people with severe learning difficulties, police our streets, invest in our infrastructure and deliver council services, including refuse collection, public toilets and maintaining rural roads. All those have suffered as a result of years and years of underfunding.

This matters because my constituency continues to have some of the most deprived communities in the country. This debate, it seems to me, has largely been a competition about what level of deprivation can be found in each constituency. What I can say for Cornwall is that we are so deprived that the whole of Europe recognises it by giving us shedloads of money to try to put it right! It is fair to say that west Cornwall and other Cornish councils probably have the most deprived areas.

Mrs Sheryll Murray: Does my hon. Friend acknowledge that a failure of the European scheme is purely and simply the fact that Cornwall is in the third tranche of getting a handout because we are an area of deprivation?
Government have begun to address the gap between funding in urban and rural areas. The third is that people who deliver services in Cornwall are now working hard together to a greater extent than at any previous time, and that there is the political will to bring about the necessary changes to secure good services for the future. However, the provisional local government settlement announced just before Christmas threatens that good work and has the potential to undo all the work that has been done to deal with the problem of fair funding for rural areas.

I welcome this Government’s recognition of the additional costs of delivering services in more sparsely populated areas. I welcome the extra £65 million made available through the rural services delivery grant. By the Government’s own calculations, however, that should be £130 million. The truth is that rather than close the gap in funding between urban and rural areas, the provisional Government funding settlement widens the gap over the next four years, which is a disaster for areas such as mine. Cornwall Council, which Cornish MPs met on Friday morning, has the opportunity to charge a 2½% levy, but it learned that 75% of that would be taken up just to meet the commitment to the living wage. It has the power to increase council tax by 4% each year.

Mrs Murray: Does my hon. Friend agree that the comment from Cornwall Council was quite strange in the light of the fact that last year the Liberal Democrat/Independent-led Council put out a press release claiming to be paying its staff the living wage?

Derek Thomas: That does seem peculiar, but this Government have introduced a generous living wage that will give many people the opportunity to earn more money and increase household incomes.

The reality is that if we ask council tax payers to contribute an extra 4% each year, without taking into account any increases that town and parish councils might have to include, it will have a detrimental effect on one of the poorest areas of the country. For years, the Conservative-led Government and the Conservative-led Cornwall Council froze council tax, but unless this Government properly address the issue of underfunded rural areas, councils will have little choice but to increase council tax to the max. Thus my constituents, many of whom are among the poorest in the UK, will have to pay 20% more in council tax in 2020. I said earlier that Cornwall has the leaders and the political will to reform public services. However, true reform requires extra cash, not less, if councils are to improve services today and save money tomorrow.

Now is the time to give fair funding to councils such as mine, rather than increasing the gap further. I ask the Government to reconsider the settlement so that councils such as mine have the money they need to deliver the services we need, and so that they feel valued and part of the optimistic future in which we all want to share. I say to the Government: please do not leave Cornwall behind any longer.

8.55 pm

Mr Andrew Turner (Isle of Wight) (Con): I, too, thank the Backbench Business Committee for giving us the opportunity to debate a very important issue.

I share many of the concerns that have already been expressed by other Members. The historical imbalance between the Government’s funding of rural communities and their funding of urban areas is stark. One aspect of many rural communities is remoteness. All counties are distinctive, but the Isle of Wight is particularly remote. That, of course, is due to our unique separation from the mainland by the Solent.

The Government are doing their best in very challenging circumstances, and Isle of Wight Council is also doing its best. Most councillors understand that they must make difficult decisions, and that just moaning does not solve anything. The council is currently led by a group of independents, and that makes its position even harder. There is no underlying political philosophy pulling the group together; it consists of individuals whose views encompass a wide political spectrum. I do not envy the council’s leader, Jonathan Bacon, who must try to pull them all in the same direction.

The council recently asked to meet the Minister, and I was glad to arrange a meeting. Councillor Bacon very sensibly invited the leader of the largest opposition group, Conservative councillor Dave Stewart, to join the delegation. They outlined the problems very clearly to the Minister, who recognises the island’s uniqueness and the challenges it brings, and also realises that the council cannot do some things that mainland authorities can do to save money. The council will now make some suggestions, which were discussed as a formal response to the consultation on the draft settlement, and I hope that some amendments will be made as a result.

I have never been a supporter of the European Union. It is a meddling, costly, unnecessary bureaucracy, and we should leave at the earliest possible opportunity. However, since as far back as 1997, the remoteness of islands has been an important European issue. The conference that adopted the treaty of Amsterdam recognised “that island regions suffer from structural handicaps linked to their island status”, and acknowledged that “specific measures may be taken, where justified, in favour of these regions”.

We want the Government to look at the problems facing the Isle of Wight in the round. When necessary, unique answers to our unique problems should be considered. The challenges faced by the Isle of Wight, in common with other island communities, include difficult employment conditions with much seasonal work. The high cost of cross-Solent transport handicaps economic growth, limits access to mainland opportunities and affects tourism, which is a key plank of our local economy. Visitors to the Isle of Wight numbered 1 million last year alone. We also have a high proportion of elderly residents with very high costs of care. Education standards are low, and, although a ministerial directive to bring in support from Hampshire has helped, there is still a long way to go. Isle of Wight residents deserve access to high-quality services every bit as much as people on the mainland. Isle of Wight Council has made some suggestions. I urge the Government to work with the council to help it to deliver for islanders.

I would like the Minister to set out what would happen should any council be unable to meet its statutory duties. It is not always clear when that might be—in effect, where the “tipping point” is. For example,
some services must be at “reasonable levels”; similarly vague wording is also used. Who is to judge when “reasonable levels” across a range of statutory services cannot be met? Once such a judgment is made, what happens? We are dealing with, among others, vulnerable people. In such a scenario, what becomes of them? I am not the only one asking such questions and the Library has been unable to answer my question. I look forward, therefore, to hearing a great deal more about that in the closing speeches.

9 pm

Mr Steve Reed (Croydon North) (Lab): I congratulate the hon. Member for Beverley and Holderness (Graham Stuart) on securing this important debate through the Backbench Business Committee. It is a critical topic. I look forward to hearing the Minister’s responses to the many excellent points that have been made across the House.

I represent Croydon North, which is perhaps not the most rural constituency, but at heart the debate is about fairness, and that is a matter that concerns us all, wherever we represent in the UK. The most unfair aspect of the Government’s spending review is how they have targeted the biggest cuts on the poorest areas. They have placed the greatest burden on those least able to bear it. Our rural communities are among those that have been the hardest hit.

There are real issues of poverty in rural areas. We have heard Members talking eloquently about those issues during the debate. Households in rural areas are more likely to be in fuel poverty than those in urban areas. People living in rural communities find it harder to access key services such as schools, hospitals and shops. As my hon. Friend the Member for Workington (Sue Hayman) said, often that is because of poor, limited public transport. Housing costs are spiralling out of many people’s reach, yet despite all that the Government’s latest spending plans do little to address the growing pressures on rural communities.

Social care has been referred to in the debate. It is a particular problem. The proportion of older people is higher in rural areas than in urban areas; I was impressed by the comments by the hon. Member for Thirsk and Malton (Kevin Hollinrake) in that respect. That means these communities will be hit the hardest by the £1 billion funding gap in social care that the Local Government Association, which is Tory led, estimates still remains. That is assuming that every council in the country levies the Chancellor’s 2% council tax precept, and that is not a foregone conclusion.

Families in rural areas spend almost £800 more than the national average on transport. Under the Conservatives, rail fares have gone up by almost 25%, yet complaints about train services are rising in all parts of the country. Services in rural areas are often unreliable, where they exist at all, and rolling stock is often out of date.

Fares have gone up by 27% since the Prime Minister first entered Downing Street, yet fewer than half of all small rural settlements have a regular bus service. Rural communities should be able and should have the power to regulate their own bus services, as London can, helping to ensure that the right services are available at the right fare.

Low pay is endemic in many rural communities. The gap between urban and rural wages has grown by £1,000 since 2010, yet the Government have abolished the Agricultural Wages Board. Research shows that, after London and Oxford, starter homes are least affordable in rural areas. Housing costs are soaring while the Government have allowed rural wages to decline. Now, to make things worse, the Government are forcing councils to sell off what little affordable social housing remains.

Cuts in funding have had detrimental effects on all sorts of services. We have seen youth services close in rural communities. Communities have been plunged into darkness when councils have been forced to switch off street lighting during the night. Neighbourhood policing has been decimated to such an extent that Her Majesty’s inspectorate of constabulary has reported that car crime has been all but decriminalised, and cuts in vocational training and further education mean that people are unable to develop the skills they need for taking up employment opportunities in rural communities.

Graham Stuart: The hon. Gentleman is making a powerful speech; it is incorrect in only one way. Earnings have not dropped in rural areas; they simply have not grown as fast as they have in urban areas, such has been the economic success of this Government. The case he is making illustrates the need to close the gap between urban and rural areas, whatever the Treasury sets as the overall budget. Is it now the Labour party’s official policy to reduce and close the gap in spending power between rural and urban areas?

Mr Reed: The hon. Gentleman is right to say that there is a decline in wages relative to the cost of living in those areas. The Labour party is looking for fair funding across the Government, and I will say more about that later if he will allow me.

Pulling all that together, we are seeing a toxic cocktail of rising fares for worsening public transport, inaccessible public services, demand for services rising faster than funding, fewer good job opportunities, falling wages and soaring housing costs. People are being priced out of living and working in rural areas.

Mrs Sheryll Murray: I think I am hearing the hon. Gentleman confirm that Labour would reverse the changes it made in the funding formula in the early 2000s. Am I correct?

Mr Reed: What the Labour party is seeking is fair funding so that all communities and all parts of the country can benefit.

Simon Hoare: These are simple questions that require a yes or no answer, and the hon. Gentleman cannot hide behind the obfuscation that he wants to see fair funding. Does he believe that the allocation of funding should be done on a fair and equitable basis? Does he believe that the gap between rural and urban authorities should be closed? Yes or no?

Mr Reed: I am afraid that I can insist on fair funding. I believe that when resources are available, they should follow need. Unfortunately, that is not what is happening under this Government. I spent a few happy days in the hon. Gentleman’s constituency over the new year—I spotted a marvellous picture of him on the notice board.
in Milton Abbas—but I understand that such areas are suffering because the Government have not managed to get this right.

Previously we have heard the Government talk about an alleged improved funding settlement for rural areas, and perhaps we will hear that again from the Under-Secretary of State for Communities and Local Government, the hon. Member for Nuneaton (Mr Jones) this evening. That is not what we have been hearing from his own Back Benchers today, however. The Government have been trying to play off poorer rural areas against poorer urban areas, but this cannot be a race to the bottom. This should be about helping communities in every part of the country to thrive.

James Heappey: Will the hon. Gentleman give way?

Mr Reed: I will not, if the hon. Gentleman will forgive me. I am supposed to take only 10 minutes for my contribution.

Despite a string of assurances from the Government, we still have no idea how they will ensure a fair share-out of funding once business rates are localised. They have failed to make any announcement on how an equalisation mechanism might work, despite promising that such an announcement would be made during the autumn statement. Rural authorities remain concerned that the localisation of business rates could work against them, depriving them of funding and allowing them to fall back in relation to non-rural areas.

James Heappey: I thank the shadow Minister for giving way. I understand from the Chair that there is no time limit, so he has time to take our interventions. I say this to him in the softest way, because tonight’s debate has been refreshingly non-partisan. Rural Britain is listening, and it is not clear that you are advocating a rebalancing to close the gap. My apologies, Madam Deputy Speaker—I have just committed a deadly sin! It is apparent to me that the shadow Minister is not committing to a rebalancing between urban and rural areas. I invite him one more time to commit to that, so that we can all be clear that that is Labour policy.

Mr Reed: I do not think either rural or urban Britain would welcome the hon. Gentleman’s implication that this should be a race to the bottom, with one part of the country competing against another. Resources should follow need, fair and simple. That is what will lie at the heart of a fair funding mechanism, which I hope the Minister or someone from the Government will be able to announce to us before very much longer.

The rural authorities that have the concerns I have expressed are right to be worried. Westminster City Council, which covers the major shopping centres in central London, collects 8% of all of England’s business rates income—that is more than Birmingham, Manchester, Sheffield, Liverpool and Bristol combined. Without a fair redistribution system, rural communities, like other communities in the country, will simply be left to sink. As my hon. Friend the Member for Workington (Sue Hayman) pointed out, many businesses in sparsely populated rural areas pay little or no business rates. The Government have failed to invest in the world-class broadband infrastructure that could and should be a catalyst for business growth in those areas. There is simply no capacity to replace funding that will be lost when the revenue support grant goes.

The Government like to talk about their commitment to devolution, but we know that that is not real from the fact that the Secretary of State who sponsored the Cities and Local Government Devolution Bill is also sponsoring the Housing and Planning Bill, which contains more than 30 measures taking power away from local communities and centralising it here in Whitehall. Rural communities are feeling the gap between reality and Government rhetoric the most. The biggest devolution deals have been agreed with city regions, leaving most county areas and rural areas to fall behind yet again. Those areas need to be a full part of the devolution agenda, too; they cannot just be a footnote to city deals.

Rural areas have had a raw deal for a long time; they have been cut out of funding, investment and new powers. I welcome this debate, in which some excellent and interesting points have been made by Members from all parts of the House, and I hope that this evening might mark a turning point in the Government’s neglect of rural Britain.

9.12 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): It is a pleasure to respond to this important debate, and I start by congratulating my hon. Friend the Member for Beverley and Holderness (Graham Stuart) and other Members on securing it. I pay tribute to their valuable contributions and, in particular, to the great passion that my hon. Friend and colleagues have shown for our rural areas. I would like also to take this opportunity to recognise the hard work and dedication of rural authorities across the country over the past five years and their contribution to improving local services in challenging times. It is local knowledge, experience and capability that will help to overcome the challenges faced by rural communities, to improve local services and to grow rural economies. We are committed to supporting rural areas in fulfilling that role.

We recognise that rural communities face particular issues, and that some rural councils with low council tax basesface particular pressures. That is why we are determined to continue tackling the deficit to secure the country’s economic future, while also providing help and support to rural authorities. We want rural areas to contribute to and benefit from economic growth. The rural economy is worth £210 billion. Our rural development programme for England has invested more than £400 million in projects to support the rural economy, and we are investing a further £3.5 billion by 2020. We are also investing £780 million for areas that commercial broadband coverage will not reach. To support areas further, we will grow the local growth fund to £12 billion by 2021.

In December, the Secretary of State announced an historic four-year settlement for local government, on which we are consulting until the end of this week. Our proposal is designed as a sustainable pathway to transform over-centralised Britain into one of the most decentralised countries in the world. By 2020, local government will be entirely funded by its own resources—council tax, business rates, and fees and charges— which was never thought possible until very recently.

Since the beginning of this Parliament, we have been honest about the fact that this change must be fiscally neutral, and that we would phase out Government
Mr Marcus Jones: [ ]

grants and give councils new responsibilities. We are currently consulting on the settlement, and all councils, including those from rural areas, and Members of this House are welcome to respond. Indeed, we can take many comments made by Members this evening as representations to that consultation. I have also already met a large number of local councils, as well as the Rural Services Network today, as part of that consultation. We had a very constructive discussion and I encouraged them—as I have encouraged all local authorities—to set out in full their detailed observations and suggestions in relation to the consultation.

We want to be candid about our proposal. It does require continued savings from local government in order to meet our deficit target, which should not come as much of a surprise to anyone. The unanimous view across local government is that the biggest cost pressure is on adult social care, which a number of Members have mentioned. Our introduction of the 2% social care precept flexibilities for adult social care and the additional £1.5 billion of extra funding for the better care fund, which will all go to local government, will help to address that, but we do not underestimate the challenges ahead. That is why we argued for the possibility of a four-year budget deal, so that authorities that are affected can look at ways in which they can smooth the path over the four years and use reserves, if they feel that that is appropriate and can be justified to the local authority. However, we also want to make it absolutely clear that, despite invitations to do so, we have made no assumptions in our published figures that councils will use their reserves, whereas the Office for Budget Responsibility assumes that councils will continue to add to their reserves during the spending review period.

Graham Stuart: Many rural residents will ask why it is that, given the need to make savings, the reductions in central Government spending power are disproportionately reducing more in rural areas than in urban areas. By 2019-20, Government-funded spending power in the East Riding of Yorkshire will be £214 per head, while in Kingston upon Hull it will be £468—a 14% reduction in Hull and a 28% reduction in the East Riding of Yorkshire. How is that right or fair?

Mr Jones: My hon. Friend has made that point a number of times. It is a significant contribution to the current consultation. I will come on to that point, but the package that we have put forward for local government will continue, notwithstanding his comments, to see a narrowing of the gap between the core spending power for rural and urban authorities.

Several hon. Members rose—

Mr Jones: My hon. Friend has made that point a number of times. It is a significant contribution to the current consultation. I will come on to that point, but the package that we have put forward for local government will continue, notwithstanding his comments, to see a narrowing of the gap between the core spending power for rural and urban authorities.

Simon Hoare rose—

Mr Jones: Yes, I will give way.

Simon Hoare: I am enormously grateful to my hon. Friend. The four-year period to reduce and remove the RSG is understood across the local government piece. Will he advise me what I can say to Dorset County Council, and indeed what colleagues from Buckinghamshire can say to their county council, about what happens in two years’ time when the RSG disappears? All their budgetary planning is now shredded.

Mr Jones: That brings me back to why we introduced a four-year settlement. In a moment, I wish to talk about the move to full business rate retention. Hopefully, within those comments, I will be able to reassure Members that, at this point, it is by no means a done deal.

We have given careful consideration to the challenges that rural areas face. That has led us to propose an increase in support for the most sparsely populated rural areas by increasing the rural services delivery grant from £15.5 million this year to £65 million in 2019-20.

As hon. Members know, the new homes bonus was due to come to an end, but our view is that it has been a useful contributor to the increase in planning permissions being granted, with payments since its introduction in 2011 totalling just under £3.4 billion, reflecting the building of more than 700,000 new homes and the bringing back into use over 100,000 empty homes. We have been able to retain the new homes bonus, subject to reforms on which we are consulting and on which views are being encouraged.

Overall, our proposals are fair. Core spending power for councils will be virtually unchanged over the Parliament—£44.5 billion in 2015-16, and £44.3 billion in 2019-20. This is a substantially slower pace of spending reductions than councils had to deliver between 2009-10 and 2015-16.

The rural-urban funding gap has been falling year on year. Between 2012-13 and 2015-16 it went down by over £200 million, decreasing from 11% to 6% for unitary authorities and from 19% to 11% for districts. Our proposals mean that it will continue falling throughout this spending period, and core spending power will increase by 0.2% for rural areas, compared with a 0.7% reduction for urban areas, by the end of the Parliament.

James Heappey: Will my hon. Friend confirm that if the gap between urban and rural is closing, albeit slowly, unfortunately that is happening on the back of an increased council tax burden in rural areas?

Mr Jones: I hear what my hon. Friend says. Council tax is now 11% lower in real terms than it was in 2010. The Government’s assumptions do not assume a 2% increase in council tax, but a consumer prices index inflation increase in council tax. The calculations also show that once we get to the end of this Parliament, if councils were minded to take up the flexibility that has been offered, council tax would still be lower in real terms than it was in 2010.

Sir Edward Garnier: My hon. Friend is doing the best he can and is doing exceptionally well. I am sure. He said that the increase would not be as high as anticipated, but what is the expected increase in council tax that the Government are planning for? That is what we want to know.

Mr Jones: It is down to local authorities whether they feel it right to increase council tax. As I said, the increase that has been built into the figures is 1.3%,
which is currently the rate of inflation, and that does not factor in, as I said, an increase up to the 2% referendum principles.

Let me deal with the issue that my hon. Friend the Member for Beverley and Holderness raised in relation to full business rate retention. I can assure the House that a number of consultations are still to be undertaken on full business rate retention. No details have been finalised on how that system will work. Obviously we need to ensure that no areas are left behind when we move to the new system, which has been welcomed, as hon. Members have said, and that includes safeguarding a number of rural authorities that are not in as strong a position as many urban authorities when it comes to raising business rates.

We also need to ensure that we incentivise local areas to increase their business rate base and increase growth and the jobs that come with it. We need to look at that in the context of balancing that reward with the risk associated with challenges on revaluations and when business rates are no longer collected. Such instances were mentioned earlier in the debate. I just want to reassure my hon. Friend the Member for Beverley and Holderness that the Government are considering that very carefully for the future.

My right hon. and learned Friend the Member for Harborough (Sir Edward Garnier) made an extremely powerful case for county areas that include both rural and urban areas. The hon. Member for Workington (Sue Hayman) put the case for Cumbria and mentioned the challenges faced by rural authorities, particularly those affected by the recent flooding. The Government obviously have a great deal of sympathy for the people facing those challenges in Cumbria. We have put forward a significant support package of £60 million to help people in places, such as Cumbria, that have been significantly affected by the recent flooding.

My hon. Friend the Member for North Dorset (Simon Hoare) raised a number of issues. He said that he would like to see more opportunities for district councils to implement a 2% increase in their council tax, rather than the 2% referendum principle. He also mentioned the challenge around local planning fees, which I am sure is something we will take on board. He also mentioned the importance of adult social care, as did my hon. Friends the Members for Thirsk and Malton (Kevin Hollinrake) and for St Ives (Derek Thomas) and a number of other colleagues. As I said earlier, the Government are putting forward an additional £1.5 billion through the better care fund. I would like to reassure hon. Members that, unlike the current iteration of that fund, the £1.5 billion will all be going to local government.

I completely agree with my hon. Friend the Member for South East Cornwall (Mrs Murray) that car parking should not be used, as she put it, as a cash cow. The figures we have prepared certainly do not take into account any increase in fees and charges that local authorities might wish to make.

My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) made a number of points, one of which was the need, in his view, for local government reorganisation. The Government are willing to listen to proposals, but I am sure that he will know that they must be local proposals that are brought to the Department.

My hon. Friend the Member for North Devon (Peter Heaton-Jones) made a number of points. He mentioned coastal deprivation, which is an extremely important point. He will be glad to know that the coastal communities fund has been extended for another three years, with £90 million. He invited me to visit Ilfracombe, and I look forward to doing so the next time I am in that neck of the woods. During the summer I spent several periods in Cornwall and Devon on visits. I was extremely impressed by the approach of many areas, particularly how local government was trying to deal with the challenges that are currently faced.

Sue Hayman: We have deprived coastal communities in west Cumbria as well. With regard to the retention of full business rates, one of the areas that we get the most funding from is the nuclear industry, from which we retain 50% of business rates, but the proposal for new build is that the Government would take 100% of business rates. Will the Minister confirm that that will be looked at as part of the funding formula?

Mr Jones: Obviously we are looking at the whole of the funding that comes from business rates. I hope that the hon. Lady will be supportive of the nuclear industry, because there seems to be some confusion about that. I hope that she will also support Trident, which is also an important part of industry in this country.

My hon. Friend the Member for Isle of Wight (Mr Turner) set out the challenges that the island faces. I thank him for bringing representatives of his council to see me last week.

The hon. Member for Croydon North (Mr Reed) set out a number of challenges that the Government face in this regard, but he did not say anything about the main reason we are in the position of having to make extremely difficult decisions—the deficit that his party left behind when last in government.

We have recognised the challenges faced in rural areas and agree with many of the points made today. We are committed to supporting our rural areas, even at this time when there are some differences in opinion about how that is achieved. We want to give rural areas as much power as possible to grow their local economies and support their communities. This is a time of big opportunity and expectation of reform in local government. I assure hon. Members that we are listening carefully as we prepare the final settlement and consider how the transition towards 100% business rates retention happens.

As I say, we are in a period of consultation. We will add the representations made in this debate to that consultation. I encourage right hon. and hon. Members and their councils to make written representations by Friday. We are listening carefully to colleagues. I have listened carefully to what has been said in the House today, and we continue to listen carefully to our colleagues in local government.

9.32 pm

Graham Stuart: This debate has been a breath of fresh air throughout which there have been tremendous contributions from Members across the House. I am delighted that thanks to the Backbench Business Committee we were able to have this discussion.

Throughout his career, the Minister has been thoughtful, listening and insightful—[Interruption] And eloquent—I thank the Whip, my hon. Friend the Member for Skipton
and Ripon (Julian Smith). Prompted by him, I am sure that more kind blandishments can be sent the Minister’s way. I am grateful for the Minister’s response and for the fact that he and the Secretary of State have listened to us.

The Minister said that he would treat this debate as part of the consultation, which closes this Friday. I have two asks on that. First, he should speak to his ministerial predecessor, who is sitting next to him—my hon. Friend the Member for Great Yarmouth (Brandon Lewis). When he was Minister, we were not very happy that there was an equal imposition of reductions in central Government funding to every council when there was such a discrepancy between rural and urban areas. We wanted that gap reduced, and he said, “These are tough times and we have inherited a deficit—I’ve got to do something that’s manageable and realistic.” So there was an equal cut in local government grant—11% was being saved and it was done uniformly to everybody. Unfortunately, that will go out of the window in this year’s proposed settlement. Metropolitan areas will see a 19% reduction in central Government funding over this Parliament, yet rural areas will see a 30%-plus reduction.

That cannot be right, for all the reasons set out brilliantly, it has to be said, by Labour Members—not only the hon. Member for Workington (Sue Hayman) but the shadow Minister, who, I am delighted to say, recognised that rural areas are facing the greatest hit. Anyone who wants to can look at Hansard tomorrow and see the Labour spokesman saying that. It is a shame that he did not go further and say that he wants the gap to be closed. Then again, given the Corbynite north London elite who are gathering behind him, it is not surprising—[Interruption.]

Mr Speaker: Order. I think that the hon. Gentleman has inadvertently provoked what seems to be a voluntary identity parade, for which there is no requirement at this late hour.

Graham Stuart: I apologise, Mr Speaker. Anyone who introduces more schizophrenia to the Labour party deserves to be told off by you and others. It is a shame that the logic of the argument so brilliantly espoused by the shadow Minister did not lead to a Labour commitment to do the right thing and close the gap.

My first ask is that, if we are going to make savings—and we Conservative Members say that we do—let us do it equally everywhere, so that there is no discrepancy between urban and rural when there is already a big gap between the two. As we have established, people in country areas are older, poorer, pay higher council tax and receive fewer services. It has to be right to close the gap, and the way to do that is by delivering, in this Parliament, an increase of £130 million, not £65 million, in the rural services delivery grant.

I think I speak on behalf of Conservative colleagues when I say that, if there is equal pain for everybody and an increase of £130 million in the rural services delivery grant in this Parliament, we would be happy. Our council leaders would still have enormously tough jobs to do, but they would feel that we were all sharing the burden fairly. If the Minister can go to the Secretary of State and deliver that, he will be not only applauded by Conservative Members, but, perhaps more materially to him and his colleagues, supported in the Lobby when we vote on the issue next month.

Question put and agreed to.

Resolved.

That this House has considered local government funding for rural areas.

Business without Debate

DELEGATED LEGISLATION

Mr Speaker: With the leave of the House, I propose to take motions 3 to 6 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DANGEROUS DRUGS

That the Misuse of Drugs Act 1971 (Temporary Class Drug) (No. 3) Order 2015 (S.I., 2015, No. 1929), dated 23 November 2015, a copy of which was laid before this House on 25 November, be approved.

LEGAL SERVICES

That the draft Legal Services Act 2007 (Claims Management Complaints) (Fees) (Amendment) Regulations 2016, which were laid before this House on 17 November, be approved.

INVESTIGATORY POWERS

That the draft Regulation of Investigatory Powers (Interception of Communications: Code of Practice) Order 2015, which was laid before this House on 4 November, be approved.

That the draft Equipment Interference (Code of Practice) Order 2015, which was laid before this House on 4 November, be approved.—(Margot James.)

Question agreed to.
**Feminism in the School Curriculum**

**Motion made, and Question proposed.** That this House do now adjourn.—(Margot James.)

9.37 pm

Dr Rupa Huq (Ealing Central and Acton) (Lab): Last year's AQA board A-level exam paper for politics included the question:

“Legislation has failed to deliver equality of outcome in respect of gender and ethnicity. Discuss.”

Given that the Department for Education’s draft revised version of the A-level politics course was published quietly last year with sections on feminism and gender equality removed, there is a real danger that the issue will be more significant than ever before for future students and, paradoxically, banned in a future version.

I declare an interest, having taught at universities: I taught humanities and social sciences in the red brick and ex-polytechnic sectors between 1998 and my election in May. In my experience, feminism, in all its different varieties—first wave, second wave, radical, black, post-feminism—was always one of the most popular topic options for students, both men and women. The apparent abolition of the whole lot of them in politics courses—how odd that sounds—and their hasty reinstatement, if we are to believe what we are hearing on the grapevine, demonstrates confusion in Government thinking.

As an educator as well as an MP and a woman, I say that any dilution of feminism from the intellectual armoury with which young people need to be equipped to face the modern world should be strongly resisted. In fact, there is an argument to embed and entrench it much more deeply across the whole breadth of the curriculum, beyond the obvious disciplines of sociology and politics.

This tinkering arose in the other place before the Christmas recess. The Education Minister there declared that exam boards were sifting through responses to a public consultation. We still do not know and are none the wiser about where we are with that. The shadow Education spokesman, Lord Watson, noted a “pattern developing”. Earlier this year, we saw women composers put on the A-level music syllabus for the first time, because of a campaign by my constituent Jessy McCabe, who has travelled here to witness the debate tonight. Lord Watson cheekily asked whether “the Government have any plans to drop the female reproductive system from the biology syllabus”.—[Official Report, House of Lords, 22 December 2015; Vol. 767, c. 2448.]

There is a serious point, however, because we must not write women's perspectives and contributions out of our political history.

Carolyn Harris (Swansea East) (Lab): I congratulate my hon. Friend on securing tonight’s debate, which matters greatly to her. Does she agree that the fact that the Secretary of State for Education, who also holds the women’s brief, has ignored the place of women in the curriculum is a travesty, especially as she sits at the very heart of Government policy making?

Dr Huq: I completely agree. You couldn’t make it up. “Minister for Women abolishes feminism from politics” does not make for a very good headline.

Cat Smith (Lancaster and Fleetwood) (Lab): I congratulate my hon. Friend on securing this important debate. I discovered feminism through doing my A-levels—not A-level politics, but A-level sociology—which opened my eyes to the inequality that women face. Does she agree that women’s voices are often silenced in political debates, and that seems to be a way to silence the women from the past as well as those of the future?

Dr Huq: My hon. Friend makes a very correct point, and anticipates part of my speech. Women’s studies should not just be for women; this matters to all of us.

The proposed syllabus implies that women do not belong in politics and that their contributions are not significant. That toxic message has been condemned roundly by loads of people, including the girl guides, whom one would not usually think of as a dangerous radical group. The Daily Telegraph, which is normally a loyal, cheerleading Conservative paper, has reported that there will be concessions after, in its words, “plans to drop feminism backfire”.

I am encouraged by the story in The Independent on Sunday that feminism will be taught at A-level, and by a tweet from The Telegraph today saying that it will be made compulsory.

I would like assurances from the Minister about what is actually going on—to quote Donald Trump involuntarily, “What the hell is going on?”—because this should not be left for us to make inferences from press rumours and the Twittersphere. The Government must now be clear and confirm the number of women thinkers on the new syllabus, their names and whether feminism will be fully reinstated. This is not the first Government U-turn in matters curricular that I have witnessed since becoming an MP.

Angela Rayner (Ashton-under-Lyne) (Lab): I must declare an interest as a strong feminist and as a member of the Fawcett Society. I congratulate my hon. Friend on securing this debate. Does she agree that it is totally unacceptable that only one female political thinker is identified among the 16 political thinkers mentioned by name in the curriculum? Does that not clearly demonstrate the need for the continuation of feminism, particularly with a clear identification in relation to political education?

Dr Huq: My hon. Friend makes an excellent point. One out of 16 means 94% are men, which implies that women account for 6%, which is shameful and shocking given that we are 50% of the population. As I say, there is a strange sense of déjà vu, because the Government have also caved in over women composers on the music syllabus, so this has happened twice. On this particular feminist issue, another petition with close to 50,000 signatures has been organised by another constituent of mine. I am blessed to have such gender warrior constituents, both of whom are teenagers, but it should not be left to teenagers to write Government education policy. School kids should not be pointing out the error of the Government’s decisions again and again.

What are we talking about? Any good answer to an essay question should start with a definition of terms. The noble Lord Giddens from the other place calls feminism “the struggle to defend and expand the rights of women”.

The Lords, 22 December 2015; Vol. 767, c. 2448.}
He traces its history back to the eighteenth century, citing the 1792 volume “A Vindication of the Rights of Women” by Mary Wollstonecraft. As my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) mentioned, she is the one female thinker who has survived on the key list in the draft syllabus.

Removing feminism from the curriculum is entirely incongruous with the claim the Prime Minister made across the Dispatch Box at Prime Minister’s questions to me only a few weeks ago that he is a feminist.

A-level politics covers other concepts that include sex and gender, gender equality and patriarchy. It covers a knowledge of the core ideas, doctrines and theories of feminist thought, traditions and distinctive features. When the Government announced plans to revise the politics A-level curriculum, that section had been completely removed, as had the ideologies of nationalism and multiculturalism. As the Minister is here, I would like to know the status of those concepts as well. The supposed compensation for the axing of feminism was the inclusion of a section on pressure groups. On a generous interpretation, feminism survives there in a reference to suffragists and suffragettes as examples of pressure groups—a lot of lateral thinking and mental gymnastics are needed there.

My hon. Friend the Member for Ashton-under-Lyne mentioned the Fawcett Society. It has come out strongly against the proposals. It dates from Millicent Fawcett, the Member for Ilford North (Wes Streeting) pointed out, which women have paid the price. My hon. Friend the Member for Ashton-under-Lyne quoted equate to 94% of key thinkers being men. It states:

“Presenting men as the default political thinker...contributes to gendered stereotypes which limit women’s participation in politics. Only 29.4% of MPs are women, as are 33% of councillors, 35% of MSPs, 40% of AMs, and 19% of MLAs.”

As Labour Members have cautioned and as the noble Lord Watson has said, this proposal is part of a pattern. The Government’s policies are hugely unbalanced and damaging, with women bearing the brunt of the cuts. Some 81% of the “savings”—that euphemistic term—have been made from tax and benefit changes since 2010, for which women have paid the price. It states:

“We must show women to be inspired by and be taught that the ideas of feminism and gender equality are important.”

It says that otherwise, “we only get half the story.”

This is by no means the first time that the Conservative party has caved into sixth formers or the first time that Labour has held the Government to account on gender blindness and something has had to be cobbled together retrospectively.

Wes Streeting (Ilford North) (Lab): I am delighted to be in a minority as a man participating in this debate. Recently on the Treasury Committee, we doubled women’s representation from one to two. That tells us something about this problem. Does my hon. Friend agree that when school groups visit Parliament, one of the things that we all need to do—I certainly do this—is to encourage women, people from black and minority ethnic backgrounds, and people from other under-represented backgrounds to put themselves forward? Does she agree that the absence of feminism from A-level politics sends the worrying message that somehow politics is not for women?

Dr Huq: I completely agree with my hon. Friend. He makes an excellent point. Whenever I have school parties in and we do the Q and A session afterwards, the first thing they say is, “Why are there so few women here?” In some senses, we internalise this and treat it as normal because we work here every day, but to the outside world, the gender imbalance here is bizarre.

In 2016, women’s representation in politics and public life is still, as my hon. Friend points out, woefully inadequate. The contribution of women to our political history is vital. Some people argue that it should be much more her-story than history—get it? Learning about that is vital so that young people grow up knowing that it is not bizarre and far-fetched that women can contribute to our society and our country and can make history.

The Fawcett Society submission points out that the figures that my hon. Friend the Member for Ashton-under-Lyne quoted equate to 94% of key thinkers being men. It states:

“The new draft syllabus has all but erased any reference to feminism. This sends a very worrying message to both young men and young women that feminism has little to no place in politics.”

Ruth Cadbury (Brentford and Isleworth) (Lab): I thank my neighbour and hon. Friend for securing this debate. Does the fact that Edexcel has bowed to pressure from 17-year-old Jessy McCabe to include more women composers in the music curriculum send a strong message to the exam boards of other subjects—in particular politics and history—that we need more women on the curriculum and across the board?

Dr Huq: My hon. Friend puts it well. Jessy McCabe is with us this evening, and her e-petition—a very modern way of petitioning the Government—obtained nearly
4,000 signatures. When I pointed that out to the Prime Minister during Prime Minister’s questions, he congratulated her. However, that should not have been an afterthought. Why do these things go so far that they have to be brought back from the brink?

Last month, the Department for Education said that feminism could still be studied as part of the reforms to the A-level sociology curriculum, and that the proposed move “tied in with school autonomy and trusting heads”. It is not good enough to leave it to chance in that way. Teaching and learning strategy should enrich students because, as many Members have pointed out, feminism informs history and globalisation. This is not just one of those theoretical “isms” as many of these things are; feminism affects us all every day. As young people go on to study at university across different disciplines, having the compass of feminism and an understanding of unequal gender relations to navigate their path is critical, and we must make the classroom responsive to, and representative of, society. The syllabus should not be gender-blind, because that is denying reality. We could also include world thinkers on an expanded list, such as Simone de Beauvoir from France, or the American black feminist, bell hooks.

In the December debate in the other place, Lord Nash declared that the proposed new content for politics A-level was an improvement on the last one because for the first time it contained political ideologies. However, feminism was not one of the named ideologies, so that is a little inconsistent. The Department for Education justified the move on the grounds of giving more choice to schools, but to us it looked like freedom to downplay the historical contribution of female thinkers. It took reports on the website “BuzzFeed” over Christmas for us to have some inkling that movement was taking place, and such unofficial, if positive, statements, need substantiation tonight.

Today I tried to get clarity from the Department, and I rang up the parliamentary affairs section which over Christmas was asking me, “What is going in your speech?”—this is hot off the press, so I did not entirely know the content. I did, however, ask whether the rumours in The Independent on Sunday were true, and I was given the classic response, “The Minister will be laying out the Government’s position in the course of the debate.”

Liz McInnes (Heywood and Middleton) (Lab): With the article in The Independent on Sunday, I did what one should not do and looked at the comments underneath. Some said, “Feminism equals hate”. I would not like to hazard a guess, but I suspect that those comments came from men. Does my hon. Friend agree that we really need to educate men as well as women about feminism? It is not just a women’s subject, and we need to clarify to men what feminism really means.

Dr Huq: I totally agree with my hon. Friend. When The Guardian had a women’s page, I often wondered whether that meant the rest of the newspaper was for men. When academic departments teach women’s studies, it makes me think, “Does that mean everything else is for men?” She makes a powerful point very well. It is true what they say: one should never go below the line, where the comments from all the crazy people are. [Laughter.] Not that I am empowered to make a diagnosis. Sorry, where more exuberant people sometimes post before they have engaged their brain. No, before they have thought of the consequences of their exuberance. [Laughter.] Anyway, we are nearing the end.

An opinion piece in November in The Times Educational Supplement, the in-house journal for the teachers of our nation, advised readers to: “Use the topic of feminism in the delivery of subject content. In maths, look at the pay-gap. In science, explore the work of female scientists. In PE, explore the notions of ‘female’ and ‘male’ sports. Make gender an explicit part of teaching…Make them cry and make them angry. Then tell them your generation has failed them and it’s now on them to go out and change it for the better.”

This is all sound advice—from a male head of history at a school in Hertfordshire.

Any curriculum needs to be inclusive, balanced and pluralistic to foster mutual understanding between people of all backgrounds, genders, sexualities, ages, ethnicities, and all faiths and none. Sadly, this sorry shambles where a change is shelved—if that is what is going to happen; we are still waiting to hear—after it should never have got to the advanced state that it did in the first place, is not an isolated incident. A level music has already been mentioned. A petition with nearly 4,000 signatures pointed out that out of 63 composers, there were zero women. That is even worse than one out of 16, which meant that 94% were men. We do not need a calculator to work out zero out of 63, even if my constituent Jessy McCabe reversed that situation.

On GCSE religious studies, Members may not have noticed—it slipped out at the very end of last year—that in November a landmark High Court judgment ruled in favour of three humanist families who challenged the Government’s removal of non-religious world views in their rewritten syllabus for that subject. In the judgment, a High Court judge stated that that was: “a breach of the duty to take care that information or knowledge included in the curriculum is conveyed in a pluralistic manner.” The British Humanist Association called it “a stunning victory” and pointed out that “continuing to exclude the views of a huge number of Britons, in the face of majority public opinion and all expert advice, would only be to the detriment of education in this country and a shameful path to follow.”

I hope—dare I say pray, as we are talking about religion?—that history repeats itself in this House tonight and we see a U-turn. Women’s voices have in the past all too often been silenced. That was meant to have happened in the bad old days, before the right to vote and before the Equal Pay Act 1970. In 2016, we cannot allow women’s voices to continue to be silenced. As Mary Wollstonecraft, the one surviving woman from the draft syllabus, put it: “I do not wish”—women—“to have power over men, but over themselves.”

How can women have power over themselves if they do not know the voices that have created the foundations on which they stand?

9.59 pm

The Minister for Schools (Mr Nick Gibb): It is a pleasure to respond to this important debate, which I congratulate the hon. Member for Ealing Central and Acton (Dr Huq) on securing. To quote her, it gives me the opportunity to lay out the Government’s position on the A-level reforms and the broader issues raised.
The Government recognise the importance of feminism and its goals of equality and social justice. Tackling gender inequality at all ages and levels is at the heart of our commitment to extending opportunity for all. As the Prime Minister said in October about measures to eradicate gender pay inequality, opportunity is nothing without equality.

Mr Gibb: We believe that pupils must learn from a young age that treating everyone equally and fairly in all spheres of life is part of the democratic values we are proud to enjoy and uphold.

Ruth Cadbury: Given what the Minister just said about the value the Government place on women’s involvement in all areas of society and policy, does he think they have spent enough energy on impact assessments of their policies, particularly their income and welfare policies?

Mr Gibb: That is not an issue for this debate, but yes the Government carry out equality impact assessments in all major areas of policy.

If pupils are to understand their responsibilities as members of a democratic society, it is important that they are exposed to a curriculum and qualifications that not only promote and discuss the concepts of equity and fairness but recognise the huge achievements and contribution of women to our society and history, in politics, science, literature, music and the arts. I am proud that the new national curriculum, introduced from September 2014, does this. It sets out the essential knowledge around which teachers can develop lessons to build pupils’ knowledge and understanding of the lives and works of influential women.

We expect schools to highlight the issues faced by women and their contribution as part of their legal duty to provide a broad and balanced curriculum. In the history curriculum, for example, the programmes of study promote examples of the lives and achievements of prominent women. At key stage 1, it promotes the examples of Elizabeth I, Queen Victoria, Rosa Park, Emily Davison, Mary Seacole, Florence Nightingale and Edith Cavell. Furthermore, good schools already teach their pupils about key moments in British history, including the suffragette movement, and highlight the bravery and successes of women from all walks of life and ages in history.

In science, at primary school level, pupils can be taught about the work of Jane Goodall, the renowned anthropologist, and the palaeontologist Mary Anning. At secondary school, they can be taught about the work of prominent female scientists, such as the role played by Rosalind Franklin in the development of the DNA model, and Marie Curie, the only person to be awarded the Nobel prize for physics and chemistry.

As she said, the hon. Lady successfully supported one of her constituents, Jessy McCabe, who last year raised concerns about Edexcel’s music A-level specification. I am pleased that the specification now includes a number of set works by female composers. I am also pleased that Edexcel undertook to review the specifications of its other qualifications to ensure they were diverse and inclusive.

All schools are subject to the provisions of the Equality Act 2010 and the public sector equality duty, which requires a school and its trustees, both in planning and running the school, to have regard to the need to eliminate discrimination, harassment and victimisation; to advance equality of opportunity; and to foster good relations between communities. All schools are required to promote the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs. This includes challenging prejudice and promoting tolerance.

In addition to the role they play in teaching children about the lives and contribution of women, schools can teach feminism as part of citizenship education, which is in the national curriculum at key stages 3 and 4 and is designed to foster pupils’ awareness and understanding of democracy, governance and how laws are made and upheld, of which the suffrage movement is a vital part.

The programme of study for personal, social, health and economic education includes teaching pupils that they have equal rights to opportunities in education and work, and to recognise and challenge the stereotypes that may limit their aspirations. It also makes clear the unacceptability of sexist language and behaviour, the need to challenge it and how to do so. PSHE lessons are also an ideal opportunity to discuss prejudice and open up discussion about gender stereotypes and similar issues. That is why we want all schools to offer high quality PSHE, using trained teachers and drawing on the best resources.

Angela Rayner: As somebody who did not go into further and higher education, I commend everything the Minister has said so far—I think it is absolutely fantastic. However, does he agree that it is completely unacceptable to have only one female political thinker among the 16 identified at A-level? In the light of everything he has just said, will the Government do something to change that?

Mr Gibb: Yes, and I will come to that in more detail shortly.

In addition to the reformed national curriculum and GCSEs, our reforms to A-levels are aimed at equipping all pupils with the knowledge and skills they need to progress to higher education. The proposed new content for the politics A-level will require for the first time that all students study some core political theories in detail. Students will be required to study liberalism, conservatism and socialism—[HON. MEMBERS: “Hear, hear.”] Yes, we left that in mainly because it is likely to become even more important as the Labour party struggles to find its heart. Students will be required to study those theories and the ideas of their key thinkers, which will enable them to understand these fundamental political theories and provide a foundation for the study of politics at university.

We recognise that the work of female political thinkers was not given due weight in the draft content. The final content will set out clearly those female political thinkers whose work should be studied. Suggestions have included
Simone de Beauvoir, as mentioned by the hon. Member for Ealing Central and Acton, as well as Hannah Arendt and Rosa Luxemburg, to name but a few.

There is always a balance to be struck in designing qualifications between establishing breadth of study, making sure that each of the areas to be studied can be covered in sufficient depth, and avoiding qualifications becoming unmanageably large. Feminism is an optional area of study in current specifications. It was never our intention to exclude the study of feminism from the reformed A-level. We said we would listen to the consultation, which opened on 3 November and closed on 15 December. We have seen the strength of feeling about this issue among those who have responded to the consultation. The Secretary of State for Education, whom the hon. Lady mentioned and who is also the Minister for Women and Equalities, has also taken a close interest in this issue.

As was recently mentioned in the other place, feminism can also be studied within other A-levels. For example, in the reformed sociology A-level, students must study issues of gender. Exam boards are responsible for setting the detailed content of qualifications in their specifications, and schools are free to decide which figures they teach about in their classrooms. Following the consultation on the politics A-level, exam boards are making changes to the final content to respond to the concerns raised. We will publish our response shortly, but I can assure the hon. Lady that the final politics A-level will give all students the opportunity to study the core ideas of feminism.

Promoting the goals of feminism means that we have to go further than teaching pupils about justice and equality. That is why the Government are determined to increase the number of young people studying science, technology, engineering and maths subjects post-16. In particular, we want to encourage more girls to take those subjects.

Dr Huq: Before the Minister moves on to the sciences, will he say how many replies there were to the consultation? I am curious to know how many there were, if the figures of 50,000, and 4,000 on the other petition, are any indication, given that the Minister referred to the figures of 50,000, and 4,000 on the other petition, are any indication, given that the Minister referred to the summary of all the responses, so the hon. Lady will not have to wait long for a full answer to the very reasonable question she asked.

Mr Gibb: We will respond to the consultation shortly. At the moment, officials are going through all the responses. We have seen a number—[Interruption.] I was hoping for some in-flight refuelling on the precise number to answer the hon. Lady’s question. On the basis of the responses so far, I believe a large number of people have responded on this point. [Interruption.] Unfortunately, it was not very helpful, so I will have to pass on that. The fact remains that the issues will be made public once we have responded to the consultation document. We will set out fairly soon, in great detail, a summary of all the responses, so the hon. Lady will not have to wait long for a full answer to the very reasonable question she asked.

We are funding programmes such as the Stimulating Physics network and the Further Mathematics Support programme to support schools to increase take-up of maths and physics A-levels, with a particular focus on engaging more girls. The national network of maths hubs is also leading a national project aimed at increasing participation among post-16 students in A-level mathematics and further mathematics courses, and other level 3 courses, such as core maths. In this context, many hubs are exploring ways of increasing the proportion of girls studying maths at this level and beyond.

The STEM ambassadors programmes raises awareness among children of the range of careers that science can offer. It is worth noting that 40% of the 31,000 STEM ambassadors are women. We funded Engineering UK to deliver a programme of Big Bang Near Me activities—local versions of the national Big Bang fair—that reached more than 100,000 young people, half of whom were girls, in 2015.

Excellent teaching is, of course, vital if we are to engage more girls in STEM subjects. We are undertaking a number of initiatives to support this, including supporting maths and science teachers through the National Science Learning network and the national network of maths hubs; attracting top STEM graduates into teaching through generous bursaries and scholarships; investing £67 million to train an additional 2,500 teachers and upskill 15,000 non-specialist teachers in maths and physics over the next five years; and the triple science support programme, which supports schools to offer three separate science GCSEs.

The Government are also backing the excellent Your Life campaign to increase significantly the numbers taking A-level physics and maths, particularly girls. This is a digital campaign to demonstrate the range of opportunities that maths and science can lead to. Positive signs are now beginning to emerge. Similar numbers of girls and boys take science and maths at GCSE, and achieve similar results. Although fewer girls than boys progress to maths and physics at A-level, we have worked hard in recent years and made some progress. Provisional 2015 results show that since 2010 the number of girls taking maths A-level has increased by just over 3,500 and physics by just under 1,000. Overall, there have been 12,000 more entries for girls in all maths and science A-level subjects.

Our education system has an essential role to play in creating a fair society with opportunity for all. We are confident that our world-class knowledge-based curriculum and other changes that we are introducing will contribute to this goal. I am enormously grateful to the hon. Lady for raising this issue today. She has made some important and compelling points, and I hope she recognises that the Government understand these concerns, and feel that they are being addressed.

Question put and agreed to.

10.14 pm

House adjourned.
House of Commons

Tuesday 12 January 2016

The House met at half-past Eleven o’clock

PRAYERS

[Mr Speaker in the Chair]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

European Union

1. Angela Rayner (Ashton-under-Lyne) (Lab): What discussions he has had in the Council of the EU as part of negotiations on the UK’s membership of the EU on free movement of people in the EU and access to in-work benefits. [902963]

2. Mr David Hanson (Delyn) (Lab): What progress the Government has made on the renegotiation of the UK’s terms of membership of the EU. [902964]

3. Mr David Nuttall (Bury North) (Con): What progress the Government has made on negotiations to reform the EU and access to welfare in-work benefits. [902965]

4. Damian Green (Ashford) (Con): What progress has been made on negotiations to reform the EU and the UK’s relationship with it. [902975]

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): Before I answer, let me take a few seconds to update the House on the breaking news from Istanbul, where an explosion has occurred in the Sultanahmet area, killing at least 10 people, with many more injured. This is a tourist area of the city and we already know that some tourists are involved in this incident. We are seeking to verify whether any British nationals are involved, and if we get any news on that in the course of the next hour, I will update the House accordingly. In the meantime, I offer my sympathies to the victims, their families and everyone else affected by the attack. [HON. MEMBERS: “Hear, hear.”]

The Government are negotiating reform of the European Union and a new relationship for Britain with the European Union to fix the aspects of our membership that cause so much frustration in Britain. Following a substantive and constructive discussion at the December European Council, member states agreed to work towards mutually satisfactory solutions at the February European Council.

Angela Rayner: I echo the Secretary of State’s sentiments regarding the situation in Istanbul. Does he accept that the Government’s failing negotiations will put at risk British jobs, employments rights, opportunities for my constituents to work abroad and ultimately the economic growth that the Government have promised? If the Prime Minister is getting nowhere in these talks, how on earth will he get on in the negotiation that he is really thinking about—the one with his own Back Benchers?

Mr Hammond: On the contrary—a successful negotiation will set the EU on a clear course to create jobs and economic growth and to ensure Europe’s competitiveness in the future, and a referendum settling the question of Britain’s membership of a reformed European Union for the future will allow Britain to exploit to the full the opportunities that membership of such a Union will offer.

Mr Hanson: The letter of 10 November is clear. It is also clear that whatever the outcome of the discussions on that letter, none of the situations set out in that letter are deal-breakers for the Prime Minister. At the end of the day he will recommend a yes vote and a referendum. Why does he not get on and do it now, set a date, face up to his Back Benchers and promote the European Union for the good of Britain?

Mr Hammond: The Prime Minister has been clear throughout that once we have an agreed deal, he will make a recommendation based on his assessment of the best interests of Britain. That is what drives him; that is what will determine the recommendation he makes.

Mr Nuttall: Many people are suspicious about the seriousness of this renegotiation when three of the so-called demands were accepted without any negotiation at all. Why, for example, did the Government bother to ask for a cut in red tape and for more competitiveness when the European Council has made it clear—in European Council after European Council in recent years—that that is exactly what it intended to do anyway?

Mr Hammond: It is true that we have seen, particularly under the present Commission, some very welcome moves to address some of the measures that make the European Union increasingly uncompetitive in the global market. But we are not seeking to get a political fix by one Commission: we are looking for an institutional restructuring that cements these arrangements for the future to ensure that the direction of travel remains one that the British people can be comfortable with and that will benefit the British economy and this country for the future. That is what we are going to do.

Damian Green: All four of the Prime Minister’s demands in these negotiations are important, but making sure that we as a country continue to enjoy the full benefits of the single market without being a member of the eurozone is clearly vital for millions of British jobs. Does my right hon. Friend agree that this is the key area for measuring the success of these negotiations, and can he update us on progress on that?

Mr Hammond: My right hon. Friend will know, and opinion polling shows, that many people in this country regard the question of migration and access to welfare
benefits as the key area, but my right hon. Friend makes an extremely important point. All our European Union partners, inside the eurozone and outside, recognise that that issue has to be addressed. As the eurozone integrates, as we believe it will have to do to be a success—and we very much want it to be a success—the interests of those European Union members not inside the eurozone must be protected. Only if we can be confident that those interests will be protected can we welcome the integration of the eurozone countries to protect their interests and the interests of the euro in a way that will not damage ours. So I agree that it is an absolutely vital area.

Alex Salmond (Gordon) (SNP): The thoughts of everyone on these Benches will obviously be with those caught up in the incident in Istanbul.

As I understand it, the Prime Minister has called for a “united, harmonious and mutually respectful” debate within the Conservative party on the issue of Europe. In a united, harmonious and mutually respectful way, may I ask the Foreign Secretary to confirm that a referendum could not be held within six weeks of the date of the Scottish, Northern Irish, London and Welsh elections? If it were, that would be disrespectful to both the decision of this House and the people engaging in those elections.

Mr Hammond: As the right hon. Gentleman knows, that is not what the Bill provides for. But given the timescales involved and the fact that we now expect the conclusion to be reached at the February European Council, I think he can be confident that it will not be possible to hold a referendum before the date of the Scottish elections that he referred to.

Alex Salmond: I put it to the Foreign Secretary that if the referendum were held within six weeks after the date of the elections, the two campaign periods would intersect, with all the complications that would arise. Therefore I ask him again: will the date of the referendum be at least six weeks after the date of the Scottish, Welsh and Northern Irish elections?

Mr Hammond: What I am trying to convey to the right hon. Gentleman is that that is not what the Bill provides for; the Bill does not place any prohibition on a referendum being held in that period. Ultimately, however, the decision will be made by this House because the date will be decided by a statutory instrument brought before the House.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I hope that the Foreign Secretary is aware that the overwhelming majority of the 800,000 Poles working in this country have come to work. They pay miles more in income tax than they claim in benefits. Can we get back to real, constitutional renegotiations that affect the sovereignty of this country rather than the fixation of the media on in-work benefits?

Mr Hammond: We are elected to, and have to, address the concerns of the British people, and there are four areas on which we need to make progress with our European Union partners. One is migration and access to welfare benefits, but the others—ensuring that the EU is competitive, that there is a proper mechanism for the repatriation of powers to the member states, and that the relationship between the euro and non-euro countries is properly regulated to protect the interests of the non-euro countries—are also very important. I agree with my hon. Friend that we have to make progress on all four.

Mr John Spellar (Warley) (Lab): May I, through the Secretary of State, thank the Europe Minister for meeting an MPs’ delegation yesterday on the plight in Portugal of Paramjeet Singh, and for his efforts to date? As the case in Portugal moves to the political, ministerial stage, will the Foreign Secretary say how our Government hope to take the matter forward?

Mr Hammond: We are following the case closely and we have already made the Portuguese authorities aware of Mr Singh’s asylum status in the UK. India has not yet presented Portugal with a formal request for extradition, and as such we are not aware of the full details of the charges that he faces in India. We will continue to monitor Mr Singh’s case and will make a decision on further action when all the facts are available. Ultimately, however, it is the Portuguese authorities that have jurisdiction in Mr Singh’s case and will decide whether or not to extradite him to India.

Mark Field (Cities of London and Westminster) (Con): One area not raised in the letter of 10 November was that of national security. Would the Foreign Secretary like to tell us a little about that issue and how important ensuring that proper national security is maintained will be in relation to our remaining a member of the European Union?

Mr Hammond: As my right hon. Friend knows, national security is reserved to the member states and we regard it as very important that that should remain the case. However, there is a tension because national security interacts with many other agendas where the European Union does have competence—for example, around the regulation of telecommunications. Ensuring that that balance is maintained correctly, and that the crucial national security interests of the member states cannot be interfered with by the European Union, remains one of our priorities in the negotiations.

Pat Glass (North West Durham) (Lab): May I first thank the Secretary of State for the update on the situation in Istanbul? Of course, our thoughts are with anyone caught up in this awful situation.

Those campaigning to leave the European Union have made much of the unrealistic argument that Britain can simply walk away and magically retain trade agreements that are in place precisely because we are a member of the EU. What assessment has the Secretary of State made of the impact on British industry and British business of Britain having no say in future EU regulations that we will almost invariably be required to comply with? In other words, what will “out” look like for British industry and British jobs?

Mr Hammond: Let me first welcome the hon. Lady to her position on the Front Bench. Indeed, let me welcome all the new members of Labour’s Front Bench team, across the party. Let me also pay tribute to the former shadow Minister for Europe, the right hon. Member for
Wolverhampton South East (Mr McFadden). It is a sad indictment of today’s Labour party that people get sacked for refusing to excuse the actions of terrorists who murder innocent people and threaten our way of life.

We are clear that Britain benefits from access to the single market. If Britain voted to leave the European Union, we could not be guaranteed continued access to the single market. Britain benefits from the free trade agreements that have been negotiated by the European Union with third countries. We could not guarantee that renegotiating such agreements with the United Kingdom would be a priority for all those third countries if we were outside the European Union. But in the end, this is a balancing act. A proper calculation has to be made between the costs and the benefits of membership. What we are trying to do in this negotiation is decisively to alter the balance in favour of British membership so that we can convince the British people that that is the right future for Britain.

Kamal Foroughi

3. Oliver Dowden (Hertsmere) (Con): What recent representations he has made to the Iranian Government on the case of Mr Kamal Foroughi.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): As my hon. Friend is aware, Iran does not recognise dual nationality, so we have not been granted the normal consular access to Kamal Foroughi. We continue to raise the case of Mr Foroughi’s detention at the highest levels, including representations from me and the Foreign Secretary, as well as the Prime Minister.

Oliver Dowden: Mr Foroughi is now 76 years of age, and there are serious concerns about his health, including the possibility that he may be suffering from cancer. Will the Minister update the House on what steps the Foreign Office has taken to promote Mr Foroughi’s wellbeing during his detention at Evin prison?

Mr Ellwood: I am grateful to my hon. Friend for raising this constituency case. Mr Foroughi’s son. We certainly share the family’s concerns for Mr Foroughi’s health. The case was raised most recently on 22 December by our chargé d’affaires with the deputy secretary-general of the Iranian High Council for Human Rights. I hope to visit the country soon. The Foreign Secretary and I will continue to make the case for clemency, but also for consular access.

Syria

4. Victoria Prentis (Banbury) (Con): What diplomatic support the Government are providing to the countries surrounding Syria to help displaced people.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): The UK has provided £559 million to help the 4.6 million Syrian refugees in neighbouring countries. I will visit Turkey later this week, and my right hon. Friend the Secretary of State for International Development will visit Jordan and Lebanon, in both cases to discuss the conference on supporting Syria and the region that we will co-host with Kuwait, Germany, Norway and the United Nations in London early next month. The purpose of that conference is to secure significantly greater international support for Syria and for the refugee host countries.

Victoria Prentis: Does my right hon. Friend agree that the UK can be proud of the response to the UN appeal for aid for those suffering in Syria? That includes, if I may say so with you in the Chair, Mr Speaker, the response of many Members of this House, including you, to my own Singing for Syrians initiative—

Michael Fabricant (Lichfield) (Con): Give us a song!

Victoria Prentis: I will not give the House a song, but I might be able to give the final figure at some time in the next few weeks.

Does my right hon. Friend agree that other countries should follow our lead?

Mr Hammond: Yes, and I very much welcome my hon. Friend’s Singing for Syrians initiative. That and initiatives like it show an extraordinary solidarity with the Syrian refugees. Yes, other countries should do more. The UK is the second largest donor to the Syrian humanitarian crisis, after the United States. We can be incredibly proud of that record. I am also proud that the Syrian conference we will hold on 4 February will not just ask people to pledge additional money. We will go to the conference with innovative ideas, worked out with the Governments of Jordan and Turkey, to allow refugees proper access to the workplace in their host countries and to healthcare and education in a way that provides holistic support for those refugees, not just a UN handout.

John Woodcock (Barrow and Furness) (Lab/Co-op): Of course, there would be fewer displaced people to Syria’s neighbours if Russia stopped its despicable bombing of civilians. Has the Foreign Secretary had a chance to confirm reports that on Saturday the Syrian Emergency Task Force’s humanitarian headquarters in the city of Idlib were bombed by Russia, and what representations can the UK make on that?

Mr Hammond: We make regular representations to the Russians, first about the indiscriminate nature of their bombing, including the bombing of civilian areas, and secondly about the fact that they are still, for the overwhelming majority of their airstrikes, targeting the moderate opposition fighting the Syrian regime, not Daesh.

Nusrat Ghani (Wealden) (Con): Stability in Syria and the region requires the removal of Daesh. Will the Secretary of State join me in congratulating the Iraqi forces on the recent liberation of Ramadi, and when will he hold the next counter-ISIL/Daesh coalition meeting?

Mr Hammond: I join in the congratulations to the Iraqi armed forces on their achievement in liberating Ramadi. It is but one step in a challenging process of ridding Syria of the evil of Daesh, but we will support the Iraqi Government and the Iraqi armed forces in that endeavour.
Ms Tasmina Ahmed-Sheik (Ochil and South Perthshire) (SNP): Yesterday the Secretary of State for International Development confirmed that yesterday marked the first time that food aid could be provided via convoy to the people of Madaya, as agreed with the Syrian regime. I have read newspaper reports today that there was a food aid delivery last October. Could the Foreign Secretary confirm the number of occasions the United Nations has requested humanitarian aid from the UK Government in relation to Madaya and how many times we have responded positively to such a request?

Mr Hammond: My right hon. Friend the Secretary of State for International Development made a statement on that issue yesterday. The specific question asked is properly an issue for her Department, so I will ask her to write to the hon. Lady. What I can say to the House is that the use of starvation as a tool of warfare is illegal in international law—it is a breach of international humanitarian law—and we have made that point repeatedly to the Syrian regime and to the Russians.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): There are currently some 16,000 refugees on the Syrian side of the Jordanian border, and Jordan has offered to help with their dispersal. Could the Foreign Secretary update us on what support we are giving to the Jordanians?

Mr Hammond: We are helping and supporting the Jordanians with the Za'atari refugee camp. As I have said, my right hon. Friend the Secretary of State for International Development will be in Jordan later this week, discussing that, among other issues. There has been an upsurge in fighting in the southern area of Syria, with Syrian Government troops, supported by Russian airstrikes, becoming active in a part of the theatre that has been quiet for quite a long time. That is deeply destabilising for Jordan and puts at risk the possibility of supporting the refugees to whom the right hon. Lady refers.

Ukraine

5. Jason McCartney (Colne Valley) (Con): What recent assessment he has made of the political situation in Ukraine and the prospects for full implementation of the Minsk agreements.

The Minister for Europe (Mr David Lidington): Ukraine is facing multiple challenges, both over domestic reform and the security situation in the east. We believe that the full implementation of the Minsk agreement remains the best chance of achieving a peaceful solution in Donbass, and we will continue to press all parties, especially Russia, to do more to meet those commitments.

Jason McCartney: I celebrated Ukrainian Christmas with Huddersfield and Colne Valley’s Ukrainian community over the weekend. We enjoyed holubchi, varenyky and borsch. Understandably, the community is very concerned about the situation in Ukraine. Will the Minister continue to do everything he can to implement the ceasefire, the withdrawal of heavy weapons and the return of democracy to Ukraine?

Mr Lidington: The need for the implementation of the ceasefire and the withdrawal of weapons were among the issues on which I pressed the Russian authorities in my meetings with First Deputy Foreign Minister Titov in Moscow just before Christmas 2015. I reiterated in my meeting yesterday with the Mayor of Lviv, Mr Sadovy, the United Kingdom’s commitment to the independent sovereignty and territorial integrity of Ukraine.

Conor McGinn (St Helens North) (Lab): Under the Minsk agreement, the Organisation for Security and Co-operation in Europe is charged with monitoring ceasefire arrangements and weapons withdrawal. When did the Minister last meet the OSCE on this issue, and what is his assessment of its most recent report?

Mr Lidington: I last discussed those points directly with Michael Link, the director of the OSCE Office for Democratic Institutions and Human Rights, at the OSCE ministerial meeting in mid-December. The OSCE is doing a heroic job, with its monitors sometimes under direct personal threat from the continued fighting in the Donbass. It does not yet have access, to which it is entitled, to the whole of the Donbass, and we continue to press the Russians to use their influence over the separatists to allow the OSCE to carry out its mission fully.

Mr Jonathan Djanogly (Huntingdon) (Con): Will my right hon. Friend confirm that, in any discussions the Government have with Russia in relation to Syria, Ukraine will not be used as a bargaining chip and our desire to see Russia and its arms out of Ukraine will remain undiminished?

Mr Lidington: I can give my hon. Friend an unqualified assurance on that point. We will continue to talk to Russia about Syria and other matters, but we are absolutely clear that there is no trade-off between any agreement over Syria and our resolute support for Ukraine’s sovereignty and territorial integrity.

Sir Gerald Howarth (Aldershot) (Con) rose—

Mr Speaker: Oh, very well. I call Sir Gerald Howarth.

Sir Gerald Howarth: I am grateful to you, Mr Speaker. As my right hon. Friend knows, corruption is a major problem in Ukraine, and one that is continuing to undermine the economic recovery of that country. What efforts are the British Government making to impress on the Ukrainian Government that they must end the practice of corruption if they want our continued support?

Mr Lidington: My hon. Friend puts his finger on one of the central challenges facing the Ukrainian Government and political parties in carrying out domestic reform. I do not think the House should underestimate how challenging that is in a country where corruption has been endemic for so long. We are doing what we can—not just through words, but with United Kingdom technical assistance—to enable the Ukrainians to move towards fighting corruption and establishing genuinely independent and impartial judicial and legal systems. The first projects under the good governance fund, which the Prime Minister announced last March, are now up and running in Ukraine.
Terror Financing

6. **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): What progress has been made on reaching an international agreement on terror financing.[902968]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): A key strand of the strategy to defeat Daesh is to cut off its funding. A series of international agreements restricting Daesh’s income streams has come into force, including UN Security Council resolution 2170, which restricts Daesh’s trade networks and sanctions individuals who are financially supporting Daesh, and UN Security Council resolution 2253, adopted in December—it was recently agreed by all Finance Ministers, including the Chancellor—which reorients the UN al-Qaeda sanctions regime to target Daesh.

**Meg Hillier:** I thank the Minister for that response, but will he outline what specific steps are being taken to undermine the flow of finance from oil sales by Daesh, which are obviously fuelling this nasty terrorist group?

**Mr Ellwood:** The hon. Lady is right to highlight the importance of oil sales to Daesh, which account for about half of its revenues. It receives between $2.5 million and $4 million a day across all sources, but oil is very much the highest of them. Most of that is in fact sold to the Assad regime. We are making an impact—taxes in Mosul and Raqqa have been forced to go up; the salaries of the foreign fighters there have gone down; and smuggling routes are being closed off—so we are defeating Daesh using financial means.

**Stephen Phillips** (Sleaford and North Hykeham) (Con): The international convention for the suppression of the financing of terrorism has received widespread ratification across the world, but it has not been ratified by some major actors, in particular Iran and Somalia. What steps can my hon. Friend take to ensure that it is universally adopted, so that terrorist financing is shut off across the world?

**Mr Ellwood:** My hon. and learned Friend is right to articulate the loopholes that still exist. We are hoping that Iran, which has committed itself to continued talks with us, is going to keep its commitments and we now have the legislative means to close them. It will be difficult, but we need to work with those countries outside Iraq and Syria if we are to defeat extremism and close the financial channels it uses.

**Mr Nigel Evans** (Ribble Valley) (Con): One hundred and eighty-seven countries have ratified the international convention for the suppression of the financing of terrorism. What confidence can we have in, and what action can we take against, any of those signatories that are dealing in some of the oil that is funding Daesh?

**Mr Ellwood:** My hon. Friend is right to articulate that point. This is the main funding source that is keeping Daesh alive. It is able to use those funds to pay for the fighters who are causing so many of the problems in Iraq and Syria. It is hoped that the Vienna talks will lock down those countries—Iran has already been named—to ensure that they honour their commitments so that we can close down the financial channels.

**Diana Johnson** (Kingston upon Hull North) (Lab): Following on from the question from my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier), an estimate by Associated Press at the end of October 2015 was that between 40,000 and 50,000 barrels of oil a day were being produced to finance Daesh in Iraq and Syria to the tune of $40 million a month. In the light of the agreement on terrorist financing that was reached in December, which the Minister mentioned, and the coalition military action, what is his current estimate of the finances available to Daesh?

**Mr Ellwood:** I made it clear that there is an estimate that Daesh is receiving between $2.5 million and $4 million a day. This matter is very difficult to understand because it does not keep accounts and it certainly does not share its accounts. There is not the transparency that we would like to see from any country. We are fully aware that its main source of income is the illegal sale of oil to the Assad regime. We have closed off other avenues, but the main one is sales to the Assad regime.

The Commonwealth: Trade and Diplomatic Connections

7. **Mike Freer** (Finchley and Golders Green) (Con): What steps the Government are taking to promote trade and diplomatic connections with other Commonwealth countries.[902969]

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): The United Kingdom is committed to strengthening its engagement with the Commonwealth. My right hon. Friend the Prime Minister led a strong delegation to the Commonwealth summit in Valletta in November, where my noble Friend the Minister for Trade and Investment, Lord Maude, and I promoted trade opportunities.

**Mike Freer:** I am grateful for that answer. Given that three quarters of UK-Commonwealth trade is with India, Australia, Canada, Singapore, South Africa and Malaysia, how does my right hon. Friend propose that the UK can broaden its trading links with the other 46 Commonwealth nations?

**Mr Swire:** My hon. Friend makes a good point. This question affords me the opportunity to pay tribute to the noble Baroness Scotland and to congratulate her on...
her appointment as the next secretary-general of the Commonwealth. We hope that she will refocus it. I am sure that Members from all parts of the House will want to work closely with her in the coming months and years.

At Valletta, we had the biggest ever Commonwealth business forum, which was organised by my noble Friend Lord Marland and the Commonwealth Enterprise and Investment Council. Lord Marland, the Minister for Trade and Investment and I are working very closely together on having more regular meetings of Commonwealth Trade Ministers, so as to expand Commonwealth trade both bilaterally between the UK and other Commonwealth members and within the Commonwealth.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Africa all-party group, which I chair, recently met governmental and non-governmental representatives from African Commonwealth countries who expressed real concern that the European economic partnership agreements, which were negotiated in haste, under pressure, and often with many negotiators on one side and few on the other, will do real damage to Africa’s emerging service and manufacturing industries. What is the Minister doing to redress the balance of power?

Mr Swire: The EU has trade deals involving 17 Commonwealth countries, and it is currently negotiating further agreements with Canada, Singapore and regional blocs in Africa. Africa is an area of huge potential for the Commonwealth—in fact, one of our recent successes is the east Africa oil and gas high value opportunity, which will support UK businesses in gaining access to local markets. One should look at the opportunities presented by potential investment in Africa, rather than the negatives.

Mr Speaker: An in-swinger by the hon. Lady.

Mr Swire: Thank you, Mr Speaker. We are a key member of the Commonwealth, and we know that trade between two Commonwealth countries is on the whole 19% cheaper than trade outside the Commonwealth. We should concentrate on growing trade in the Commonwealth, and I am sure that like me my hon. Friend believes in the good Conservative philosophy that a rising tide lifts all ships. [HON. MEMBERS: “What?”]

Valerie Vaz (Walsall South) (Lab): I am slightly thrown by the Minister’s last words, Mr Speaker.

At the Commonwealth Heads of Government meeting in November, the first ever women’s forum agreed 36 points to ensure that women are not left behind?

Mr Swire: Indeed, and the hon. Lady will know, as I do, that the Commonwealth charter focuses on such matters. We have an opportunity, and I am happy to meet her to discuss those issues in the run-up to the next Commonwealth Heads of Government meeting in the United Kingdom in spring 2018. We have the opportunity to shape the agenda.

Andrew Rosindell (Romford) (Con): The Minister will know that Commonwealth countries represent some of the most important future emerging markets for the United Kingdom. Would it not be better if we could sign our own free trade agreements directly with Commonwealth countries, and not depend on Brussels to do it on our behalf?

Mr Swire: I repeat to my hon. Friend that we want to encourage trade within the Commonwealth, and, as he knows, the Commonwealth makes those trade agreements with the EU. That is the current situation, and that is what we should concentrate on.

Fabian Hamilton (Leeds North East) (Lab): Trade between Commonwealth member Rwanda and the UK has grown steadily since the end of the genocide and the election of Paul Kagame as the country’s President in 2000, but there are worrying signs of intolerance, dissent, and repression of the media, and a recent referendum agreed to lift the two-term limit on holding presidential office. Does the Minister have any concerns about President Kagame’s increasing grip on power and associated reports of human rights abuses in Rwanda?

Mr Swire: I welcome the hon. Gentleman to his position on the Front Bench. The Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge), who has responsibility for Africa, visited Rwanda as recently as a month ago. I am sure he would be happy to meet the hon. Gentleman to discuss the findings of his trip.

China: Diplomatic and Economic Relations

8. Craig Williams (Cardiff North) (Con): What recent assessment has he made of the strength of diplomatic and economic relations between China and the UK.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): Our diplomatic and economic relationships with China are stronger than ever. Last year’s state visit by President Xi Jinping delivered substantial benefits for the UK economy and established a new global partnership. Last week in Beijing I launched a new visa service to boost tourism and business, announced plans to build a new embassy to better serve our interests and reflect the level of our bilateral relationship, and reaffirmed the common approach with a common statement on the Syria crisis. Those are all achievements.

Craig Williams: I welcome my right hon. Friend’s recent visit to China. Does he agree that with China set to become the world’s largest economy in the first half of the century we should be using every opportunity to boost our exports to the Chinese market of 1.3 billion people to help secure jobs in my constituency and across the United Kingdom?
Mr Hammond: China is a vital trade partner. It is also an important investment partner, with a huge willingness to invest in UK infrastructure and a huge ability to absorb investment by UK companies in China. Our relationship with China is about more than just trade and investment, however. As the relationship grows, we will have increasing opportunities to engage with the Chinese on other key interests and to make our voice heard.

Ms Margaret Ritchie (South Down) (SDLP): What opportunities will arise for those who wish to export food produce from the United Kingdom to China? What further discussions have taken place with the Secretary of State for Environment, Food and Rural Affairs, following her visit to that country in November?

Mr Hammond: The hon. Lady puts her finger on a very topical subject. I discussed it again with the Chinese Foreign Minister during my visit. We look forward to Chinese customers being able to buy excellent British beef and lamb in their supermarkets in the near future. The Chinese have assured us that they will make progress towards the necessary regulatory amendments to allow that to happen.

Richard Graham (Gloucester) (Con): Our strategic partnership with China is incredibly important, not least to trade and investment. My right hon. Friend will know that the all-party group I chair has promised to help 50 parliamentarians organise China seminars in their constituencies during this Parliament. Upholding the rule of law is also important, particularly to British business confidence in Hong Kong at the moment. Will my right hon. Friend update the House on the disappearance of British citizen Mr Lee Bo?

Mr Hammond: Yes. My hon. Friend is absolutely right that a proper rule of law system is vital for the economic, as well as the social, development of China. The Chinese Communist party is committed to implementing the full rule of law in China by 2020 and we are committed to supporting it in that endeavour. On the question of Mr Lee Bo, I raised the case with the Chinese Foreign Minister last week. The joint declaration and the basic law are clear that law enforcement in Hong Kong is a matter for the Hong Kong authorities, and that offences committed in Hong Kong should be tried in Hong Kong courts. As I said while I was in Beijing, if it turns out, as some have speculated, that Chinese state security entities have spirited Mr Bo out of Hong Kong, that would be an egregious breach of the basic law of the joint declaration, and of the principle of one country, two systems, which we very much support.

Angela Smith (Penistone and Stocksbridge) (Lab): It is of course right for the Government to pursue a stronger relationship with China, but it is also true that they should tackle unfair trading practices when they come across them. Will the Secretary of State update the House on the contribution he is making to tackle the Chinese Government over the unfair dumping of Chinese steel imports on the UK market?

Mr Hammond: The hon. Lady is absolutely right. We raised this issue with President Xi when he was here in October. We were given a commitment that China intends to address its overproduction of steel. The problem is not only China, of course; this is a global problem. The Chinese said they were going to close some of their more polluting steel plants. I pressed them on that in Beijing last week and emphasised to them that it is through the prism of steel that their claims to be treated as a market economy are likely to be judged in the European Union. If they want a fair hearing on market economy status, they must address the steel issue. It is in their interests to do so.

Catherine West (Hornsey and Wood Green) (Lab): I congratulate the Secretary of State on the common statement, between the UK and China, on Syria. What action will he take to express concern at recent reports that Chinese police have arrested worker activists in the manufacturing centre of Guangdong? Does he agree that the current crackdown on labour rights NGOs in China does nothing to calm jitters in the context of the current economic downturn?

Mr Hammond: Regrettably, such incidents do occur in China, but we have a forum for raising concerns, through a formal human rights dialogue with China. We expect the next human rights summit to be in March or April, and we have a list of issues we will raise with the Chinese, including the question of how they operate around labour activists.

Mr Speaker: I always used to wonder why Foreign Office questions took longer. A senior Clerk said to me, “Mr Speaker, the reason they tend to take longer is that Ministers, perhaps understandably, feel they are addressing not merely the House but the world.” I think that probably explains it, but I would like to make a bit of progress.

St Helena

9. Andrew Gwynne (Denton and Reddish) (Lab): What assessment he has made of the implications for his policies of the findings of the Wass report on child abuse in St Helena.

[902971]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge): The UK Government take child safeguarding in the overseas territories extremely seriously. We and the St Helena Government accept all the recommendations in the report, and a senior UK official has been appointed to be based in St Helena to oversee and implement all the recommendations.

Andrew Gwynne: The Wass report notes, at paragraph 1.48, that “it should be recognised that Claire Gannon was not properly briefed for the task that confronted her when she arrived on St Helena in February 2013.” Was it the responsibility of the Foreign Office, the Department for International Development, the governor or other staff in St Helena to provide the briefing?

James Duddridge: Prior to all governors going out to overseas territories, the Foreign Office organises extensive briefings in all policy areas, and I can assure the House that, in addition to the normal briefings, we now provide specialist briefings on child safeguarding.
This subject was central to the Joint Ministerial Council only last month; in fact, it was the main issue we discussed.

**Occupied Palestinian Territories**

10. Dr Rupa Huq (Ealing Central and Acton) (Lab): What discussions he has had with the Government of Israel on reducing tensions in the Occupied Palestinian Territories. [902972]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Incidents of violence have slowed, but we remain concerned about the situation and encourage both sides to de-escalate tensions. My right hon. Friend the Foreign Secretary and I have called on all sides to restore calm.

Dr Huq: While the peace talks stall and tensions escalate, the continued expansion of settlements makes a two-state solution ever more difficult to achieve. What representations is the Minister making to the Israelis about the illegal settlements?

Mr Ellwood: I made a statement at the weekend about Israel’s announcement on settlements. The hon. Lady is absolutely right. We are an important friend—an ally—of Israel, but the issue of settlements makes it much harder to achieve, and takes us further away from, the two-state solution we seek.

17. Victoria Atkins (Louth and Horncastle) (Con): November 2017 marks the 100th anniversary of the Balfour declaration, which was an historic step in the creation of modern Israel. Are there any plans to mark this anniversary?

Mr Ellwood: My hon. Friend is absolutely right. During this Parliament, we mark a series of events and decisions that took place during and after world war one, including the Balfour declaration, which was an historic step in the creation of modern Israel. Are there any plans to mark this anniversary?

Mr Ellwood: I made a statement at the weekend about Israel’s announcement on settlements. The hon. Lady is absolutely right to raise that point. Both sides need to refrain from rhetoric and from taking actions that clearly inflame the situation rather than take us where we want to be. Some of the acts of violence are not incited, although some are. It shows the frustration of some individuals who have lost faith in their own leadership. The fact that youngsters can get out a knife and go off and kill an Israeli, knowing the consequences, reflects the dire situation we face. That makes it all the more urgent that the leaders come together and move towards a two-state solution.

20. Ruth Cadbury (Brentford and Isleworth) (Lab): The only way truly to de-escalate tensions is through the restarting of meaningful peace talks. What are the UK Government doing to support this aim?

Mr Ellwood: We continue to press both sides to come together. John Kerry said not long ago that the middle east peace process must not become a tired old slogan or some throwaway phrase we use to appease our consciences. We need to get both sides back to the table. That is what the Palestinian and Israeli people want.

Crispin Blunt (Reigate) (Con): Will the Minister tell us, then, what the Government are doing to ensure this issue remains at the top of the international agenda?

Mr Ellwood: As I say, we call on both parties to resume talks as soon as possible. Prime Minister Netanyahu, on his visit to London and when he was in Washington, and President Abbas have made it clear that they are committed to the two-state solution, but we should also make it clear that the status quo is not acceptable. We currently have a 1.5-state solution, not a two-state solution, or a one-state solution, which I do not think is what Israel wants, because the Jewish community would be the minority. We need to get the parties together to work towards that two-state solution, because the status quo is not acceptable.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Has the Minister made representations about the current Palestinian campaign of inciting violence, which has led to 40 young Palestinians committing acts of terrorism, including shootings and stabbings of Israeli civilians on the streets of Israel?

Mr Ellwood: The hon. Lady is absolutely right to raise that point. Both sides need to refrain from rhetoric and from taking actions that clearly inflame the situation rather than take us where we want to be. Some of the acts of violence are not incited, although some are. It shows the frustration of some individuals who have lost faith in their own leadership. The fact that youngsters can get out a knife and go off and kill an Israeli, knowing the consequences, reflects the dire situation we face. That makes it all the more urgent that the leaders come together and move towards a two-state solution.

**Topical Questions**

T1. Stephen Phillips (Sleaford and North Hykeham) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): I am very happy to update the entire universe on my priorities for 2016. They remain: Syria and the EU negotiation. Our priority in Syria includes humanitarian support focused on the London conference on 4 February, working through the Vienna process to achieve a negotiated political settlement to the civil war and continuing coalition military action against Daesh. In 2016, we will also seek to conclude our renegotiation of Britain’s relationship with the European Union, and then hold the referendum that the Conservative party promised at the general election and that this Conservative Government will deliver.

May I update the House? While we have been sitting, President Erdogan has confirmed that the attack in Istanbul was an attack by a Syrian suicide bomber and an act of terrorism.

Stephen Phillips: I am grateful for that update, and I am sure that the whole House will be thinking of events in Istanbul this morning.

There were two bombings and a series of killings last week in Bujumbura. Given the failure of the latest round of talks in Arusha to resolve the ongoing conflict in Burundi and the increased risk of civil war—and, potentially, genocide—will my right hon. Friend update us on the present position and on the steps that the Government propose to take with the United States and our other allies to facilitate a peaceful solution in this part of Africa?
The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (James Duddridge): I was in Bujumbura last month and urged the country’s Foreign Minister to attend talks in Entebbe, so it is disappointing that the Burundian Government have not followed up and continued the talks in Arusha either on 6 January or this Friday. While in Bujumbura, I met the US ambassador, and my US opposite number was there only the day before. The international community speaks with one voice in saying that the Burundians should come and discuss the issues with all parties to develop a dialogue about what can be done to bring Burundi back from the brink of civil war.

Hilary Benn (Leeds Central) (Lab): All our thoughts are with those killed and injured in what the Foreign Secretary has just reported as a terrorist attack in Istanbul.

The conflict in Yemen between the Houthis and the Saudi-led coalition has so far claimed over 7,000 lives and created, in the words of the UN Humanitarian Co-ordinator, Johannes van der Klaauw, a “humanitarian catastrophe”, with more than 2.5 million people internally displaced and 7.5 million people without enough food. Last week, Sky News reported that six British personnel are advising the Saudis on targeting in connection with the conflict. Will the Foreign Secretary tell us exactly what assistance these individuals are giving, and, if it is related to targeting, whether they have reported any potential breaches of international humanitarian law?

Mr Philip Hammond: The right hon. Gentleman is absolutely right. I cannot tell him whether it is six people, but we do have a military presence in Saudi Arabia, and we are working with the Saudi Arabians to ensure the following of correct procedures to avoid breaches of international humanitarian law—to ensure that target sets are correctly identified and processes correctly followed and that only legitimate military targets are struck. It is important that we ensure Saudi Arabia has that capability.

We also use the personnel who are present as a quick check—it can only be a quick first check—when we receive reports, as we have recently, of breaches of international humanitarian law that would, for example, involve the deliberate striking of civilian targets. So far, in every case, our people on the ground have reported that there is no evidence of deliberate breaches of international humanitarian law.

Hilary Benn: Last week, the Minister of State told the House that he wanted to see “genuine intelligence evidence”. However, we know that human rights organisations have already reported what they regard as potential breaches. For instance, a hospital supported by Médecins Sans Frontières in northern Yemen was hit by a missile recently, and another MSF hospital in Sadaa was destroyed last October.

In the light of those reports, and given that the Government’s own policy is not to grant arms export licences if there is a clear risk that the items might be used in the commission of a serious violation of IHL,”—international humanitarian law—will the Foreign Secretary launch an immediate review of arms export licences for Saudi Arabia relating to the use of British-supplied weapons?

Mr Hammond: We need to be careful here. The MSF hospital attack in Sadaa is still being investigated, but so far there is no evidence that it was hit by a missile, although it clearly came under attack. We are looking urgently at the situation on the ground.

We have a very robust export licensing process. There is a series of questions against which any export licence application must be tested, and we apply it rigorously. When a conflict is under way, whether we are talking about Yemen today or Operation Protective Edge in Gaza in the summer of 2014, we take particular care to apply the criteria diligently. That is what has been done, and that is what will be done in relation to any future arms licensing applications that are received.

Hilary Benn: How many such licences have we granted for Saudi Arabia relating to the use of British-supplied weapons?

Mr Hammond: The UK has announced a two-year, £240 million package to support Sierra Leone’s long-term recovery, which includes boosting capability to respond to future Ebola outbreaks and other emergencies. We are also working closely with the Government of Sierra Leone, the World Health Organisation and other partners to reduce the risk of further outbreaks, and to prevent them from growing into epidemics.

James Duddridge: The UK has announced a two-year, £240 million package to support Sierra Leone’s long-term recovery, which includes boosting capability to respond to future Ebola outbreaks and other emergencies. We are also working closely with the Government of Sierra Leone, the World Health Organisation and other partners to reduce the risk of further outbreaks, and to prevent them from growing into epidemics.
yesterday morning that my constituent Ray Tindall and the other men on the Seaman Guard Ohio had been sentenced to five years in prison. May I suggest, however, that it would be proactive now for the highest level of the British Government to contact the highest level of the Indian Government to find a political solution to bring the lads home, given that the legal processes have not necessarily worked well?

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): As the hon. Gentleman knows, as soon as we heard the news yesterday morning I called a meeting of all the local Members of Parliament, which he attended. Since then I have spoken to Samir Farajalla, the chief executive officer of AdvanFort, and I have just come from an introductory meeting with the new Indian high commissioner, at which I raised the issue. As the hon. Gentleman will know, there is now to be a 90-day appeal period. We are seeking clarification on a number of fronts, and I am committed to keeping Members informed of developments, but at the forefront of our thoughts at the moment are the safety and wellbeing of the men and their families.

T5. [902958] Nusrat Ghani (Wealden) (Con): Increased diplomatic and political co-operation is vital in settling international and regional disputes in the Asia-Pacific region. What steps are the Government taking to progress the strategic partnership between Japan and the UK?

Mr Philip Hammond: I am grateful to the hon. Lady for her question. Fortuitously, I was in Japan on Friday conducting a strategic dialogue with my Japanese counterpart. The strategic defence and security review published last autumn identified Japan as Britain’s principal security partner in Asia. That will continue to be the case and we are building that security partnership while strengthening our trade and investment partnership.

T8. [902961] Wes Streeting (Ilford North) (Lab): Ahead of his visit to Sri Lanka shortly, will the Minister give an undertaking to the House to raise with the Sri Lankan Government, notwithstanding the Minister give an undertaking to the House to raise with the Sri Lankan Government, notwithstanding the Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): As the hon. Gentleman knows, as soon as we heard the news yesterday morning I called a meeting of all the local Members of Parliament, which he attended. Since then I have spoken to Samir Farajalla, the chief executive officer of AdvanFort, and I have just come from an introductory meeting with the new Indian high commissioner, at which I raised the issue. As the hon. Gentleman will know, there is now to be a 90-day appeal period. We are seeking clarification on a number of fronts, and I am committed to keeping Members informed of developments, but at the forefront of our thoughts at the moment are the safety and wellbeing of the men and their families.

Mr Philip Hammond: Indeed, I am grateful to the hon. Gentleman and other colleagues from the all-party Sri Lanka and Tamil groups for coming to a meeting with me yesterday where we shaped some of the ideas I might pursue in my forthcoming visit.

James Duddridge: Southampton airport has regular flights to Amsterdam that access about 55 different African destinations. This drives bilateral trade, increases tourism and helps grow Africa out of poverty. I hope London Southend airport in my constituency does what Southampton’s has done, and develops a strong link with KLM. I would be keen to visit my hon. Friend’s constituency to learn from the work she has done.

Kirsten Oswald (East Renfrewshire) (SNP): I have spoken about my constituent William Irving in this place on a number of occasions and have written to the Secretary of State and his colleagues urging the UK Government to assist, but, as we have heard, yesterday Billy and his colleagues from the Seaman Guard Ohio were sentenced to five years’ hard imprisonment in an Indian jail, despite their consistently protesting their innocence. Can the Secretary of State please assure me that the UK Government will leave absolutely no stone unturned in getting Billy and his colleagues back home as soon as possible?

Mr Swire: Indeed, and the hon. Lady is absolutely right to raise her constituency issue. We discussed this in the meeting. I would just say to the House that there have been over 30 ministerial contacts over this ongoing case, from the Prime Minister and Prime Minister Modi down. We are in a judicial process. There is a 90-day appeal process and—I believe you me—we are doing everything we can to ensure the best possible outcome.

T9. [902962] Mary Robinson (Cheadle) (Con): Last year’s elections in Burma were an important step towards greater democracy. Can the Minister update the House on measures the Government are taking to ensure that religious minorities, such as the Muslim Rohingya community, are protected following these landmark elections?

Mr Swire: I am grateful for the hon. Lady’s question, and this affords me an opportunity to congratulate Daw Aung San Suu Kyi on her staggering victory in the recent elections. We are, and remain, the biggest bilateral donor to Rakhine. We are disappointed of course—we have said this repeatedly—that the Rohingyas were debarred from taking part in the election. I raised this most recently with the Burmese Foreign Minister when I was in New York. Daw Suu has many things on her plate—not least only eight out of a possible 16 ceasefires with some of the ethnic groups—but dealing with the problem in Rakhine and dealing with the Rohingyas people in a fair and inclusive way must be at the top of that agenda, and we will continue to assist her in any way we can to that end.

Emma Reynolds (Wolverhampton North East) (Lab): Does the Foreign Secretary think it would be in the UK’s national interest to have the “fax democracy” of Norway, whereby we would be sent the rules and regulations of the single market, abide by the freedom of movement principle, and pay into the EU budget but have no seat around the negotiating table?

Mr Philip Hammond: That model has never seemed very attractive to me. Some people have talked about the Norwegian model in the domestic debate here, but perhaps they have failed to understand how it works. As the hon. Lady has just said, it involves accepting all the
rules and paying all the subs but getting no vote and no seat at the table. That does not look like a good plan to me.

**Michael Fabricant** (Lichfield) (Con): Birmingham airport has recently initiated regular flights to China, but France, Holland and Germany all have more such flights than the United Kingdom. What can the Secretary of State do with the Department for Business, Innovation and Skills and the Department for Transport to encourage more regular flights to China in order to promote trade and tourism?

**Mr Hammond:** My hon. Friend did not mention airport capacity in the south-east, but it is of course intimately linked with his question. As he will know, the Government are now urgently carrying out further studies around the Davies report on airport capacity in the south-east and we will make a decision as soon as possible on that matter.

**Joan Ryan** (Enfield North) (Lab): On new year’s day, Nashat Melhem murdered two Israelis in a bar in Tel Aviv and wounded eight others. He then killed a taxi driver, a Bedouin Israeli, while escaping. He himself was killed a week later in a shoot-out with the police. The Palestinian Authority’s Ministry of Health has described him as “one of the dearest martyrs”, and the Fatah Facebook page has commented:

“Congratulations and may Allah receive you in Heaven”.

What pressure will the Government bring to bear on the Palestinian Authority to ensure that this kind of encouragement to violence is stopped?

**Mr Ellwood:** The right hon. Lady is absolutely right. This is the sort of rhetoric I was referring to earlier, and it takes us into a very dark place. It is the sort of rhetoric that President Abbas should be condemning straight away. I will visit Israel and the west bank shortly, and I will certainly raise these matters to ensure that this kind of encouragement and incitement to violence is stopped.

**Dr Andrew Murrison** (South West Wiltshire) (Con): The Foreign Secretary’s update on the evolving situation in Istanbul reminds us of the dangers posed by violent fundamentalism. What lessons does he think we can learn from countries such as Morocco, which act as a beacon of hope within the Islamic world?

**Mr Ellwood:** Morocco is one of the countries that has moved forward since the Arab spring, and it is an exemplar of how the democratic process can succeed. My hon. Friend and I have both visited the Mohammed VI imam training institute, which has done much to train imams to ensure that the moderate message of Islam is promoted. I would like to see that work spread out across the Maghreb and elsewhere, because Morocco is an excellent model for other countries to follow.
Criminal Driving (Justice for Victims)

Motion for leave to bring in a Bill (Standing Order No. 23)

12.36 pm

Greg Mulholland (Leeds North West) (LD): I beg to move,

That leave be given to bring in a Bill to make provision to strengthen penalties related to serious criminal driving offences that lead to serious injury or death; to redefine such offences and amend bail conditions for those charged with them; to enhance the standards of investigation, both by the police and in the Courts, into such offences; to improve the treatment of victims of such offences and their families within the justice system; and for connected purposes.

In 2014-15, 389 people were killed in England and Wales alone due to dangerous driving. In too many of those cases—and in even more in which lesser charges have been brought—victims of those serious crimes and their families have been badly let down. We therefore need a number of changes to ensure that proper justice can be delivered in the future.

I was pleased to meet the Justice Secretary yesterday, along with 22 other colleagues. I also thank the Minister for Policing, Crime and Criminal Justice, the right hon. Member for Hemel Hempstead (Mike Penning), for his personal interest in this matter. However, my colleagues and I were somewhat surprised and disappointed to be told that there is to be a further consultation which will not produce a document until later this year, given that the Minister had suggested in a previous answer that the consultation would be completed by spring 2015. The message today is to encourage them to continue to work with us to ensure that we get comprehensive legislation by 2017 at the latest.

I am today speaking on behalf of many families across the country. I have had two awful cases in my constituency: that of 16-year-old Jamie Still, who was killed by a reckless criminal driver on new year’s eve in 2010, and that of David and Dorothy Metcalf from Cookridge, who were killed in January 2012. I dedicate this Bill to the memories of Jamie, David and Dorothy, and all who have lost their lives as a result of these serious crimes. It is 18 years ago today that Livia Galli-Atkinson was killed in Enfield, and I wish to pay tribute to the tireless campaigning by her parents, George and Giulietta, as well as by Karen and Rebecca Strong, and Clive Metcalf and his family.

I also wish briefly to mention a number of hon. Members and cases that they have been involved in. Livia’s family have been supported by the hon. Members for Enfield, Southgate (Mr Burrows), for Rugby (Mark Pawsey) and for Liverpool, West Derby (Stephen Twigg). In the awful case of what happened to Sean Morley, support has been given by the hon. Member for North Warwickshire (Craig Tracey) and his predecessor. The case of John Morland and Kris Jarvis has been supported by the hon. Member for Reading West (Alok Sharma). The case of Ross and Clare Simons has been supported by the hon. Member for Kingswood (Chris Skidmore). The case of Jamie Butter has been supported by the hon. Member for North East Cambridgeshire (Stephen Barclay). The case of Joseph Brown-Lartey has been supported by the hon. Member for Heywood and Middleton (Liz McInnes) and Manchester’s Key 103 radio station. The hon. Member for South Cambridgeshire (Heidi Allen) has supported the family of Alex Jeffery.

The hon. Member for Isle of Wight (Mr Turner) has supported the family of Evey Stanley. There have been many other cases, including that of the right hon. Member for East Ham (Stephen Timms), whose own father was killed by a careless driver in 1991. I pay tribute to all the families who are campaigning tirelessly to try to get justice, and we will support them here until we get a change in the system.

The changes being proposed today come from a meeting of those families and fellow Members back in December 2014 and the manifesto we produced as a result, which has been backed by Brake, the road safety charity—I pay tribute to its amazing work. Our manifesto “Better Justice for Victims of Criminal Driving and Their Families” suggested a number of changes, which I will briefly list. First, the distinction between “careless” and “dangerous” driving is false and unhelpful, often coming down to the slight and subjective difference between someone’s driving falling below or well below what is expected of a careful and competent driver. The problem is that in too many cases people are simply given the lesser charge of causing death or injury by careless driving rather than by dangerous driving because it is easier for prosecutors to seek a conviction. The difference in penalties between these charges is huge: it is a maximum of a five years for causing death by careless driving, compared with up to 14 years for causing death by dangerous driving.

The simple reality is that “careless” is an inappropriate and offensive term to use for criminally bad driving, particularly where it has resulted in horrendous suffering. Even driving that falls only slightly below the standards—a momentary lapse of concentration—may be careless, but it is still dangerous. Careless driving, a charge that was opposed by Brake in the first place, has institutionalised dishonesty in our justice system, and that needs to be rectified. The use of the term “careless” makes a value judgment about the intention of the perpetrator—it is not factual. Calling driving that falls below any standard “dangerous” is factual, because such driving is dangerous. The Bill is not calling for us to get rid of a lesser sentence only for a higher one; it is calling for us to scrap both charges for a system where dangerous driving is regarded as a category of offence that can have the minimum or the maximum sentence. That would give judges the discretion; at the moment, their hands are tied once a lesser charge has been brought to the courts, and families are being failed up and down the country.

We also need to examine sentencing and the fact that too few high sentences are given out. Last year, the Government rightly introduced a new offence of causing serious injury while dangerous driving—in the past, that had been missed out—but this new charge should carry a maximum penalty of 14 years. The cost of care as well as the devastation for people who are seriously injured and can never work again, and in some cases can never speak or operate normally again, needs to be taken just as seriously as causing death by dangerous driving.

Drivers who kill while under the influence of drugs or drink can face up to 14 years in jail. However, there is a perversity, which is that if the driver flees a scene to sober up, that crime can be impossible to prove, leaving only a hit-and-run offence. That has the absurdity of incentivising drink and drug drivers to flee the scene and obstruct justice. Hit-and-run drivers should face...
the same maximum penalties as other drivers who kill and seriously injure, with an assumption that if they flee the scene they must have a reason to do so, which suggests guilt.

We also need to look at the automatic suspension of a driving licence—or, at the very least, a presumption of suspension of a driving licence—as a condition of bail in cases of dangerous and careless drivers who seriously injure or kill. In the case of Jamie Still, the perpetrator of that crime was driving for nine months in the very town in which he killed the 16-year-old. What must it have felt like for the family to see him driving along the same road on which Jamie was killed? That is happening in too many cases.

In cases where charges of criminal driving are brought, the victims must be treated by all parts of the judicial system as victims of crime. Currently, that is not the case, and they are often not given the same support as victims of other crimes, even though the devastation is exactly the same as that of any case of manslaughter.

More work needs to be done in a number of areas. I understand that this can be complicated, and I ask the Minister to work with his former colleagues in the Department for Transport to improve the system. For example, we need to have more appropriate investigation of collisions, better guidance and better advice in terms of releasing evidence to victims’ families. That has not happened adequately in a number of cases that I have mentioned. Victims and their families are not always given access to all the evidence and end up having to trust the Crown Prosecution Service to do its job properly, but I am afraid that too many cases show that they cannot always do so.

The Department for Transport must, in all cases, stop describing as “accidents” incidents of criminal driving where someone has been killed or seriously injured. The CPS and traffic police already do not use the word “accident” to refer to criminal driving offences, but the Department for Transport continues to do so. That is yet another way of exacerbating the suffering of victims and their families. There is a sense that somehow these are not real or serious crimes, despite the devastation that they have caused.

We need changes throughout the system—from investigations through to prosecutions, sentencing and to the very charges themselves—to give justice to families who suffer from these awful crimes, and to deter people from behaving so recklessly behind the wheel of a vehicle. I welcome the attention of the Secretary of State. I will work with him and his Department on this matter. If they wish to support this Bill, we can talk about its content. In the end, we must see, by next year, a change across the board so that we can at last deliver justice for victims and their families.

Question put and agreed to.

Ordered,

That Greg Mulholland, John Pugh, Ian C. Lucas, Jason McCartney, Susan Elan Jones, Liz McInnes, Heidi Allen, Hywel Williams, Mr Andrew Turner, Ms Margaret Ritchie, Dr Sarah Wollaston and Sammy Wilson present the Bill.

Greg Mulholland accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 March, and to be printed (Bill 117).

Housing and Planning Bill

[2ND ALLOCATED DAY]

Further consideration of Bill, as amended in the Public Bill Committee

Clause 67

PAYMENTS TO SECRETARY OF STATE

12.49 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): I beg to move amendment 131, page 29, line 14, leave out clause 67.

This amendment, together with other amendments leaving out all the clauses in this chapter, would prevent vacant high value housing from being compulsory sold.

Mr Speaker: With this it will be convenient to discuss the following:

Amendment 92, page 29, line 21, at end insert
‘that shall include—

(i) the repayment of capital debt on any high value properties sold

(ii) the cost of replacing any high value properties sold on a one for one basis within the same local authority.’

The amendment would ensure the replacement of property locally and it would also ensure appropriate deductions are included in legislation.

Amendment 51, page 29, line 21, at end insert—
‘(2A) The total payment required from all affected local authorities in any financial year shall not exceed the total grant paid in that year to private registered providers in respect of right to buy discounts.’

The amendment would avoid powers being used a general means of taxing councils and tenants for the benefit of the Exchequer.

Amendment 93, page 29, line 32, leave out from ‘regulations’ to ‘for’ and insert
‘require a local housing authority in England to define “high value” in its area’.

The amendment would enable local housing authorities to define high value property in line with local housing market conditions.

Amendment 94, page 29, line 33, at end insert
‘that will not apply to more than 10% of the total authority properties in the local housing authority area’.

The amendment would safeguard a proportion of local authority housing stock in high value areas.

Amendment 53, page 29, line 35, at end insert—
‘(10) Regulations under subsection (8) may not define a dwelling as “high value” if its sale value is less than the cost of rebuilding it and providing a replacement dwelling with the same number of bedrooms in the same local authority area.’

The amendment would ensure that the cost of replacement dwellings is not specified as one of the costs and deductions to be made as required by sub-section 67(2) and would allow for one-for-one local replacement.

Amendment 132, page 29, line 36, leave out clause 68.

See explanatory statement for amendment 131.

Amendment 55, in clause 68, page 30, line 11, at end insert—
‘(5) Regulations under subsection (2)(b) shall specify that housing shall be excluded where it forms part of a housing regeneration scheme or consists of specialist housing or recently improved housing.'
(6) In this section—

“housing regeneration scheme” means a programme of regeneration or development of an area which includes the provision or improvement of housing and for which finance may be available under section 126 of the Housing Grants, Construction and Regeneration Act 1996;

“specialist housing” means any housing designed for or intended for occupation by older persons or persons needing care or support or persons with mental health problems or learning disabilities, or which has features which are designed to make it suitable for occupation by a physically disabled person, or which it is the practice of the landlord to let for occupation by persons with special needs;

“recently improved housing” means housing where there has been substantial works of repair or improvement carried out on the relevant dwelling or group of dwellings within the previous two years.’

The amendment would exclude certain types of property from inclusion in the high value homes determination.

Amendment 133, page 30, line 12, leave out clause 69.
See explanatory statement for amendment 131.
Amendment 134, page 30, line 28, leave out clause 70.
See explanatory statement for amendment 131.
Amendment 135, page 31, line 2, leave out clause 71.
See explanatory statement for amendment 131.
Amendment 136, page 31, line 12, leave out clause 72.
See explanatory statement for amendment 131.
Government amendment 112.
Amendment 137, page 31, line 20, leave out clause 73.
See explanatory statement for amendment 131.
Amendment 138, page 31, line 28, leave out clause 74.
See explanatory statement for amendment 131.
Amendment 139, page 32, line 2, leave out clause 75.
See explanatory statement for amendment 131.
Amendment 140, page 32, line 16, leave out clause 76.
See explanatory statement for amendment 131.
Amendment 141, page 32, line 28, leave out clause 77.
See explanatory statement for amendment 131.
Government amendments 130, 9 and 11.

Government new clause 59—Reverting to original rent levels.

Government new clause 60—Private providers: policies for high income social tenants.

Government new clause 61—HMRC information for private registered providers.

New clause 39—Living Rent Commission—

(1) The Secretary of State shall appoint a body, to be known as “the Living Rent Commission”, to discharge the functions conferred under this section.

(2) The Secretary of State shall refer to the Living Rent Commission to determine a definition of “affordability”, based on which it shall make recommendations on rent levels for all housing provided by local authorities and private registered providers in England, at a level of locality considered appropriate and practicable by the Commission.

(3) Before arriving at the recommendations to be included in the report produced under subsection (4), the Living Rent Commission shall consult—

(a) such organisations representative of providers of affordable housing as they think fit;

(b) such organisations representative of affordable housing occupants as they think fit; and

(c) if they think fit, any other body or person.

(4) The Living Rent Commission shall, after considering the matter referred to it under subsection (2), make a report to the Prime Minister and the Secretary of State which shall contain the Commission’s recommendations regarding affordable rents.

(5) The Secretary of State may by regulations implement the Commission’s recommendations on affordable rents for private registered providers and local authority provided housing.

(6) If, following the report of the Living Rent Commission under subsection (4) above, the Secretary of State decides—

(a) not to make any regulations implementing the Commission’s recommendation, or

(b) to make regulations which do not relate to a recommendation of the Commission,

the Secretary of State shall lay a report before each House of Parliament containing a statement of the reasons for the decision.

(7) The definitions determined and recommendations made under subsection (2) shall be reviewed annually by the Living Rent Commission.’

This new clause would set up a Living Rent Commission to define and determine affordable rents.

Amendment 144, page 33, line 12, leave out clause 79.
This amendment, together with amendments 145 to 153, would leave out Chapter 4 of Part 4.

Government amendment 113.

Amendment 95, in clause 79, page 33, line 15, at end insert—

‘(1A) Any regulations made by the Secretary of State under this section will not apply—

(a) to people aged over 65;

(b) to people who have a registered disability;

(c) to people on zero hours contracts;

(d) to people with seasonal contracts of employment;

(e) to households where one or more members is in receipt of ESA;

(f) where a household member is in receipt of care

(g) where a member of the household is a carer for another household member;

(h) to those living in supported housing; and

(i) to households in receipt of housing benefit.’

The amendment would establish exemptions from the application of high income rents system.

Amendment 57, page 33, line 19, at end insert—

‘(d) to be increased on a tapered system relating to income and level of rent charged.’

The amendment would introduce a taper scheme into the application of high income rents to prevent huge jumps in the rent level being charged with only modest increases in income.

Amendment 58, page 33, line 19, at end insert—

‘(d) to take into account the need to promote socially cohesive and mixed communities.’

The amendment would enable local authorities and social housing providers to take into account the need to promote and encourage a degree of diversity in their communities.

Amendment 59, page 33, line 19, at end insert—

‘(d) take into account local affordability.’

The amendment would establish that rent levels should reflect local affordability.

Amendment 60, page 33, line 22, at end insert—

‘(3A) The Secretary of State must make regulations to provide for the external valuation of high income rents.’
The amendment would establish that the application of a higher income rent should be subject to external valuation.

Amendment 96, page 33, line 22, at end insert—

'(3A) Any regulations made by the Secretary of State under this section must include provisions for—

(a) a notice period of one year before the new rent becomes payable; and

(b) transitional protection and arrangements as the tenant moves to the higher rent.'

The amendment would make it appropriate for tenants deemed to have a high income to be given time and a degree of transitional protection to enable them to relocate to another property or increase their income further

Government amendment 114.

Amendment 61, page 33, line 27, at end insert—

'(6) All provisions in this section shall only apply—

(a) for new tenancies commenced after 30 April 2017; and

(b) where the tenant has been provided with a new tenancy agreement.'

The amendment would establish that the high income rent regime would only apply to new tenants from April 2017 and where they have been given a new tenancy agreement.

Amendment 145, page 33, line 29, leave out clause 80.

See statement for amendment 144.

Amendment 97, in clause 80, page 33, line 30, at beginning insert ‘subject to subsection (1A)’.

See amendment 98.

Amendment 98, page 33, line 32, at end insert—

'(1A) High income” must be set with reference to average incomes in the area with high incomes being defined by income falling in the top quartile of incomes in the area.’

The amendment would establish that high incomes will reflect the top quartile of income levels.

Amendment 62, page 33, line 32, at end insert—

'(1A) For the purposes of this Chapter high income cannot be set at a level lower than median income.’

The amendment would establish that the high income level cannot be set at a level lower than median income.

Government amendment 115.

Amendment 146, page 34, line 6, leave out clause 81.

See statement for amendment 144.

Government amendments 116 to 120.

Amendment 147, page 34, line 19, leave out clause 82.

See statement for amendment 144.

Government amendments 121 to 123.

Amendment 63, in clause 82, page 34, line 27, leave out subsection (c).

The amendment would establish that the creation of a public body to transfer information from the HMRC to a local authority or registered provider of social housing is not necessary.

Government amendments 124 to 126.

Amendment 148, page 35, line 15, leave out clause 83.

See statement for amendment 144.

Government amendments 127 and 128.

Amendment 149, page 35, line 28, leave out clause 84.

See statement for amendment 144.

Amendment 64, in clause 84, page 35, line 30, leave out ‘estimated’.

The amendment would establish that payments to the Secretary of State would not be made on an estimation of income receipts.

Amendment 65, page 35, line 38, leave out subsection (5).

The amendment would establish that it will not be possible for payments to be made to the Secretary of State based on assumptions that are not borne out by reality.

Amendment 150, page 36, line 1, leave out clause 85.

See statement for amendment 144.

Government amendment 129.

Amendment 152, page 36, line 31, leave out clause 87.

See statement for amendment 144.

Amendment 153, page 37, line 7, leave out clause 88.

See statement for amendment 144.

Amendment 142, page 37, line 20, leave out clause 89.

This amendment, together with amendment 143, would enable councils to be free to manage flexibly tenancies in a way that drives best value from stock whilst supporting strong local communities.

Amendment 143, page 37, line 32, leave out clause 90.

See statement for amendment 142.

Amendment 105, page 86, line 1, leave out schedule 4.

To remove this schedule from the Bill.

Amendment 106, page 99, line 20, leave out schedule 5.

To remove this schedule from the Bill.

Amendment 107, page 27, line 21, leave out clause 61.

This amendment would remove the ability of the Secretary of State to make grants with respect to Right to Buy discounts to private registered providers including housing associations.

Amendment 88, in clause 61, page 27, line 23, at end insert ‘with the exclusion of—

(a) supported housing for older people;

(b) supported housing units (including self-contained homes where floating support is provided for vulnerable people);

(c) key worker housing (which includes self-contained flats subject to nomination agreements with third parties);

(d) units that form part of major regeneration schemes planned or already under way;

(e) rural settlements;

(f) homes built for charitable purposes without Government grant and homes provided through S.106 agreements requiring stock to be kept as social housing in perpetuity;

(g) cooperative housing;

(h) ALMOS (arm’s length management organisations);

(i) Alms houses.’

The amendment would exclude the listed categories of specialised housing from being subject to the Right to Buy provisions of the Bill.

Amendment 89, page 27, line 25, at end insert—

'(2A) The conditions at subsection (2) must include a condition that money equivalent to the market value (disregarding any discount) of a dwelling sold under right to buy and to which the grant applies is spent by the private registered provider on the provision of affordable housing in the same local authority area or London, including at least one new home replacing that sold which is—

(a) of the same tenure,

(b) located in the same local authority area or London borough, and

(c) in accordance with assessed local housing need.’

The amendment would require housing associations offering the Right to Buy to their tenants in London and elsewhere to re-invest all the money received as a result of the sale in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough.
Amendment 50, page 27, line 28, at end insert—

‘(4) Grants must not be payable on properties bought and turned into buy-to-let dwellings within ten years.’

The amendment would prevent property sold under Right to Buy from being converted into buy to let dwellings for a period of ten years.

Amendment 108, page 27, line 29, leave out clause 62.

This amendment would remove the ability of the Greater London Authority to make grants with respect to Right to Buy discounts to private registered providers including housing associations in London.

Government amendment 111.

Amendment 90, in clause 64, page 28, line 24, at end insert—

‘( ) The discount should remain in perpetuity’

The amendment would ensure that homes sold under the Right to Buy remain as discounted housing in perpetuity.

Amendment 91, page 28, line 24, at end insert—

‘( ) A dwelling must not be sold under the Right to Buy without the Housing Association having the ability to—

(a) verify the source of funding for purchase,
(b) establish who is occupying the property,
(c) check that the person/s seeking to purchase the property under Right to Buy has no interest in another property,
(d) has sufficient time to carry out checks for fraudulent activity, and
(e) be able to prepare reports on (a)-(d) for the Housing Association Board of Trustees to consider.’

The amendment would ensure that housing associations are able to carry out proper checks before proceeding with the Right to Buy offer.

Amendment 109, page 28, line 24, at end insert—

‘( ) A dwelling must not be sold under the Right to Buy without the Housing Association having first—

(a) identified the dwelling that will become the replacement for the dwelling sold, where—

(i) the replacement dwelling may be an existing dwelling or a planned new-build,
(ii) the tenure of the replacement property is presumed to be the same as that of the dwelling sold under Right to Buy, unless a different tenure can be justified on the basis of local needs, and
(iii) the replacement dwelling is located in the same local authority area as the dwelling sold; and
(b) communicated the replacement plan to the Regulator.’

This amendment would ensure that a home cannot be sold under Right to Buy until a suitable replacement home has first been found or planned.

Dr Blackman-Woods: It is a pity that we are dealing with the four most contentious aspects of the Bill in one two-hour session, and that the Government did not accept our alterations to the programme motion, which would have made it a bit more sensible.

I shall begin by considering the forced sale of high-value social housing, covered in chapter 2 of part 4 of the Bill. As the Government will be aware, we tabled a number of amendments to chapter 2 on a range of issues relating to the forced sale of such housing. Amendment 92 would ensure that the replacement of property locally with appropriate resourcing was included in legislation. Amendments 93 and 94 would give local authorities more agency over defining “high value” and would limit the number of houses sold in a particular area to 10% of the stock.

The Minister for Housing and Planning (Brandon Lewis): I thank the hon. Lady for giving way so early. I wanted gently to challenge her comments about today’s debate bearing in mind that the programme motion was agreed with the Opposition and that we agreed to the changes they asked for.

Dr Blackman-Woods: I remind the Minister that we voted against the programme motion.

Amendment 53 safeguards the replacement of like-for-like housing: homes cannot be sold if their sale value is less than the cost of replacing the original property. Amendment 55 seeks to exempt certain types of specialist housing from “high value” determination. Owing to the extremely limited time available today, I will not speak in detail on those amendments. I will focus instead on amendments 131 to 141, which leave out all the clauses in chapter 2 of part 4, effectively removing the chapter from the Bill.

Labour Members are not against local authorities making sensible decisions about their assets, but that is not what the clauses in this chapter of the Bill would enable. They will force local authorities to sell off much-needed council housing, even when they have huge waiting lists. Glyn Robbins, estate manager of Quaker Court, stated that many council homes in London in places such as Quaker Court are likely to be deemed high value, and that is where the Government’s legislation will have the most severe impact.

Andrew Gwynne (Denton and Reddish) (Lab): Of course, this is not just about the loss of council properties in high-value areas. The impact of the policy would surely be that those properties would move into the privately rented sector, meaning that the housing benefit bill is likely to increase to enable the same properties to be rented out.

Dr Blackman-Woods: My hon. Friend makes an additional point about how truly appalling and nonsensical the policy is. I hope to come to that a bit later.

Glyn Robbins said:

“This is about as high-value an area as you’re going to find. So every time we get an empty council flat, instead of that home going to the next person on a waiting list in Islington that has 18,000 people on it, it’s going to be sold into the private market.”

The Chartered Institute of Housing, among others, has also expressed concern that the Government’s expectation of the number of houses to be built as a result of forcing the selling off of so-called high-value housing is much, much too high. It says that the Government appear to have vastly overestimated the number of homes that will become vacant in the category of high value, and that is where the Government’s legislation will have a negative impact on the replacement of sold-off homes by housing associations. The chief executive of the Chartered Institute of Housing stressed that more funding needs to be made available for affordable housing and that “full compensation for housing associations will be absolutely vital if they are going to be able to build more affordable homes for people who can’t afford to buy.”

As far as commentators are concerned, the provisions of this chapter of the Bill are likely to lead to less council housing being available and to any replacement housing that does materialise being out of the financial
reach of many people. We know that housing waiting lists will become longer and people will be forced to stay in temporary accommodation for longer, which of course will mean a greater cost to local taxpayers. Councils will have less of an incentive to invest in stock, as it might push the value above the arbitrary thresholds for forced sale. Moreover, the reduction in the number of social rented homes available will intensify competition for private rented sector homes at the bottom of the market, driving up rents.

1 pm

Mr Clive Betts (Sheffield South East) (Lab): Is not the concern that we should see this in the overall context of Government policy? Not only will these council homes be sold off, with the opportunity to replace them on a like-for-like basis almost certainly not being available, but it will be very difficult for most housing associations to replace their sold properties on a like-for-like basis. As was confirmed in the Select Committee yesterday, there is no new money at all in the comprehensive spending review for any new social rented housing. At the end of this Parliament, there will almost certainly be fewer council homes to rent than there are now.

Dr Blackman-Woods: My hon. Friend makes an excellent point, and one that we want to emphasise this afternoon. Most commentators are now saying that there is no additional money to provide the replacement affordable housing and there are no provisions in the Bill to allow a like-for-like replacement in the same local authority for homes that are sold off.

This chapter of the Bill is not only damaging to social housing but will have a negative knock-on effect in the private sector that will mean there is simply no respite for low income families and no housing that they will be able to rent at a level that they can afford. The Government must reconsider this part of the Bill and must take this chapter out of it.

Ms Karen Buck (Westminster North) (Lab): My hon. Friend talks about the impact on homelessness. Across the country, there are probably millions of families in housing need who are waiting for appropriate accommodation in the social sector. A constituent I met last week has two children and lives in a one-bedroom flat. One of the children has skin cancer and they are waiting desperately for a two-bedroom home. Who should get a property—a family with that housing need or someone who can buy on the open market for £500,000 or more?

Dr Blackman-Woods: My hon. Friend makes a truly brilliant point that we should reflect on in the Chamber this afternoon. Many councils are telling us that they have thousands of people on their waiting lists, yet this measure will reduce the number of homes that will be available.

Again, as the Minister is aware, we have tabled a number of amendments to try to make the pay-to-stay provisions more palatable. Amendment 95 would establish exemptions from the application of the high income rents system, while amendment 57 would ensure that when an increase would apply. Amendment 58 looks to ensure that local authorities and housing associations take into account the need to promote and encourage a degree of diversity and social cohesion in their communities, and amendment 59 makes sure that rents reflect affordability on a local basis.

Amendment 60 would establish that the application of a higher income rent should be subject to external valuation and not the whim of the Secretary of State. Amendments 96 and 61 both look to give some notice and protection should tenants be moved on to higher rents, with amendment 96 giving tenants who have been determined to have a high income transitional protection and time to enable them to relocate to another property if that is at all possible. Amendment 61 would establish that the high income rent regime would apply only to new tenants and that they would be given a new tenancy agreement.

Amendments 97, 98 and 62 are designed to ensure that what is considered to be a high income is based on local realities and a multiple of median income, but again the lack of time that the Bill has been afforded together with the incredibly unfair nature of these clauses means that I will be focussing on amendments 144 to 150 and 152 to 153, which seek to remove all the clauses, and therefore the complete chapter, from the Bill.

We are not necessarily against a gradation in rent paid, but we do not think the pay-to-stay proposals that remain in the Bill are in any way acceptable. The proposals will hit people on modest incomes hardest, and this section of the Bill is seemingly a continuation of the Government’s attack on council tenants and a cash grab by the Chancellor, and it is entirely anti-localist as local authorities, and indeed housing associations, already have the discretion to charge high income tenants higher rents.

Ms Buck: Did not Westminster council let the cat out of the bag on pay to stay with a leaflet that it distributed last week, “A guide to the Right to Buy Social Mobility Fund”, which stated:

“Under Government proposals, households with an income greater than £40,000 will pay a substantially increased rent. This is an opportunity to avoid this and become a home owner”?

Is not pay to stay about driving home ownership, rather than reflecting income in rent policy?

Dr Blackman-Woods: My hon. Friend makes a relevant point about the proposals.

So why are the Government now imposing this scheme on councils, if not to punish council tenants? What have they done to deserve this unique vitriol from the Minister? I remind the House that the threshold for high income, as it stands, is £40,000 per household in London and £30,000 outside London. This would hit people who earn the Chancellor’s new minimum wage. Most people would think that is disgraceful. The policy will hit hardest those who are working in low paid jobs, and that is where it is going to have the most devastating effect.

Justin Madders (Ellesmere Port and Neston) (Lab): One of the examples that has been given to me is that of a tenant who has been offered a promotion at work but has decided to turn it down because of the consequential increase in rent under the proposals. Is that not an attack on aspiration?
Dr Blackman-Woods: I could not agree more. The proposals are an attack on aspiration, leaving some families with impossible choices.

As Tony Stacey, chair of PlaceShapers, which represents 100 housing associations, said, this policy conflicts with the Government’s desire to get people into better paid work. He said that it was a bit perverse, compared with the Government’s other policies to make work pay. If the policy goes ahead, it seems that people who are paid more for additional work undertaken or for promotion could face a sudden increase in rent or eviction.

It is interesting to see that the Government caved into pressure from housing associations and removed the element of compulsion from them, but that only means that council tenants are now being singled out for the application of these extraordinary measures. As councils say that the provisions are unworkable in any case, will the Minister explain to us why he has insisted that they should remain for council tenants?

Chris Philp (Croydon South) (Con): Is the hon. Lady seriously suggesting that people should receive heavily subsidised housing even if they earn very high incomes?

Dr Blackman-Woods: As we did our best to explain to the hon. Gentleman in Committee, such housing is often not subsidised. The point that we are making is that councils already have the discretion to set higher rents for people with higher incomes if they choose to do so. What we are querying this afternoon is why the Government are introducing an element of compulsion and why this will apply to council tenants only.

Mr Betts: We should kill the myth of subsidised council housing. Under the rules that this Government changed following the proposals from the previous Government, housing revenue accounts are self-funding. There is no subsidy. The only subsidies that I can see are right to buy discounts and starter home discounts that the Government are proposing.

Dr Blackman-Woods: My hon. Friend has won that round of the debate.

So shocking is chapter 5 of part 4 that we have tabled amendments to remove all of it from the Bill. We have tabled amendments to leave out clauses 89 and 90 and the schedules relating to them. We saw no value in amending these elements of the Bill as the ending of security of tenure for council tenants would be one of the greatest travesties for the future of affordable housing in this country. The only position we can adopt is to ask for it to be removed from the Bill entirely.

Three decades from now, when our grandchildren look back on the decisions of our generation concerning housing, their social mobility will have declined compared with that of previous generations, despite what David Cameron may think, as a result of the instability that this Government’s policy creates. Having a stable home to grow up in is crucial for working families whose income barely affords them an adequate standard of living. Children should not be faced with the threat of having to change schools every two to five years when the council is forced to review the tenancy contracts of their parents. This could have disastrous effects on their education. Like a number of colleagues, I was brought up in a council house and thus was able to acquire better educational opportunities than my parents as a result of growing up in a stable home with security of tenure. We want to ensure that that option exists for families who need it today.

However, the Government are removing the most basic protection for tenants that has existed in our country for decades—that council housing would be provided by local authorities to secure rented homes for people on low incomes, and that those homes would be of good quality. The Government need to stop attacking council tenants. I thought that we had cross-party agreement not only that the council housing sector should be valued, but that measures should be put in place to enhance its attractiveness and availability, rather than it being attacked in the way that it is in this Bill.

In 1979, 42% of Britons lived in council houses. Now, that figure is less than 8%. Government investment in social rented housing was cut by two-thirds when the coalition Government came to power. While the Government pledged a one-to-one replacement for every home that was sold under the right to buy, the latest figures show that for every nine homes sold, only one is being replaced.

The Government are wrong in their assumption that council tenants with security of tenure can afford to buy a home or live elsewhere. A recent study found that 91% of homes in England and Wales were unaffordable to homebuyers even in some areas where they had the national average income of £26,500. Local authorities, under the Localism Act 2011, already have the ability to offer flexible tenancies if they so choose. Why are the Government introducing this degree of compulsion and why do they attack council housing tenants in this way?

Recently a woman living in a council house in London told The Guardian:

“In the long run, London needs us service workers more than we need London. Most of us will not be able to survive with the current rental prices. We are no longer children, to be able to share a flat with 10 other people. This is a shift of the goalposts and will leave people in desperate conditions.”

Ruth Cadbury (Brentford and Isleworth) (Lab): My hon. Friend mentions a lady working in London who was concerned about people like her for economic reasons. Is my hon. Friend aware of the concerns about the housing crisis in London? She rightly mentions London, as do a number of colleagues, because it is an acute issue, but is she not concerned that the issue exists throughout the country and that the Government’s approach makes a sham of their promise to support localism, as they are riding roughshod over the ability of local councils to use discretion in this important area?
Dr Blackman-Woods: I totally agree; I am really pleased that my hon. Friend has reminded me that we need to consider how this area of the Bill affects council tenants and local authorities up and down the country.

Labour has tabled amendments to chapter 1 of part 4 to try to limit the negative impact of the right-to-buy provisions. Amendment 88 seeks to protect certain types of specialised housing and amendment 89 would require housing associations offering the right to buy to their tenants in London and elsewhere to reinvest all the money in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough. My right hon. Friend the Member for Tooting (Sadiq Khan) was among those who tabled that amendment.

We have also tabled amendments that would prevent property sold under the right to buy from being converted into buy-to-let dwellings for a period of 10 years; amendments that would ensure that the discount for homes sold under the right to buy remained in perpetuity; and amendments that would ensure that housing associations were able to carry out proper checks before proceeding with the right-to-buy offer. Yet again, we find ourselves stretched for time. We are facing a chapter that has the potential to decimate the social housing sector, so I will speak to the amendments as one group.

Shelter has estimated that about 113,000 homes could be lost immediately through the provisions in the Bill. The Institute for Fiscal Studies has said that owing to the scheme's current vagueness and the “coalition's less-than-impressive record in delivering replacement housing under the existing right-to-buy...There is a risk that these policies would lead to a further depletion of the social housing stock”.

What seems to have complete consensus across the housing sector is that there is no guarantee of like-for-like replacement for homes sold under the right to buy. Of course, the Minister will tell me that the Government are guaranteeing a two-for-one replacement of affordable homes sold under the right to buy remained in perpetuity; and amendments that would ensure that housing associations were able to carry out proper checks before proceeding with the right-to-buy offer. Yet again, we find ourselves stretched for time. We are facing a chapter that has the potential to decimate the social housing sector, so I will speak to the amendments as one group.

Sadiq Khan (Tooting) (Lab): The definition of “affordable homes” has been described by one hon. Member of this House as “elastic and misleading”. Does my hon. Friend agree with that characterisation from the hon. Member for Richmond Park (Zac Goldsmith), whom I congratulate, by the way, on becoming a dad again this week?

Dr Blackman-Woods: My right hon. Friend makes an excellent point. What we are trying to say in this debate is that the Government’s right-to-buy proposals do not bring about like-for-like replacements. To have two very expensive homes replacing one home for social rent does not add up to a sensible policy for most people. The Government want to push up the rates of home ownership and we agree that there should be measures to promote that. However, we do not think that those should come at the expense of the social rented or local authority sectors.

Andy Slaughter (Hammersmith) (Lab): My hon. Friend and my right hon. Friend the Member for Tooting (Sadiq Khan) are making exactly the right point. The idea that £450,000 homes for sale can replace socially rented homes, and when they are not in the same area, is what I understand the hon. Member for Richmond Park (Zac Goldsmith) told the Camden New Journal last week; if he is here, he may wish to clarify. Getting rid of council homes in inner London and replacing them with homes for sale at vastly inflated prices in outer London and beyond is not acceptable.

Dr Blackman-Woods: I totally agree. We are attempting to show how unappealing the measures put forward by the hon. Member for Richmond Park (Zac Goldsmith) are and how they simply will not tackle the problem for Londoners.

Part 4 of the Bill is nothing but an attack on council housing and council tenants, who have already suffered under the Government’s bedroom tax and cuts to council services. Adding the pay-to-stay provisions and reducing the stock available for rent amounts to a full-blown attack on the council housing sector. Housing associations do not fare much better, as the right to buy could deplete their stock without adequate replacement. This is a further attack on people on low incomes and, most worryingly of all, will do almost nothing to tackle the housing crisis that so many people are facing.

We would like to remove most of part 4 of the Bill but simply do not have the time for the necessary votes. As an indicator of our great displeasure, we are going to press clause 142 to a vote, when appropriate. My right hon. Friend the Member for Tooting will press amendment 89. We call on the whole House to reject this awful Bill later today.

Nicola Blackwood (Oxford West and Abingdon) (Con): I shall not detain the House for long, as I am not sure that anyone would hear me. However, my constituents would expect me to raise the exceptional challenges of the central Oxfordshire housing market. Many of the Bill’s measures will be welcomed locally: more stringent measures to tackle rogue landlords, the brownfield register and measures such as Help to Buy, starter homes and the Prime Minister’s commitment to commission thousands more affordable homes directly.

Although commendable, the raft of policies to build more affordable houses is not in itself enough. Houses need to be built in areas that need them most. High-cost areas are either where growth is the highest or where markets are sclerotic because sites are hard to come by, infrastructure is at capacity and planning authorities are weak. In some areas such as Oxford, both those factors apply. High growth is becoming constrained by failing local housing markets. Many colleagues have local difficulties with housing, and I wish to explain briefly what our challenges are.

Median full-time earnings in Oxford are now £26,500; median house prices are £427,210. That means that house prices are 16 times the earnings of the average worker.
The Centre for Cities analysis has found Oxford to be the least affordable city in England when prices are set against local incomes. The number of people owning their own home in the city is well below the national average, and median private rent for a three-bedroom house is £300 a week, more than half of median earnings. Some 30% of residents rent compared with 25% in London. The House of Commons Library has found that Oxford City Council delivered zero affordable homes in 2013-14 and only 20 in 2014-15; it is ranked as the fourth worst in the country for delivering housing of any tenure. Yet Oxford requires 1,400 homes to be delivered each year until 2031.

There are lots of specific local problems. To give the council its due, I should say that we have relatively few brownfield sites and all sorts of challenges, given that two thirds of land is in private ownership. That complicates active public management. The city has a relatively low density and development is highly restricted due to the amount of protected and listed buildings. It also has 400 hectares of green-belt land within its local authority. Nevertheless, if we compare Oxford with Cambridge—a reasonable comparison—we see that Cambridge provided 350 affordable homes in 2013-14 and 320 in 2014-15.

It is reasonable for us to call for more to be done because the issue is obviously causing significant problems for our local private and public sectors. One in two senior academic appointments fails because of house prices. Oxford University Hospitals NHS Foundation Trust spends more than £100,000 a week on agency staff; it cannot recruit permanent staff because of local housing affordability. Some 30% of local businesses cite housing costs as their top barrier to recruitment. The failure to build homes where they are needed in cities constrains growth. The issue matters to the national economy as well, as such cities are the most productive and have the most jobs. If people cannot afford to live in these cities, they cannot access those jobs and businesses cannot sell to them. The economy suffers.

We are not yet getting this issue right. Between 2008 and 2013, in respect of local incomes, relatively more homes were built in Barnsley—the second most affordable city in Great Britain—than were built in London or Oxford, which are the least affordable cities. More of these homes need to be built in our most successful cities, where affordability is lowest and demand is highest.

In justifying Government amendment 112, and acknowledging the exceptionalism of the London housing market, the Minister has accepted that housing in Britain’s most economically successful cities is the least affordable and that we need policies that target our affordable house building efforts towards our least affordable areas. That is little more than common sense, but we have all known too many occasions when common sense has fallen by the wayside in our legislative process.

Amendment 112 will ensure that enough receipts from the sale of high-value homes go to the Greater London Authority for it to build two affordable homes for every one sold. Obviously, the receipts left with the GLA would have to be sufficiently high to allow that. I am of course very pleased for Londoners that this important measure has been secured for them, and I congratulate my hon. Friend the Member for Richmond Park (Zac Goldsmith) on the efforts that he has gone through to do so. This is possible for Londoners largely because house prices are so high that huge amounts of money are generated from sales, so it is reasonably easy to fund two for one without putting too big a dent in the revenue stream going to central Government.

In my view, unsurprisingly given my bias towards Oxford, this should also apply to other high-value areas such as Oxford, Bath and St Albans. I will set out how it might work in practice in our case. About 12% of council homes in Oxford would be deemed to be of high value and so the council would be under a duty to consider selling them when they become vacant. Given vacancy rates, this works out at 29 homes a year being sold rather than going to the next person on the waiting list. Our estimates suggest that 29 council homes sold on the open market in Oxford each year would generate about £8.6 million in receipts, so a similar two-for-one provision would ensure that £8.6 million stays with the council for it to provide two extra units of affordable homes for every one sold. If, say, each high-value council home sold for £293,385 each—£8.9 million divided by 29—that would ensure that enough was still going to central Government for them to do as they plan, but we would be able to provide two for one for Oxford.

Amendment 112 gives the Secretary of State the power to create exceptions to subsection (4) for other local authorities along the lines of the two-for-one provision that my hon. Friend the Member for Richmond Park has so valiantly provided for London, so that is written explicitly into the Bill. Such an exception would be essential for Oxford to ensure that we have sufficient social and affordable housing. However, I remain to be convinced that the power will be sufficient to ensure that this is delivered, following the challenges that we have faced.

Mrs Anne Main (St Albans) (Con): My hon. Friend is making a valiant charge on behalf of all of us who have very expensive houses in our constituencies. The median house price in St Albans is £392,000, and we are ringed by green belt. I share her concern about how deliverable this is, but we are right to push for it in areas that suffer similarly with high prices, such as London. I hope that the Minister takes that into account.

Nicola Blackwood: I thank my hon. Friend, and I agree with her.

The Minister has been very generous in the time that he has taken to discuss this with us. I am grateful to him for offering to have meetings with us about how we can implement the measures in amendment 112 to deliver for Oxford and other high-cost areas. We need to ensure that this commitment will be implemented as a matter of urgency and works in practice for areas such as mine where residents face a genuine housing crisis and genuine hardship on a daily basis. My colleagues from high-cost areas such as Bath, Cambridge and St Albans and I will, if necessary, look to the Lords to ensure that these measures deliver for our constituents, because affordable housing needs to be targeted towards high-cost areas where we face the biggest challenges in the country.

Sadiq Khan: I rise to speak in favour of amendment 89, tabled in my name and that of my right hon. Friend the Member for Westminster and Deenae (John Healey) and other hon. Friends. I hope that colleagues will understand and forgive me if I focus my comments on London.
The Bill before us will do nothing to help solve the housing crisis facing London.

Chris Philp: Rubbish!

Sadiq Khan: The Member who has heckled describes the Bill as I would—rubbish.

In fact, on balance, the likelihood is that the Bill will make the crisis even worse. As a result, London’s famed social mix is under threat. Many parts of inner London could be hollowed out, with the city becoming the preserve of the very rich. Do not just take my word for it. When the Government published this Bill, the heading on an Evening Standard editorial was “Don’t lose social houses to fund right-to-buy”. I kept a copy of the newspaper from that day. The editorial said:

“The most serious objection to the Government’s proposal to allow housing association tenants to buy their homes at a discount is that its effect would actually be to diminish the amount of social housing in London at a time when demand is increasing. To fund the discount, councils would be obliged to sell off higher-priced council homes—and given the level of property prices in London, this could, potentially, be disastrous in its effects.”

Andy Slaughter: Will my right hon. Friend give way?

Sadiq Khan: I will give way once and then I want to make some progress.

Andy Slaughter: My right hon. Friend is right to quote the Evening Standard saying that this will be disastrous. For many inner-London authorities, it means that the majority of their council stock will be sold. It is, in effect, the end of security of tenure of council housing in inner London. That is what the Government intend.

Sadiq Khan: My hon. Friend will know that I spend a lot of time visiting all 32 London boroughs. This morning I was in Camden, where people think that more than 40% of their family homes could be sold off as a consequence of this Government’s Bill.

Nobody is against the aspiration of home ownership, but changes to the Bill are required, even at this late stage, to minimise the impact on London. That is why I have tabled and supported amendments all of which, to date, the Government have opposed. I hope, for the sake of Londoners, that that changes today. Amendment 89 is the “like-for-like replacement” amendment. It would say to housing associations across the country, “If you’re going to go ahead with right to buy, you have to spend the money raised from the sale locally on replacement affordable housing.” It has been estimated that the sell-off could lead to over £800 million a year being lost from London unless there are proper guarantees put in place to keep these receipts in the city.

The House should be wary of imitations, because other hon. Members are trying to fool Londoners by saying that their amendment will protect the city’s affordable homes. I refer, of course, to amendment 112, which is in the name of the Secretary of State, but which, rather cosily, the Prime Minister and the hon. Member for Richmond Park (Zac Goldsmith) announced last week. Let me pause to congratulate the hon. Member for Richmond Park on, as I said, becoming a father again this week. I am sure that the whole House sends him and his family our very best wishes.

I say this to hon. Members and to Londoners outside this Chamber: do not be tricked by the spin and hot air coming from the hon. Member for Richmond Park and the Government; do not allow the wool to be pulled over your eyes, because all is not as the Tories would have you believe. It is a con. For a start, amendment 112 tries to make palatable the Government’s plan to sell off council homes in London. The editorial in the Evening Standard set out three useful tests to judge the impact of this Bill. Let us look at how both amendments measure up to those tests. Under the first test, “it is absolutely necessary to keep money raised by the sale of London council houses in London.”

The amendment announced with great fanfare last week clearly fails on this front. It fails to ring-fence the money for London, which means that money raised by selling off London’s council homes will still flood out of the capital to subsidise the Government’s national right to buy scheme. This contrasts with my amendment 89, which would ring-fence all the money from London housing association homes sold under right to buy for new affordable homes.

On the second test, the Evening Standard stated: “It could be a mixed blessing if some central London boroughs lost most of their housing-association stock even if it meant more council houses being built in outer London.”

Again, amendment 112 fails on that front. It opens the door for homes to be replaced outside the borough where they are sold off. If there is any doubt that that is the case, the hon. Member for Richmond Park admitted to the Camden New Journal just last week the truth about the Government’s and his own amendment. He owned up to the fact that inner London would be hollowed out under his amendment. He said that, under his proposals, it was a “mathematical obstacle” to replace social housing in Camden and other inner London boroughs such as Westminster and Kensington and Chelsea. There we have it: an admission that the hon. Gentleman’s amendment will let London be hollowed out.

1.30 pm

By comparison, amendment 89 guarantees a replacement, like-for-like home in the borough where the original home is sold, before the rest of the money is spent on more affordable housing across the capital. My amendment will do exactly what it says on the tin.

The third test set out by the Evening Standard reads: “A healthy housing sector is a mix of private ownership, private rentals and social housing: the Government, in its attempt to promote home-ownership, should not forget the rest.”

Under amendment 112, the reality is that the so-called affordable homes the Government promise to build could all be for sale for nearly £500,000. I politely tell the hon. Gentleman that in few people’s eyes are homes that cost £450,000 affordable.

We know just how interested the Prime Minister is in getting hung up on what is and what is not truly affordable. His response last week to those who dared to suggest that £450,000 was not really affordable was remarkable. He said that “people get too hung up on these definitions...the definition of affordable housing is a house that someone can afford to buy or afford to rent”.

Let us think about that for a moment. On that measure, some of the most expensive homes in London, such as the £26.5 million Holland Park mansion sold last year,
are affordable, because someone has been able to buy them. That shows just how far from reality and out of touch the hon. Member for Richmond Park and this Government are with the housing crisis. Last week, the hon. Member for Richmond Park told the Camden New Journal that the term “affordable” has become “elastic and misleading”.

Chris Philp: Will the right hon. Gentleman give way?

Sadiq Khan: I will give way to the hon. Gentleman, who has been heckling me loudly and rather rudely from a sedentary position.

Chris Philp: I am sure the right hon. Gentleman would never heckle from a sedentary position. The starter home provisions give a 20% price cut to every first-time buyer, which is very welcome. In my borough of Croydon, the average 20% discount means that a starter home would be only about £220,000 or £250,000, which I am sure even he would agree is extremely affordable.

Sadiq Khan: It usually takes a parliamentarian years to become out of touch, but the hon. Gentleman has done it in six months. Shelter says that for someone to be able to afford a £450,000 starter home, they will have to earn an annual salary of £77,000 and have a deposit of £98,000. Let us put aside for the moment the nurse, to earn an annual salary of £77,000 and have a deposit of £98,000, they will have done it in six months. Shelter says that for someone to become out of touch, but the hon. Gentleman has.

Tim Farron (Westmorland and Lonsdale) (LD): The right hon. Gentleman makes a good case. I understand entirely why he is focusing on London, but we must not allow the Government to pretend that London is a specific and solitary special case. There are many parts of the country, particularly the Lake district, the Yorkshire dales and many rural parts of the United Kingdom, where house prices are incredibly expensive, wages are low and the availability of social rented housing is essential to the social mix of those communities. Does he agree that that is not just a problem in London?

Sadiq Khan: I agree completely with the hon. Gentleman, but I would go a step further. I do not think that the Government are making a special case for London; I think that the combined effect of the Chancellor’s autumn statement and this Bill shows that the Government have it in for London.

As I have said, I visited Camden today, where the average cost of a property to rent is 73% of the average income there. So much for the Conservative mayoral candidate being in touch with Londoners. We also discovered last week that the Government are watering down the definition of what is affordable to include starter homes that cost 17 times the average British salary. By comparison, my amendment 89 would guarantee a new home for social rent to replace one that has been sold.

In short, amendment 112 is, to quote once more the hon. Member for Richmond Park, “elastic and misleading”. My amendment is clear and firm. It meets the tests that Londoners expect and I urge Members, especially anyone who claims to understand the housing crisis in London and who wants to help fix it, to ignore the overblown claims about amendment 112 and instead support my amendment 89.

Zac Goldsmith (Richmond Park) (Con): I will be brief, because we do not have a lot of time. Clearly, we are discussing a national issue and concern, but there can be no doubt that housing is the No. 1 issue for London. Last year, prices rose by about 10% on average. The average price for a first-time buyer in London is now more than £400,000. No one can argue that Londoners today are not being priced out of their own city. It is no longer just a social problem—that point has already been made in relation to another city—because it jeopardises London’s economy as well.

The bottom line is that we need to build more and we need to build for people across the entire income spectrum. It is no good taking a polarised approach with a zero-subsidy option on the one hand and social housing on the other. We need to ensure that the market can accommodate young professionals, key workers and the like—people who perhaps do not qualify for social housing.

I was pleased with the Government’s interventions last week, with an emphasis on shared ownership, which will work around the country and have a particular impact in London. There is also going to be a London version of Help to Buy, which has been a very successful scheme nationally, but less successful in London, because we live in a different world here. The prices are so out of kilter with the rest of the country that that bespoke offer will have an impact. Finally, we have the two-for-one amendment under discussion.

I have a few questions for my hon. Friend the Minister. Amendment 112 requires that two new affordable homes be built for every single high-value council home sold as a consequence of the extension of the right to buy. That is based on my amendment, as has been acknowledged, and I sincerely thank my hon. Friend the Minister for his diligence in making it work.

Andy Slaughter: Will the hon. Gentleman give way?

Zac Goldsmith: Just give me a moment, please.

When my hon. Friend the Minister wraps up on this group of amendments, will he update the House on his discussions with London’s local authorities about how they will be able to work together to deliver the homes that London needs? I know that he has been having discussions with council leaders from all the different parties in both inner and outer London. It would be good to have an update.

May I ask my hon. Friend about housing associations? They are absolutely essential to the delivery of the next generation of homes. I believe that the G15, the group of 15 London housing associations, has already committed to delivering a one-for-one replacement of any home that is sold, but it has also said—it has told me this—that it could deliver a great deal more.

Ms Buck: Will the hon. Gentleman give way?

Zac Goldsmith: In just one moment, if the hon. Lady does not mind.
The G15 would even be able to replace each home sold with two new homes, provided that the Government give it the flexibilities it is asking for and, even more importantly, access to public sector land. Will the Minister commit to looking carefully at the flexibilities for which housing associations are asking, and will he look at the most critical issue, which is access to public sector land?

As my hon. Friend knows—he can take some credit for it, along with my hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson)—the London Land Commission is now live. It will provide a complete inventory of all publicly owned brownfield land in London, and we will have the figures shortly. We do not have all the details yet, but we know that an enormous amount of publicly owned brownfield land could be developed. We know that to build the homes we need, such land absolutely must be released, so it would be useful to hear from the Minister, when he wraps up the debate, whether he has a likely timetable. When will we have the full picture, and what will be the process for releasing that land both to housing associations and to developers?

Andy Slaughter rose—

Zac Goldsmith: I said I would let the hon. Gentleman intervene, and I will let him do so before I finish my speech.

Andy Slaughter: Will the hon. Gentleman make it clear whether he agrees that the forced sale of empty council properties is a good idea or a bad idea? If it goes ahead, does he agree that those properties should be replaced with like-for-like in the same local authority area? Is that his position?

Zac Goldsmith: As the hon. Gentleman knows, I stood on a manifesto that included a commitment to extending the right to buy to housing association tenants. That is the right policy: it will enable hundreds of thousands of people to achieve home ownership who would otherwise not be able to do so.

Clive Efford (Eltham) (Lab): Will the hon. Gentleman give way?

Zac Goldsmith: In a second: I am just answering the previous intervention. That achievement would not be possible without the sale of empty high-value council homes. If, as a consequence of amendment 112, each sale leads to two new affordable homes being built, I would regard that as a good thing for London.

Ms Buck rose—

Clive Efford rose—

Zac Goldsmith: I am not going to take any more interventions. [Interruption.] I did take an intervention.

Finally, will the Minister commit to ensuring that public bodies can take the widest possible and longest term view of best value when releasing land? That point has been raised with me time and again by great and small developers, as well as by housing associations. We need a redefinition or an expanded definition.

Mr Richard Bacon (South Norfolk) (Con): The National Audit Office study of the disposal of public land showed that, in the last tranche, enough land was sold off for 109,500 potential homes. Does my hon. Friend agree that people do not live in potential homes, but actual homes, and that it is essential for the public interest to make sure, when a sale takes place, that there is a plan to ensure that something happens in a timely manner?

Zac Goldsmith: My hon. Friend makes my point for me. That is absolutely essential. We will not get best value out of the available public land with a rapid fire sale; that will require a much more coherent and strategic view from public bodies. I hope we will see more of that as a consequence of this Government’s intervention.

I thank the Minister again for the work he has put into delivering the two-for-one amendment. I am very grateful to him for amendment 112, which will ensure that the Bill works for London.

Mr Betts: Let me first welcome the amendments tabled by the Government, as the Minister announced to the Communities and Local Government Committee before Christmas, to make the pay-to-stay scheme voluntary for housing associations, which is a sensible move. My argument is that what is good enough for housing associations should be good enough for local councils as well, and that councils should have the discretion under the pay-to-stay scheme to operate within their housing revenue accounts, which of course receive no subsidy from the general taxpayer. The Government could easily do that without affecting the general public finances in any way. In the spirit of localism, the Government should do that.

I turn to the sale of high-value local authority houses. In Sheffield, we live in a slightly different world from the prices in London. The Prime Minister got rather alarmed when he saw council houses valued at £1 million, but most of the houses in Sheffield will be sold under the legislation are good-quality family homes that are promised to be sold for about £100,000 to £150,000. However, the reality of the Government’s proposals is that all vacant houses in certain parts of Sheffield will be sold off under the Bill. High-value houses tend to be in high-value areas, which means that, for people on the council waiting list, there will in future be parts of Sheffield where no vacant properties will come up for people to rent. That is the reality: people can be on the waiting list for such a home, but the wait will be forever, because no vacant properties will ever become available. The chances of properties being replaced on a like-for-like basis in those areas of a city such as Sheffield are non-existent. After the discount for right-to-buy properties has been funded, there simply will not be enough money left to replace one social rented property with another.

1.45 pm

I accept that the Government have a mandate to bring in the right to buy for housing association tenants—they were elected on that policy—but it would be much fairer if the policy were funded by general taxpayers as a whole, rather than solely by prospective social housing tenants who, as a result of the policy of councils having to sell off their high-value properties, will not have a home to rent in the future. It is unfair that only one
section of the community—a more deprived section—should be the one that has to fund and pay for this Government policy.

It is also totally unfair for councils that have sold off their properties in a stock transfer to have to make no contribution at all towards the policy, and for the totality of a policy funding housing association sales all over the country to be paid for only by some councils or council residents, not by others. Why do the Government think that a policy which is national in nature should not be funded nationally, but should be funded only by councils that happen to have retained their council housing stock? There is no logic in that. There would be a lot more understanding of, and agreement with, the housing association right to buy and its consequences if the Government changed that aspect of how the policy is funded.

I turn to security of tenure and the rather nasty, mean-spirited schedule 4, which the Government introduced in Committee. Why are council tenants deemed to be second class? Why have the Government got it in for council tenants? When, during the last Parliament, the Select Committee looked at the private rented sector, it was pretty obvious that one of the biggest problems people have in the private sector is the lack of security. We should try to give people in the private rented sector greater security. Many people will remain there, probably renting privately for the rest of their lives, so they need great security. Instead of giving private sector tenants greater security, why are the Government doing exactly the opposite by transferring the problems of the private rented sector to the council sector and by giving council tenants insecurity? Just what is the logic of doing that?

Let us look at the impact of the policy on families. This is about not just families having to move home, but their having to uproot and change jobs—finding another one if they can—and kids having to move schools. There is nothing more damaging to kids’ prospects and to their future lives than having their education constantly disrupted by having to move house and having to move from one school to another. That is what the Government are moving towards by bringing in this policy.

Catherine McKinnell: My hon. Friend is, as always, making a very powerful speech. This issue will affect not just individual families, but entire communities. If families feel that they may have to move within a very short period, what incentive do they have to get involved in the local community, put down roots or build community ties that will be cut unnecessarily quickly?

Mr Betts: My hon. Friend must have been looking over my shoulder. I am sure she cannot read my handwriting—it is very difficult at the best of times—but that is exactly my next point. This is not just about individuals in their own home; individuals who are part of the wider community may join and become active members of their local tenants and residents associations only to be told that their home has suddenly gone, and the community life with it. The community, as well as such individuals, will lose out.

Of course, it is not just families who will be affected. A pensioner in their family home who has retired might decide that they want to move to a bungalow or flat that is more suitable to their immediate needs. I think that this legislation applies to people of retirement age, but perhaps the Minister could confirm that. If that pensioner is in a secure council property, they now face the prospect of moving into pensioner accommodation that does not have a secure tenancy.

We are therefore asking people to take the risk of moving from a family home with a secure tenancy to pensioner accommodation without that security. That will undermine mobility because it will mean that fewer family homes become available and that such pensioners cannot move on to more suitable accommodation. If they do, they will be faced with the prospect of being turfed out of that accommodation in their 80s on the wish of their landlord. It simply cannot be right to put pensioners in that position.

Justin Madders: One argument that was put forward in support of the heinous bedroom tax was that it would encourage people to move to smaller properties when the opportunity arose. Is not what my hon. Friend has just described completely inconsistent with the aims of that policy?

Mr Betts: This proposal will indeed discourage people from moving from a secure tenancy on a family home to an insecure tenancy on a smaller property. If it is the Government’s intention to ensure that people who have more space than the Government think they need move home, surely the answer is to build more properties in the first place so that there are more social rented properties for the people on the waiting lists who need them.

Finally, let us take this down to an individual level. Imagine a family sat around their breakfast table or a pensioner couple, who are now on a fixed-term tenancy, sitting in their home. They are waiting for the postman to come, bringing a letter from their local council or housing association. Perhaps in future, it might be called the “Lewis letter” when it drops on people’s doormats. That Lewis letter, when they open it with trembling hands, will tell them, without any forewarning, some six to nine months before their tenancy ends, whether they can stay in their home—these are not houses, apartments, flats or bungalows, but people’s homes at the end of the day—at the whim of the council for another five years, whether they can move to another property that is some distance away in a different neighbourhood, with a different school, or whether they will have no home at all from the council in the future. Just feel the tension in that household when the Lewis letter drops on the doormat and people open it. Even if the answer is, “Yes, you’ve been a good tenant and can stay in your home for another five years,” the trauma that this will put people through is beyond measure.

I hope that the Government will think again. This schedule is mean-minded and dreadful. I hope that the Government withdraw it and, if they do not, that amendments 142 and 105, which were tabled by my hon. Friend the Member for City of Durham (Dr Blackman-Woods), will be successful, so that we can give families, pensioners and everyone else the security of tenure that they rightly deserve.

Ben Howlett (Bath) (Con): I have kept the House up to date with my struggles to get on the property ladder as a 29-year-old. Just before the Christmas recess, I managed
to get on the property ladder with my partner after a
struggle of about 10 years. I listened to the speech of
the right hon. Member for Tooting (Sadiq Khan) on the
lack of house building under this Government, but I
have been struggling to get on the property ladder for
the past 10 years, like thousands of young professionals
around the country, and I am afraid that he was a
member of a Government who built far fewer houses
than we are building today.

Thousands of my constituents in Bath, which is one
of the least affordable cities in the UK, are also struggling
to get on the property ladder, so I empathise with them.
Put simply, we need to build more houses than we have
done previously. It will not surprise anyone who has
visited Bath to learn that it is one of the top 10 most
expensive places to live, taking into account local earnings
ratios. In Lloyds bank's latest affordability review, Bath
is ranked above Greater London as the sixth most
expensive place to live in the UK. That means that for
many people in Bath, buying a home will remain only
an aspiration for a very long time.

Furthermore, it will not surprise the Minister to hear
that my constituents fear that the much-needed rail
electrification of Brunel's Great Western main line,
which is under way thanks to this Government's investment
and which will improve train journey times into London,
will make the cost of buying a home increasingly
unaffordable, forcing Bath residents to wait even longer
before they can make the first step on to the property
ladder.

Proposed new subsection (4) of clause 72 in
amendment 112 shows that the Government are committed
to increasing the number of affordable homes in London,
where Generation Rent seems to have taken hold. Such
changes prove that this is the party of opportunity that
will help everyone to reach important life goals such as
buying their own home. I welcome the announcement
that the Government will ensure that in London, two
affordable homes will be built for every high-value unit
that is sold in the city. I congratulate my hon. Friend the
Member for Richmond Park (Zac Goldsmith) on
championing that proposal. Having worked with him in
the past, I am certain that he will make a superb Mayor
of London.

Mr Mark Prisk (Hertford and Stortford) (Con): My
hon. Friend is rightly highlighting the challenges in
Bath. I know that the same is true in Oxford and
elsewhere. The two-for-one principle that my hon. Friend
the Member for Richmond Park (Zac Goldsmith) has
identified merits consideration in other hotspots. Does
my hon. Friend hope, as I do, that the Minister will
consider that carefully?

Ben Howlett: Yes, I absolutely endorse my hon. Friend's
comments. I see from the amendments before us today
that that is being considered. I welcome the assurance
that the Government will look at replicating the proposal
in other high-price areas such as Bath, St Albans, which
we have heard about today, and Oxford using proposed
new subsection (6) in amendment 112.

Development is under way on brownfield sites in
Bath such as the Foxhill development, which recently
received an extra £313,000 of Homes and Communities
Agency funding. That will help to build more homes on
brownfield sites. I am pleased to see that the Government
are committed to building more affordable homes in
London and other expensive areas. I desperately look
forward to working with the Minister, as do other
colleagues, on rolling out amendment 112 to other high-
cost areas.

Ann Coffey (Stockport) (Lab): I wish to make a few
remarks on the impact of the Government’s proposals
on Stockport.

The impact of the sale of high-value properties will
be an issue in Stockport because property prices are
high and land is scarce. Even a committed arm’s length
management organisation such as Stockport Homes
will find it a struggle to find funding for the building of
new homes, whether for rent or sale.

For the high-value proposal to operate fairly, it will
have to operate on a local level to ensure that no one
authorities is considering that. In Greater
Manchester, for example, a regional high-value level
could mean that Stockport sells the vast majority of its
stock because it has higher property prices than most
areas in the region. Depending on the scale, that could
have a significant effect on the ability to meet housing
need in the borough.

The new pay-to-stay thresholds should take into account
the cost of private renting in each area, as well as
income. The Bill proposes pay-to-stay market rents for
people who earn a combined household income of
£30,000. That threshold is very low. A couple who both
work full time at the average Stockport wage of £19,083
would have to pay a significantly higher rent than their
neighbours. Let us say, for example, that it was set at
£40 a week. In August 2015, the rents in private rented
accommodation in Stockport were twice Stockport
Homes’ average rent of £74.60 and there was a limited
supply. Clearly, moving to the private sector would
not be an option. The problem is that £40 a week is still
a lot of money to find and may be unaffordable for a
family.

One way out would be for people to earn less money
to ensure that they do not meet the threshold by cutting
the hours they work or leaving a job altogether. Clearly
it cannot be right that the proposal would provide a
disincentive for people to work the maximum number
of hours they can. That runs counter to everything the
Government espouse. The cost of renting privately varies
greatly from area to area. It would be better if the
pay-to-stay market rents that are to be introduced took
account of the average income of couples and rents in
the private sector in the area so that there are no
disincentives to work.

I hope that the Minister will consider the situation
for care leavers under his proposals. Housing benefits
for single people under 35 years of age will be capped at
the shared accommodation rate. That proposal might
make it even more difficult than it already is for young
people to find a home they can afford. About 1,800 of
Stockport Homes’ current tenants are under 35 and
receiving some level of housing benefit. The changes
would mean that the social housing and private rented
sectors will become increasingly unaffordable, and
young people will be at increased risk of homelessness,
at a time when homelessness acceptances have risen nationally
by 36% since 2009, and by 15% in Stockport over the
last year. The typical young person under 35 will need to
find the difference between the average Stockport
Homes rent of £74.60 a week, and the shared allowance rate of £62—a cut of £13 a week once the changes come into effect, and obviously more in the private sector.

Mark Field: It is not absolutely worthless, although I echo the comments made earlier on that issue, and hope that the Minister—as well as accepting amendment 112, to which I was a co-signatory—that as far as possible the Government will wisely consider the legal terms and the wording of the amendment. The wording does not guarantee that the proceeds of any sales will be retained in London; it simply governs the terms of agreements that the Government might choose to make to that effect. It would be helpful to have something on the record about the strength of the commitment to ensure that there is replacement building in the capital, but I will leave that to the Minister.

It is fair to say that plans to allow housing association tenants the right to buy their homes came as a bit of a rabbit out of a hat before May’s general election. I appreciate and agree with the general aspiration to roll out home ownership to as many people as possible, but I worry that forced sales will deplete stock, and that once a windfall has been pocketed the property concerned will simply be rented out to a high earner. That is what has happened in many housing estates in my constituency, where the second or third buyer after a sale under the right to buy has been—dare I say it?—a well-paid yuppie.

Mr Betts rose—

Mark Field: I will not take any more interventions because I know that other Members want to speak.

On a philosophical level, I confess that I am uneasy about the principle of the forced sale of properties that have been built or bought with private, philanthropic donations, and without Government grant. In the case of Peabody—a major social housing provider in my constituency—that approach risks disregarding the intention with which the founder, George Peabody, made his original charitable endowment in the late 1800s, when 10,772 Peabody homes were built without Government grant in my constituency and slightly beyond. I accept that we crossed the Rubicon on that with leasehold reform legislation over the past 30 years, but I worry about the precedents we are setting. It has already been noted by Opposition Members that buy-to-let landlords should be forced to sell their homes to tenants. I think that would be entirely wrong, but it would probably be the extension of what is proposed.

That touches upon the inherent “fairness” of this policy. Had the Secretary of State been here, I would have taken him on a walk down memory lane. He was a former councillor in my constituency and the Warwick ward of Pimlico, and I walked through that area two or three weeks before the general election, canvassing the stucco-fronted homes of Cumberland Street. On one side, tenants of London and Quadrant pay perhaps £100 per week rent for their flats, whereas on the other side, in almost identical properties, private renters—I accept that this is a hotspot of central London—are paying £350 per week. Already those tenants are in a financially disadvantageous position, yet the former group will get a discount on the purchase price of their properties, and will potentially be able to rent them out further down the line. I question the fairness of giving such huge advantages to those already in secure housing, yet giving no advantage to those in the private rented sector whose voice is perhaps not heard as loudly in this debate, particularly from Labour Members. Central London is an extremely expensive place to live.
I have spoken to a number of housing association residents, such as Lee Millan of the Golden Lane Estate Residents Association in the City of London, and Nicole Furrie of the Seven Dials housing co-operative. They pointed out that charging families to “pay to stay” in their council home if they earn more than a certain level of income—£30,000 a year outside London, or the relatively modest amount of £40,000 in central London—also introduces unfairness. For a family in my constituency, £40,000 is not a large amount, and I believe that the cap should be set higher and staircased so that people pay rent that is linked to what they are earning at a particular time. There is also a natural worry that the starting level of that cap might be reduced as time goes by.

There is much that is good in the Bill, and I wish to end on a positive note, but all London MPs share some major worries. Meeting the housing needs of the capital requires the commitment and action of all local authorities, and to help to address those shortages I am proud that the City of London Corporation has committed to building 3,700 new homes by 2025, many of which will be outside the square mile—as many Members will know, some of the most successful London housing estates outside the square mile are run by the corporation. The programme will be funded through planning gain receipts, grant funding, borrowing through the housing revenue account and a cross-subsidy from the market sales of new homes.

I am sorry that I have concentrated on London, but Members will appreciate why I have done so. All London MPs know only too well that our city will function successfully only if we start thinking creatively in a way that a number of Members from—dare I say it?—both sides of the House have been doing. Together, we must try to address the housing crisis. Once the Bill is on the statute book, as I hope it will be soon, all London MPs stand ready to help the Government—and any future Government—to ensure that we are able more successfully to tailor London’s housing policy so that the social capital to which I referred earlier is kept intact. Some issues of constrained housing supply can be addressed only at a national level, and I look forward to hearing the Minister’s response to this timely debate.

Helen Hayes (Dulwich and West Norwood) (Lab): It is a genuine pleasure to follow the right hon. Member for Cities of London and Westminster (Mark Field), who agrees with many of the concerns about the Bill that have been raised by Labour Members. Today we are debating provisions on affordable housing, which has been the subject of much deliberate confusion, and smoke and mirrors, by the previous coalition Government and the current Conservative Government.

The Mayor of London has tried to redefine affordable rent as up to 80% of very high private market rents. To put it simply, that is anything but affordable to the vast majority of Londoners. Rent now consumes an average of 62% of Londoners’ income, and the Government now include a starter home of up to £450,000 within the definition of affordable housing. That will not wash; something does not become affordable simply because the Government label it so.

Across the country, we need more social housing at rents that are directly related to the income of lower-income households, more intermediate housing for key workers and middle earners to rent or buy, and more low-cost starter homes for those taking the first step on the home ownership ladder. That is what the people of this country aspire to and it is what the Labour party will campaign for. These clauses have been drafted by a blinkered Government who have no interest in carefully assessing and responding to housing need as it really is, and every interest in peddling a myth of accessible home ownership to people, many of whom stand very little chance of achieving it. By doing that, they are trading off the interests of one section of the community against those of another.

In my short time as an elected Member of this House, I have spoken several times in the Chamber about the extent of my constituency’s housing need. I represent a part of the London boroughs of Lambeth and Southwark. Each borough has more than 20,000 people on the waiting list for a council home. Each week, my surgery is full of people who come to see me because they are in desperate housing need.

Mr Prisk: The hon. Lady is a fellow member of the Communities and Local Government Committee. She rightly said that an artificial and fixed definition of affordability does not work, and that the move to relate affordability to an individual’s circumstances, which is central to the Bill, goes in the right direction. Is my interpretation of what she said right?

Helen Hayes: A definition of affordability that bears no relation to median income—the key test—is meaningless.

Mr Prisk: On that point, will the hon. Lady give way?

Helen Hayes: I will not take a further intervention from the hon. Gentleman for the time being, if that is okay.

Each week, people ask me why they should have to live in damp, overcrowded and extortionately priced private flats, why their children should be subject to the insecurities that come with short-term tenancy after short-term tenancy, and who is going to help them in their housing need. Many more people will find their situations made much worse as a consequence of the Bill than will be helped by it.

A family who came to my surgery late last year is typical of many who contact me. The mother is a part-time teaching assistant who is studying to become a teacher, while the father is a pharmacy technician. They live in a two-bedroom housing association property with their four children. The two older girls, who are both at secondary school, share a top bunk, while their two younger siblings share the bottom bunk. The parents described the toll that the situation is taking on their relationship. Their older daughters, who are model students, are often tired and stressed at school. The family works hard and could not have more aspiration for a better life, but their situation will be made worse by the Bill. They will not be able to afford to exercise the right to buy their housing association home, and even if they could, that would be a pretty big gamble, since it is not suitable for their needs. The family home that they desperately need is likely to be exactly the type of home that will either be sold under right to buy, or that councils will be forced to sell to fund the right to buy for other housing association tenants. The Bill delivers nothing for this family, nor for many other residents like
them who cannot raise a mortgage but nevertheless have significant housing need that should not and must not be ignored. I sat and wept with this family as they described the sheer unfairness and impossibility of their situation.

During yesterday’s sitting of the Communities and Local Government Committee, I was dismayed to hear senior CLG officials confirm that they have not yet completed any analysis of the likely sums that will be raised from right-to-buy sales and the forced sale of council homes. The Government therefore simply do not know whether the funds will be available to replace housing association homes that are sold under right to buy, and still less at a rate of two for one. The Select Committee heard evidence from an officer at a Conservative-led local authority in Cambridgeshire who said that the council was up to the limit of the borrowing cap against its housing revenue account. When its high-value homes are sold, the first call on the receipt will be HRA debt repayment. Once the subsidy for right to buy has been deducted, there will be almost nothing left to deliver new homes. Members are being asked to vote on a major housing reform without any evidence that it can or will deliver what the Government promise that it will.

There are further attacks on affordable housing in the Bill. The pay-to-stay clause, which is introduced with no taper and no lead-in time, is simply a Conservative tax on hard work and aspiration. There is a deep inconsistency within pay to stay. On the one hand, the Government have decided that a household comprising two people earning the new minimum wage outside London or the London living wage—by definition the minimum required to live on—is “high earning” yet, on the other hand, the Government take a different view of the high-earning threshold for tax purposes. The two are not the same figure.

2.15 pm

The impact of pay to stay will be that rents rise to market levels overnight. I cannot see any justification at all for requiring the rent paid by residents living in social housing and earning the minimum wage or the London living wage to be doubled or, in some parts of London, much more than doubled. Pay to stay will break up communities and it will price people out of their homes despite the fact that there is no private sector or other affordable housing for them to move into. It will increase homelessness and act as a disincentive to seek promotion at work or to take on more hours. It is a Conservative tax on aspiration.

Finally, there is the measure to end secure tenancies, which was introduced on the final day of the Public Bill Committee, meaning that members of that Committee had no opportunity to hear the views of residents or councils about the proposal. That shoddy way of legislating shows contempt for this House and for the constituents and communities we serve. Councils already have freedom under the Localism Act 2011 to end secure tenancies, but the compulsory imposition of the ending of secure tenancies is yet another anti-localist measure that slashes councils’ freedom to respect and respond to the views of their tenants and residents, and to address local housing need in the best way for their local area. I have received emails from constituents who are terrified about the possibility that they will be forced to move home, to move their children to a different school in a strange area, and to seek new jobs and childcare arrangements.

The solution to the housing crisis is not to engage in a race to the bottom on security of tenure, nor to recognise only the aspirations of those who are able to raise a mortgage. The solution to the housing crisis is to build more genuinely affordable homes across all tenure types and to regard social housing as an investment that pays for itself many times over, both financially in comparison with private renting, and in the social benefits that it brings.

Stephen Hammond (Wimbledon) (Con): I am pleased to have the opportunity to speak in the debate, given that I was a member of the Public Bill Committee. I note your strictures about keeping speeches short, Madam Deputy Speaker.

Had I listened to the debate without any knowledge, I might have been persuaded by Opposition amendment 142, which deals with security of tenure. However, all is not as it is being portrayed—in fact, far from it. It is a privilege to follow the hon. Member for Dulwich and West Norwood (Helen Hayes), who was a town planner for many years and served on the Bill Committee with me, but she should be reassuring the constituents whom she claims are frightened. The changes to security of tenure do not apply to anyone who currently has tenure, which has conveniently been forgotten in much of the scaremongering led by Opposition Front Benchers.

Equally, I cannot be alone in hearing a number of housing associations and councils saying that the balance in the housing stock, where need is not matched by current occupation, is not right. It is therefore only right that as future tenancies come up, we ensure that stock is used most appropriately across the affordable housing market. This has not been mentioned today, but tenancies will be expected to last for five years. They will not be automatically thrown out after five years. There will be a review and the landlord will need to prove why he is removing a tenant.

It is a surprise to hear the Chair of the Communities and Local Government Committee, the hon. Member for Sheffield South East (Mr Betts), who is usually much more advanced on these matters than I am, clearly miss the two important points that detract from his argument. First, the Government have already said to local authorities that there are exceptions when people move tenure. They can grant new life tenures, in particular for people moving jobs and for the elderly. Secondly, he clearly missed what the Government have said to housing associations about the elderly and those with disabilities because, in those cases, the presumption on the housing authority will be to provide life tenure. It is important to get those facts on record because they clearly negate the argument for amendment 142, which I strongly urge the Minister to reject.

Mr Betts: On the point about discretion, in schedule 4, proposed new section 81B(2)(b) of the Housing Act 1985 excludes the requirement to give a new secure tenancy except in cases when “the tenant has not made an application to move”. In other words, if the tenant has made an application to move to a smaller property, they cannot be guaranteed a new secure tenancy, according to the Bill.

[Helen Hayes]
Stephen Hammond: I hope that the Minister will clarify that point, but the key thing is the possibility of new longer tenancies, especially for elderly people, which deals with the point that the hon. Gentleman raised earlier.

I support amendment 112. Many Members have spoken about hotspots and affordability, so I will not rehearse those arguments, but suffice it to say that my hon. Friend the Member for Richmond Park (Zac Goldsmith), who previously tabled such an amendment, has been leading the debate on the matter. The right hon. Member for Tooting (Sadiq Khan) talked about pulling the wool over Londoners’ eyes. I will not challenge his statistics, some of which were questionable, but the key thing that Londoners need to remember about the amendment is that it is a two-for-one provision, whereas amendment 89 represents a one-for-one provision. On that basis alone, Londoners would be wise to support amendment 112, which I am delighted that the Minister, having listened to the arguments, has brought forward today. I hope that the House will support that amendment in the Lobby later.

Caroline Lucas (Brighton, Pavilion) (Green): Many of us have said repeatedly that we have a major housing crisis and that not only is the Bill a missed opportunity to take the necessary urgent action, but it will make a bad situation worse.

My new clause 39, which I plan to press to a vote, would draw on the work done to establish a nationally agreed living wage level—that agreed by the Living Wage Foundation, not the pale imitation the Government like to call a living wage but which is nothing of the sort—and establish a living rent commission, adopting and linking to the principles behind the living wage commission, to calculate what a genuinely affordable level of rent in different places would look like, bearing in mind other costs of living and wage levels. It could also incorporate other factors, such as tenancy security, by taking into account the average length of tenancy in a given area.

Just as the living wage is demonstrably good for employers, employees, society as a whole and the local economy, so too could a living rent lead to significant benefits for all. To best understand what those might be, I hope the House will bear with me while I remind colleagues of the scale of the crisis in Brighton and Hove. As others have said, the problem is by no means limited to London.

Research released by HomeLet today reveals that tenants in Brighton and Hove, where my constituency is based, along with those in Bristol, suffered the worst rent rises of anywhere in Britain last year. Landlords raised prices by an average of 18%, meaning that Brighton and Hove has become only the second city in the country where rents are already raising prices by an average of 18%, meaning that Brighton and Hove has become only the second city in the country where rents are already rising to £1,078 a month and that the country where rents have passed the £1,000-a-month barrier. These record rent rises mean that a typical flat in the city now costs £1,078 a month and that the average earner has to put aside 65% of their salary just to pay for a typical two-bed flat. That is simply untenable. People who grew up in the city are having to move away from friends, family and communities to afford enough space to have children. A 2012 assessment of affordable housing need identified 88,000 households in Brighton and Hove—72%—that could not afford to buy or rent without some subsidy or spending a disproportionate level of their income on housing costs. The chief executive of Brighton Housing Trust, Andy Winter, has warned that by April 2017, when the local housing allowance changes in the autumn statement come into effect, 75% of its properties will be unaffordable for under-35s, meaning people will have nowhere to go.

New clause 39 would tackle some of those problems head on. A living rent commission would consider the facts and recommend a reliable and fair way of determining an affordable rent level. For example, it would consider whether we need two different living rent levels—one for London and one for elsewhere—as happens with the living wage, or whether, as seems more likely, it should be more localised, and, if so, on what basis. It would require the commission to undertake that work in conjunction with providers, landlords and tenants, and then report to the Government. In essence, it commits to nothing other than trying accurately to define the much bandied term “affordable”, which has effectively been rendered meaningless given that council houses have been sold to housing associations, which are now raising funds by increasing rents on re-lets from social housing at a rate of up to 80% of market rates. That is what counts for affordable at the moment, yet it is nothing of the kind.

I add a word of caution: a living rent is not a magic panacea. The underlying reasons for our local and national housing crises are many and varied, and so too are the solutions. We need wholesale reform to address insecurity, inequalities between owners and private renters, decency standards and the better use of public subsidy, as well as affordability. No one measure will work in isolation—it must be part of a broader programme—but the new clause would introduce a solution that could start to have a significant impact on all these problems, and it has not yet been given much consideration in our debates. It goes further than the so-called smart rent controls that some Members advocate. Such controls would link rent levels to inflation and would certainly be a step in the right direction. Capping rents is a step further and is usually linked to local incomes or could be set at a certain percentage more than social rents.

That could help prevent costs from spiralling further out of control, which would be welcomed by the tenants I see in my surgeries who are struggling with the cost of the private rented sector, but given that rents are already so high, even capping them at those levels would offer tenants only limited protection. For the renters in Brighton, Pavilion who are already forced to set aside 65% of their income for rent, it would mean rents not getting any worse, but it would not mean their getting better or becoming affordable or sustainable. They are the result of a market utterly out of control and in need of genuine reform to bring them in line with wages and the cost of living. They need better to reflect what people can afford to pay in rent while maintaining a decent quality of life.
I acknowledge that some see capping and controlling rents as controversial and that there are instances where such policies have had perverse effects, but there are also many instances where they have worked, and a commission would help us learn the lessons from different models to develop one that might work here. Regulators in other countries agree that rent controls can be part of the solution, especially when taken alongside other positive measures. In Sweden, rents in the private sector are not allowed to be more than 105% of rents in equivalent accommodation owned by a municipal housing company. It is a stable private rented sector in which the quality of repairs and maintenance is good and tenants and landlords alike benefit from secure, indefinite tenancies. Indefinite tenancies and rent controls are credited with giving Germany the most stable private rented sector in the world, alongside the US. France, which has rent controls and more secure long-term tenancies than we do, has a growing private rented sector.

Understandably, there will be concerns about the impact on landlords and, in turn, the effect on supply. What happens if landlords cannot afford to take reduced rents, meaning that housing standards plummet or properties are sold out of the rental market? A living rent commission would model all those possibilities and risks and take them into account when making its rent level recommendations. In the meantime, it is worth noting that a recent survey of landlords found that 77% were in employment; that 60% earned more than £2,000 a month from their employment; and that the 79% of landlords who controlled 61% of all privately rented dwelling earned less than a quarter of their income from those rents. In other words, landlords tend to have reliable sources of income other than rent. We also know that many have bought property as an investment or, more commonly, as a pensions supplement.

If Ministers or the Opposition are worried about the finances of those landlords, I humbly suggest they commit to a secure living pension for all that adequately covers the cost of living. The example from countries such as France suggests that to link a particular policy—say rent control—to shrinkage of the private sector is flawed. With the right policy mix, rent controls can be part of a growing private rented sector in which standards are high. As a final word on landlords, I imagine that many have bought property as an investment and landlords alike benefit from secure, indefinite tenancies.

To sum up, I appreciate that some colleagues will disagree with the idea that a living rent is a good, let alone the best, mechanism to deliver such benefits, but I say this to them. New clause 39 does not prescribe whether a living rent should be legally enforceable or simply voluntary. What it would do is set up a commission to consult widely, consider the evidence and make a series of recommendations. It will give renters a benchmark against which to compare the rent they are currently charged and start a long overdue debate into how best to balance the needs of landlord and tenant. That is why I hope colleagues will support my new clause, which I hope to press to a vote.

2.30 pm

To sum up, I appreciate that some colleagues will disagree with the idea that a living rent is a good, let alone the best, mechanism to deliver such benefits, but I say this to them. New clause 39 does not prescribe whether a living rent should be legally enforceable or simply voluntary. What it would do is set up a commission to consult widely, consider the evidence and make a series of recommendations. It will give renters a benchmark against which to compare the rent they are currently charged and start a long overdue debate into how best to balance the needs of landlord and tenant. That is why I hope colleagues will support my new clause, which I hope to press to a vote.
If the motivation were simply to reduce social housing—those motives are too depressing at this time even to bother discussing—the policy would be exactly what the Government are doing: right to buy would be extended and housing associations would be press-ganged to go along with it, with verbal expressions of intentions to replace homes. That would also mean ensuring zero guarantee in the legislation that any replacement must happen.

Sadly, it is clear that this Government’s reasons for press-ganging housing associations to extend right to buy are based on a pretty grubby desire to get rid of social housing. We know what happens when intentions to replace homes are expressed, but not enforced, in legislation. We have had many decades of experience of that. We know that one-to-one replacement simply does not happen. Even in recent years, since the one-to-one replacement policy was introduced in 2012, only one in every nine homes sold has been replaced.

My amendment 109 is designed to overcome that problem and guarantee the replacement of homes by insisting that before a home is sold off under right to buy, a replacement home must first be identified. This could be a home within a new planned development or an existing home that is acquired by the housing association with the proceeds of the sale. Housing associations should be required to identify that replacement property and communicate the plan to the regulator before selling the home.

Andy Slaughter: Will the hon. Gentleman give way?

Tim Farron: Probably not, because there is not much time left and I do not want to prevent others from speaking.

In addition, the replacement home should in most cases be equivalent to the one sold off. It should be located in the same local authority area and there must be an initial presumption that the replacement home would be the same tenure unless there is a strong case for changing it, based on local need. This would avoid the squeezing out of social homes for rent, which are often occupied by some of the most vulnerable people in our communities, in favour of other potentially more profitable tenures. My amendment would provide not only a one-for-one replacement of homes, but in many cases like for like. I urge Members to support it.

Brandon Lewis: I support the amendments tabled in the name of my right hon. Friend the Secretary of State. I want to say from the outset that I am proud to support amendments 112 and 130. I pay tribute to my hon. Friends the Members for Wimbledon (Stephen Hammond) and for Richmond Park (Zac Goldsmith), as well as to colleagues across London not just for inspiring these amendments, but for working so passionately and diligently to ensure that we get a good result for London. That is quite a contrast to Labour, from whose Members I have received no direct approaches about doing anything positive to increase the housing supply in London.

Andy Slaughter: rose—

Brandon Lewis: I am not giving way at the moment.

I intend to use the flexibility of the agreement process to take account of the difficulties that other local authorities might have in seeking to deliver more housing—again, if they had high-value areas, for example. My hon. Friends have spoken about that this afternoon. The Bill is framed to provide as much flexibility as possible, so that we can consider the circumstances of each local authority and its housing need.

I look forward to working with my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) along with my hon. and learned Friend the Member for North East Hertfordshire (Sir Oliver Heald) and my hon. Friends the Members for Altrincham and Sale West (Mr Brady), for Bath (Ben Howlett), for Hertford and Stortford (Mr Prisk), for Aldershot (Sir Gerald Howarth), for St Albans (Mrs Main), for Central Suffolk and North Ipswich (Dr Poulter), for Tonbridge and Malling (Tom Tugendhat), for Bracknell (Dr Lee), for Woking (Jonathan Lord) and for Braintree (James Cleverly), as well as with hon. Friends from other areas to make sure that we get these regulations in the right place so that local authorities can deliver the housing that they need.

Heidi Allen (South Cambridgeshire) (Con): I would like the Minister to add South Cambridgeshire to the list.

Brandon Lewis: I am happy to work with South Cambridgeshire. In fact, we are working well with it; it provides a good example of central Government and local government working together, as we have seen with 10,000 homes being delivered for Northstowe. I encourage local authorities to join others from across
London that have already spoken to us. My hon. Friend the Member for Richmond Park rightly asked about progress, and the London Land Commission will be building on the work opened up by the Government’s delivery of public sector land. We have allocated sufficient land for 160,000 homes, although the London Land Commission must go further to see what more can be done in London.

This is a real opportunity for a step change in housing supply for London. I am not talking just about the two-for-one scheme that has been discussed this afternoon, important though that is, but about a huge opportunity for Londoners and those in other places around the country that has also been outlined this afternoon: the added flexibility for councils to work together on innovative new ideas to deliver more homes across our country, and, unlike Labour, to drive up supply.

Brandon Lewis: I suggest that the hon. Gentleman google #ownyourhouse, where he will find a range of Government schemes to deliver more homes, including new homes, for people throughout the country.

We heard from the hon. Member for City of Durham (Dr Blackman-Woods) about her opposition to councils’ using vacant high-value building to build more homes and help more people into home ownership. Labour Members have also stated their opposition to ensuring that social tenants on high incomes pay a fair rent. I am not going to rehash the arguments that we had on Second Reading and Report—

Andy Slaughter: Will the Minister give way?

Brandon Lewis: No, not at this stage.

Opposition Members had their chance to vote against these clauses in Committee—that is what clause-by-clause stand part debates are for—but they stayed quiet. I will not stay quiet this afternoon. I want to make it very clear that we are introducing these clauses because we have an elected mandate to do so. We will deliver new homes for those who need them, and that will include the opportunity to gain access to home ownership. There is no time to lose.

Clive Efford (Eltham) (Lab): Will the Minister give way?

Brandon Lewis: Not at this stage.

Government amendments 9 and 11 will enable this part of the Bill to come into force on Royal Assent so that funding becomes available as soon as possible. We discussed amendment 51 in Committee as well. I want to ensure that we have full flexibility to use receipts to deliver new homes. Amendments 92 and 93 would result in a reduction in flexibility, and we therefore cannot support them. As I said in Committee, amendments such as amendments 89 and 109 represent the worst examples of the command-and-control, centralist approach that Labour seems to like. We see the same mindset in amendments 94 and 53, which attempt to limit the definitions of high value and high income, once more attempting to introduce exclusions into the Bill. As I have said time and again, we will let further engagement inform detailed policy.

Labour Members also want the Government to tell home owners that they must sell their properties at less than the market value, and to prevent them from letting their homes for a period of 10 years. I think that that is unfair and inappropriate. People should have the right to do with their own homes what any other home owner would do. The Government want a voluntary agreement with housing associations rather than the imposition of unnecessary requirements in legislation, which is what would result from amendment 91.

Let me now clarify the position relating to the payment of grant under clause 61. I know that the National Housing Federation is interested in this. I am happy to confirm that, under clause 61, grant will be paid to housing associations as compensation for the right-to-buy discount. The terms of the grant-making power in the clause will enable it to be considered a revenue grant, so it will be sufficient to classify the grant as income. Of course, if the hon. Member for Westmorland and Lonsdale (Tim Farron) had his way, there would be no clause 61 or clause 62.

Andy Slaughter: Will the Minister give way?

Catherine McKinnell: Will the Minister give way?

Brandon Lewis: I will not give way at this stage, because we are short of time and I want to respond to the points that have been raised by those who have spoken.

The hon. Member for Westmorland and Lonsdale spoke about amendments 107 and 108. I trust that the housing association tenants in his constituency who want to buy their own homes will note his comments, and will remember them when they are home owners at the next general election.

Tim Farron: Is the Minister aware that in the 1980s the late Willie Whitelaw expressed concern to the then Prime Minister, Margaret Thatcher, about the impact of the right to buy, unmitigated, in rural communities such as the Lake district? Thirty years on, will he at least take note of what was said by the great man?

Brandon Lewis: I appreciate that one of the problems of the right to buy is that for 13 years, for every 170 homes that were sold the Labour Administration built only one, which is disgraceful. That is why, under our reintegrated scheme, there is one-for-one replacement. I think it right to move to two-for-one in London, given the higher-value asset sales there. The Labour party neglected to replace supply for 13 years, but Labour Members still think that the public will believe their rhetoric.

Let me return to chapter 4, part 4. Government new clause 59 and amendments 119, 128 and 128 will ensure that tenants who do not provide information on income cannot then have their rent raised any higher than the maximum chargeable under the policy as a whole. Government new clauses 60 and 61 and amendment 111,
113 to 118, 121 to 127 and 129 are part of our wider deregulatory package for housing associations. Amendment 111 removes clause 64, which is no longer needed.

2.45 pm

Clive Efford: Will the Minister give way?

Brandon Lewis: No, not at this point.

We heard the thoughts of the hon. Member for City of Durham on amendments 57 to 60. Again at the risk of repeating myself, I want to make something clear. I have already made it crystal clear, in Committee and elsewhere, that we propose to introduce a taper so that there will always be an incentive to find and keep work. I accept that, as Opposition Front Benchers were not present for the whole Committee stage, they may have missed that at the time.

I want to ensure that our policy is simple to implement, as well as flexible. The option to create a central body to enable data to be transferred to landlords—which amendment 63 would remove—has been provided for the sake of simplicity. For example, the role could be carried out by one local authority on behalf of others.

I listened carefully to what was said by the hon. Member for Brighton, Pavilion (Caroline Lucas) about new clause 39. As she knows from her engagement with the Welfare Reform and Work Bill, the Government have already decided to reduce social rents by 1% a year, so I do not believe that the body that she has proposed is necessary.

Let me now deal with Members’ opposition to chapter 5. The approach adopted by the hon. Member for City of Durham would mean that families continued to be trapped in overcrowded council homes, while older tenants whose children had left home continued to occupy homes that might no longer be appropriate for their needs, with no opportunity to move.

Clive Efford: Will the Minister give way?

Brandon Lewis: No, I will not give way at this stage. I must try to deal with all the points that other Members have made.

Moreover, the hon. Lady’s approach would mean that some lifetime tenancies would be passed on to family members who were perfectly able to meet their own housing needs.

I can make it clear to the Chairman of the Select Committee, the hon. Member for Sheffield South East (Mr Betts), that when someone with a secure tenancy is asked to move, the tenancy will be transferred with that person. We will give local authorities the freedom and flexibility to apply that to voluntary moves as well.

Mr Betts: Will the Minister confirm that if someone with a secure tenancy applies for a transfer, and a new tenancy is therefore created in a new property, the security of tenure will pass to the new property and the new tenancy?

Brandon Lewis: In the interests of speed, I suggest that the hon. Gentleman look at the report of what I have just said, but yes, we will ensure that secure tenancies continue when tenants are asked to move, and councils will be able to consider applying them to voluntary moves as well.

I do not believe that the hon. Lady’s proposal represents a good use of social housing, and I trust that the House will agree. The Government amendments will result in a Bill that will bring fairness and efficiency to the housing market, and will further the dreams of aspirational home owners. I commend them to the House.

Dr Blackman-Woods: As I said, we would have liked to remove the chapters on the forced sale of council housing and the mandatory rent rises, but we cannot do so because of time. I therefore wish to withdraw amendment 131, to which we shall no doubt return in the Lords. I will, however, press amendment 142, which seeks to protect security of tenure for council tenants, and in due course my right hon. Friend the Member for Tooting (Sadiq Khan) will press amendment 89.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 72

Reduction of payment by agreement

Amendment made: 112, page 31, line 19, at end insert—

‘(4) Where the agreement is with a local housing authority in Greater London, it must require the authority to ensure that at least two new affordable homes are provided for each old dwelling.

(5) But if the Greater London Authority has agreed to ensure that a number of the new affordable homes are provided, that number is to be deducted from the number for which the local housing authority must be made responsible under subsection (4).

(6) The Secretary of State may by regulations create other exceptions to subsection (4) in relation to one or more local housing authorities.

(7) In this section—

“new affordable home” means a new dwelling in England that—

(a) is to be made available for people whose needs are not adequately served by the commercial housing market, or

(b) is a starter home as defined by section 2;

“new dwelling” means a building or part of a building that—

(a) has been constructed for use as a single dwelling and has not previously been occupied, or

(b) has been adapted for use as a single dwelling and has not been occupied since its adaptation;

“old dwelling” means a single dwelling taken into account under section 66(2) for the purposes of the determination.

(8) If a determination under this Chapter relates to more than one financial year—

(a) an agreement under this section may be made in relation to the determination so far as it relates to a particular financial year, and

(b) if such an agreement is made with a local housing authority in Greater London, the reference in subsection (7) to the determination is to the determination so far as it relates to the financial year to which the agreement relates.

(9) The Secretary of State may by regulations amend this section so as to change the meaning of “new affordable home”.

—(Brandon Lewis.)
Where a local housing authority is required to make a payment to the Secretary of State in respect of its vacant high value housing, Clause 72 allows an agreement to be made to reduce the amount. This amendment is about the terms and conditions that must be included in an agreement.

Clause 153

REGULATIONS: GENERAL

Amendment made: 130, page 76, line 21, at end insert—
"( ) regulations under section 72(9)."—(Brandon Lewis.)

This amendment is consequential on amendment 112 and ensures that regulations amending the definition of affordable home are subject to the affirmative procedure.

Clause 155

COMMENCEMENT

Amendments made: 9, page 77, line 11, at end insert—
"( ) Chapter 2 of Part 4;"

This amendment provides for Chapter 2 of Part 4 (vacant high value social housing) to come into force on Royal Assent.

Amendment 11, page 77, line 17, leave out paragraph (a).

—(Brandon Lewis.)

This is consequential on amendment 9.

New Clause 59

REVERTING TO ORIGINAL RENT LEVELS

(1) Rent regulations may include provision for the purpose of ensuring that where a requirement imposed under section 79(1) ceases to apply, the rent is changed to what it would have been if the requirement had never applied.

(2) Rent regulations may include provision for the purpose of ensuring that where—

(a) a local housing authority is required by section 81(2) to charge the maximum rent because of a tenant’s failure to provide information or evidence, and

(b) the tenant subsequently provides the necessary information or evidence,

the rent is changed to what it would have been if section 81(2) had never applied. —(Brandon Lewis.)

This relates to Chapter 4 of Part 4. It is primarily intended to ensure that where a person ceases to be a high income tenant, his or her rent returns to normal levels for social tenants. It also deals with circumstances where a person has failed to provide information or evidence but subsequently does so.

Brought up, read the First and Second time, and added to the Bill.

New Clause 60

PRIVATE PROVIDERS: POLICIES FOR HIGH INCOME SOCIAL TENANTS

(1) A private registered provider of social housing that has a policy about levels of rent for high income social tenants in England must publish that policy.

(2) The policy must include provision for requesting reviews of, or appealing, decisions under the policy.—(Brandon Lewis.)

See Member’s explanatory statement for amendment 113. Where a private registered provider decides to adopt a policy of charging higher levels of rent to high income social tenants this new clause requires the policy to be published and to contain provision about the procedure and disputes.

Brought up, read the First and Second time, and added to the Bill.

New Clause 61

HMRC INFORMATION FOR PRIVATE REGISTERED PROVIDERS

(1) HMRC may disclose information for the purpose of enabling a private registered provider of social housing to apply any relevant policy about levels of rent for high income social tenants in England.

(2) The information may only be disclosed to—

(a) the private registered provider of social housing,

(b) the Secretary of State for the purposes of passing the information to registered providers,

(c) a public body that has been given the function of passing information between HMRC and registered providers by regulations under subsection (3), or

(d) a body with which the Secretary of State has made arrangements for the passing of information between HMRC and registered providers.

(3) The Secretary of State may by regulations—

(a) give a public body the function mentioned in subsection (2)(c), and

(b) make provision about the carrying out of that function.

(4) The Secretary of State must obtain HMRC’s consent before making—

(a) arrangements under subsection (2)(d), or

(b) regulations under subsection (3).

(5) Information disclosed under this section to the Secretary of State or to a body mentioned in subsection (2)(c) or (d) may be passed on to a registered provider for which it is intended.

(6) Information disclosed under this section may not otherwise be further disclosed without authorisation from HMRC.

(7) Where a person contravenes subsection (6) by disclosing any revenue and customs information relating to a person whose identity—

(a) is specified in the disclosure, or

(b) can be deduced from it,

section 19 of the Commissioners for Revenue and Customs Act 2005 (wrongful disclosure) applies in relation to that disclosure as it applies in relation to a disclosure of such information in contravention of section 20(9) of that Act.

(8) In this section—

“HMRC” means the Commissioners for Her Majesty’s Revenue and Customs;

“relevant”, in relation to a private registered provider’s policy about levels of rent for high income social tenants in England, means a policy that—

(a) has been published as required by section (Private providers: policies for high income social tenants), and

(b) complies with any requirements imposed under subsection (2) of that section;

“revenue and customs information relating to a person” has the meaning given by section 19(2) of the Commissioners for Revenue and Customs Act 2005;

“tenant” includes prospective tenant. —(Brandon Lewis.)

See Member’s explanatory statement for amendment 113.

Brought up, read the First and Second time, and added to the Bill.

Clause 79

MANDATORY RENTS FOR HIGH INCOME SOCIAL TENANTS

Amendments made: 113, page 33, line 14, leave out “a registered provider of social housing” and insert “an English local housing authority”

This is the first of a number of amendments that restrict Chapter 4 of Part 4 of the Bill (high income social tenants: mandatory rents) to local authorities. Private registered providers will not be required
to charge high income social tenants specific rents but NC60 and NC61 are intended to facilitate them doing so on a voluntary basis.

Amendment 114, page 33, line 23, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Clause 80
MEANING OF “HIGH INCOME” ETC

Amendment made: 115, page 34, line 3, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Clause 81
INFORMATION ABOUT INCOME

Amendments made: 116, page 34, line 7, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 117, page 34, line 9, leave out “registered provider” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 118, page 34, line 11, leave out “registered provider of social housing” and insert “English local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 119, page 34, line 12, leave out “rent at the market rate” and insert “the maximum rent”.

Clause 81(2) enables regulations requiring rent to be charged at the market rate to a tenant who has failed to comply with a requirement to provide information about income etc. This amendment and amendment 120 change this so that the tenant must be charged the maximum rent that they would have to pay as a high income tenant (which might still be less than the full market rate).

Amendment 120, page 34, line 18, at end insert—

‘( ) In subsection (2) “the maximum rent” means the rent that a local housing authority is required to charge a high income tenant of the premises under section 79 (or, if regulations under section 79(3)(a) provide for different rents for people with different incomes, the rent that a person in the highest income bracket would be required to pay).’

—(Brandon Lewis.)

See Member’s explanatory statement for amendment 119.

Clause 82
HMRC INFORMATION

Amendments made: 121, page 34, line 20, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 122, page 34, line 24, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 123, page 34, line 26, leave out “registered providers” and insert “local housing authorities”.

See Member’s explanatory statement for amendment 113.

Amendment 124, page 34, line 28, leave out “registered providers” and insert “local housing authorities”.

See Member’s explanatory statement for amendment 113.

Amendment 125, page 34, line 31, leave out “registered providers” and insert “local housing authorities”.

See Member’s explanatory statement for amendment 113.

Amendment 126, page 34, line 39, leave out “registered provider” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Clause 83
POWER TO INCREASE RENTS AND PROCEDURE FOR CHANGING RENTS

Amendments made: 127, page 35, line 16, leave out “registered provider of social housing” and insert “local housing authority”.

See Member’s explanatory statement for amendment 113.

Amendment 128, page 35, line 17, leave out “increase” and insert “change”.

—(Brandon Lewis.)

This amendment is consequential on NC59.

Clause 86
ENFORCEMENT BY REGULATOR OF SOCIAL HOUSING

Amendment made: 129, page 36, line 4, leave out clause 86.

—(Brandon Lewis.)

The enforcement powers in Chapter 4 of Part 4 were primarily aimed at private registered providers. In light of amendment 113 they are no longer needed.

Two hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme order, 3 January).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 89
SECURE TENANCIES ETC: PHASING OUT OF TENANCIES FOR LIFE

Amendment proposed: 142, page 20, leave out clause 89.

—(Dr Blackman-Woods.)

This amendment, together with amendment 143, would enable councils to be free to manage flexibly tenancies in a way that drives best value from stock whilst supporting strong local communities.

Question put. That the amendment be made.

The House divided: Ayes 207, Noes 296.

Division No. 160

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blomfield, Paul
Bradshaw, rh Mr Ben
Brake, rh Tom
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Champion, Sarah
Chapman, Jenny
Clegg, rh Mr Nick
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Cox, Jo
Coyle, Neil

[2.49 pm]
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**Tellers for the Noes:**
Sarah Newton and Simon Kirby

**Question accordingly negated.**

### Clause 61

**GRANTS BY SECRETARY OF STATE**

**Amendment proposed:** 89, page 27, line 25, at end insert—

‘(2A) The conditions at subsection (2) must include a condition that money equivalent to the market value (disregarding any discount) of a dwelling sold under right to buy and to which the grant applies is spent by the private registered provider on the provision of affordable housing in the same local authority area or London, including at least one new home replacing that sold which is—

(a) of the same tenure, 
(b) located in the same local authority area or London borough, and 
(c) in accordance with assessed local housing need.”

— (Sadiq Khan.)

The amendment would require housing associations offering the Right to Buy to their tenants in London and elsewhere to re-invest all the money received as a result of the sale in replacement affordable housing, including a guaranteed like-for-like home in the same local authority area or London borough.

**Question put.** That the amendment be made.

**The House divided:** Ayes 212, Noes 297.

### Division No. 161

[3.5 pm]

**AYES**

| Abbott, Ms Diane | Blomfield, Paul |
| Abrahams, Debbie | Bradshaw, rh Mr Ben |
| Alexander, Heidi | Brake, rh Tom |
| Anderson, Mr David | Brown, Lyn |
| Ashworth, Jonathan | Bryant, Chris |
| Austin, Ian | Buck, Ms Karen |
| Bailey, Mr Adrian | Burgon, Richard |
| Barron, rh Kevin | Burnham, rh Andy |
| Beckett, rh Margaret | Butler, Dawn |
| Benn, rh Hilary | Byrne, rh Liam |
| Berger, Luciana | Cardbury, Ruth |
| Betts, Mr Clive | Campbell, rh Mr Alan |
| Blackman-Woods, Dr Roberta | Campbell, Mr Ronnie |
On a point of order, Madam Deputy Speaker. I had an exchange with the Minister at the end of the previous debate about a secure tenant making an application to move to a new property. His response may have inadvertently misled the House or at least confused the House—it certainly confused me—about whether a tenant has that right. Proposed new section 3.15 pm

Mr Bettts: On a point of order, Madam Deputy Speaker. I had an exchange with the Minister at the end of the previous debate about a secure tenant making an application to move to a new property. His response may have inadvertently misled the House or at least confused the House—it certainly confused me—about whether a tenant has that right. Proposed new section 81B(2)(B) seems to suggest that where tenants—

Madam Deputy Speaker (Natascha Engel): Order. The hon. Gentleman is aware that that is almost certainly more a point of annoyance than a point of order. The Minister has heard what he has said and he has put his point on the record, but it is not a point of order and we are really pressed for time. I am therefore going to call the Minister on the next group, who may or may not wish to respond on this matter.
New Clause 62

OFFENCE OF CONTRAVENING AN OVERCROWDING NOTICE: LEVEL OF FINE

'(1) Section 139 of the Housing Act 2004 (overcrowding notices) is amended as follows.

(2) In subsection (7), omit “and is liable on summary conviction to a fine not exceeding level 4 on the standard scale”.

(3) After subsection (7) insert—

“(7A) A person who commits an offence under subsection (7) in relation to premises in England is liable on summary conviction to a fine.

(7B) A person who commits an offence under subsection (7) in relation to premises in Wales is liable on summary conviction to a fine not exceeding level 4 on the standard scale.” —(Mr Marcus Jones.)

The maximum fine for contravening an overcrowding notice under section 139 of the Housing Act 2004 is currently a level 4 fine. This new clause would remove the restriction on the level of fine that may be imposed where a conviction relates to premises in England. Where a conviction relates to premises in Wales the maximum fine is unchanged.

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker: With this it will be convenient to discuss the following:

New clause 3—Conversion of leasehold to commonhold for interdependent properties—

'(1) On 1 January 2020 long leases of residential property in interdependent properties shall cease to be land tenure capable of conveyance.

(2) On 1 January 2020 long leases as set out in subsection (1) shall become commonholds to which Part 1 of the Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”) shall apply, subject to the modifications set out in this section.

(3) Leaseholders, freeholders and those with an interest in an interdependent property are required to facilitate the transfer to commonhold, in particular they shall—

(a) by 1 January 2018 draw-up an agreed plan for the transfer;

(b) by 1 October 2018 value any interests to be extinguished by the transfer where the interest is held by a person who after transfer will not be a unit-holder; and

(c) by 1 January 2019 draw up a commonhold community statement for the purposes of—

(i) defining the extent of each commonhold unit;

(ii) defining the extent of the common parts and their respective uses;

(iii) defining the percentage contributions that each unit will contribute to the running costs of the building;

(iv) defining the voting rights of the members of the commonhold association; and

(v) specifying the rights and duties of the commonhold association, the unit-holders and their tenants.

(4) In any case where the parties at subsection (3) cannot or refuse to agree arrangements to facilitate the transfer any of the parties can make an application to the First-tier Tribunal (Property Chamber) for a determination of the matter.

(5) Section 3 [Consent] of the 2002 Act shall cease to have effect on 1 January 2017.

(6) In subsection (1) “long lease” means—

(a) a lease granted for a term certain exceeding 21 years, whether or not it is (or may become) terminable before the end of that term by notice given by the tenant or by re-entry or forfeiture; or

(b) a lease for a term fixed by law under a grant with a covenant or obligation for perpetual renewal, other than a lease by sub-demise from one which is not a long lease.”

This new Clause would end the tenure of residential leasehold by 1 January 2020 by converting residential leases into commonhold.

New clause 4—Tenants’ rights to new management in property sold under LSVT—

'(1) This section applies to housing which—

(a) was previously owned by a local authority;

(b) was part of a large-scale voluntary transfer falling within the definition of section 32(4AB) of the Housing Act 1985; and

(c) the disposal of which was subject to the consent of the Secretary of State under section 32 of the 1985 Act.

(2) Where the transfer took place more than five years before this section comes into operation the current owner of the transferred housing shall consult the current tenants on their satisfaction with the management of that property.

(3) Where the transfer took place less than five years after this section comes into operation the current owner of the transferred housing shall not more than every five years consult the current tenants on their satisfaction with the management of that property.

(4) If more than 50 per cent of tenants responding to the consultation under subsections (2) or (3) are dissatisfied with the management of the property, the owner of the housing must carry out a competitive tender for the management of the property and report the outcome to the tenants.”

New clause 42—Mobile Homes Act 1983: limit of commission—

'(1) For sub-paragraph (5) of paragraph 7A of Schedule 1 to the Mobile Homes Act 1983, as inserted by section 10 of the Mobile Homes Act 2013, substitute—

“(5) The new occupier is required to pay the owner a commission on the sale of the mobile home at a rate not exceeding five per cent of the purchase price of the mobile home as may be prescribed by regulations made by the Secretary of State.”

(2) For sub-paragraph (8) of paragraph 7B of Schedule 1 to the Mobile Homes Act 1983, as inserted by section 10 of the Mobile Homes Act 2013, substitute—

“(8) The person to whom the mobile home is sold (“the new occupier”) is required to pay the owner a commission on the sale of the mobile home at a rate not exceeding five per cent of the purchase price of the mobile home as may be prescribed by regulations made by the Secretary of State.”

This new clause would limit the amount of commission that a site owner could receive when a park home is sold to no more than 5% of the purchase price.

New clause 52—Implied term of fitness for human habitation in residential lettings—

'(1) Section 8 of the Landlord and Tenant Act 1985 (c.70) is amended as follows.

(2) Leave out subsection (3) and insert—

“(3) Subject to subsection (7), this section applies to any tenancy or licence under which a dwelling house is let wholly or mainly for human habitation.”

(3) Leave out subsections (4) to (6).

(4) After subsection (3), insert—

“(3ZA) Subsection 1 does not apply where the condition of the dwelling-house or common parts is due to—

(a) a breach by the tenant of the duty to use the dwelling-house in a tenant-like manner, or often express term of the tenancy to the same effect; or

(b) damage by fire, flood, tempest or other natural cause or inevitable accident.
(3ZB) Subsection 1 shall not require the landlord or licensor of the dwelling house to carry out works—
(a) which would contravene any statutory obligation or restriction; or
(b) which require the consent of a superior landlord, provided that such consent has been refused and the landlord or licensor has no right of action on the basis that such refusal of consent is unreasonable.

(3ZC) Any provision of or relating to a tenancy or licence is void insofar as it purports—
(a) to exclude or limit the obligations of the landlord or licensor under this section; or
(b) to permit any forfeiture or impose on the tenant or licensee any penalty or disadvantage in the event of his seeking to enforce the obligation under subsection (1).

(3ZD) Regulations may make provision for the exclusion of certain classes of letting from subsection (1).

(3ZE) In this section “house” has the same meaning as “dwelling house” and includes—
(a) a part of a house, and
(b) any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.”

(5) In section 10 of the Landlord and Tenant Act 1985, after “waste water”, insert—

(6) Regulations may make provision for guidance as to the operation of the matters set out in section 10 which are relevant to the assessment of fitness for human habitation.

(7) This section shall come into force—
(a) in England at the end of the period of three months from the date on which this Act receives Royal Assent and shall apply to all tenancies licences and agreements for letting made on or after that date; and
(b) in Wales on a date to be appointed by the Welsh Ministers.”

This new Clause would place a duty on landlords to ensure that their properties are fit for habitation when let and remain fit during the course of the tenancy.

New clause 53—Requirement to carry out electrical safety checks—

'(1) A landlord of a rental property shall ensure that there is maintained in a safe condition—
(a) any electrical installation; and
(b) any electrical appliances supplied by the landlord so as to prevent the risk of injury to any person in lawful occupation or relevant premises.

(2) Without prejudice to the generality of subsection (1), a landlord shall—
(a) ensure that the electrical installation and any electrical appliances supplied by the landlord are checked for safety within 12 months of initial leasing and thereafter at intervals of not more than 5 years since they were last checked for safety (whether such check was made pursuant to this Act or not);
(b) in the case of a lease commencing after the coming into force of this Act, ensure that the electrical installation and each electrical appliance to which the duty extends has been checked for safety within a period of 12 months before the lease commences or has been or is so checked within 12 months after the electrical installation or electrical appliance has been installed, whichever is later; and
(c) ensure that a record in respect of any electrical installation or electrical appliance so checked is made and retained for a period of 6 years from the date of that check and which shall include the following information—
(i) the date on which the electrical installation or electrical appliance was checked;
(ii) the address of the premises at which the electrical installation or electrical appliance is installed;
(iii) the name and address of the landlord of the premises (or, where appropriate, his agent) at which the electrical installation or electrical appliance is installed;
(iv) a description of and the location of the electrical installation or electrical appliance checked;
(v) any defect identified;
(vi) any remedial action taken;
(vii) the name and signature of the individual carrying out the check; and
(viii) the registration number with which that individual’s firm is registered with a Part P competent persons scheme approved by the Department for Communities and Local Government and certified as being competent in periodic inspection and testing.

(3) Every landlord shall ensure that any work in relation to a relevant electrical installation or electrical appliance carried out pursuant to subsection (1) or (2) above is carried out by a firm registered with a Part P competent persons scheme approved for the time being by the Department for Communities and Local Government.

(4) The record referred to in (2)(c), or a copy thereof, shall be made available upon request and upon reasonable notice for the inspection of any person in lawful occupation of relevant premises who may be affected by the use or operation of any electrical installation or electrical appliance to which the record relates.

(5) Notwithstanding subsection (4), every landlord shall ensure that—
(a) a copy of the record made pursuant to the requirements of (3)(c) is given to each existing tenant of premises to which the record relates within 28 days of the date of the check; and
(b) a copy of the last record made in respect of each electrical installation or electrical appliance is given to any new tenant of premises to which the record relates before that tenant occupies those premises save that, in respect of a tenant whose right to occupy those premises is for a period not exceeding 28 days, a copy of the record may instead be prominently displayed within those premises.

(6) A landlord who fails to comply with this section commits an offence and is liable on summary conviction to a fine not exceeding level 4 on the standard scale.”

The new clause would introduce a requirement for landlords to undertake electrical safety checks.

New clause 54—Description of HMOs—

'(1) The Licensing of Houses in Multiple Occupation (Prescribed Descriptions) England Order 2006 is amended as follows.

(2) Clause 3, subsection (2), leave out paragraph (a).

(3) Clause 3, leave out subsection (3).’

The new clause would remove the three storeys condition from the conditions HMOs must satisfy in order to be of a description prescribed by article 3(1) of the Housing Act 2004.

Amendment 154, in clause 91, page 38, leave out lines 6 and 7.

This amendment would retain sections 225 and 226 of the Housing Act 2004 regarding accommodation needs of gypsies and travellers.

Amendment 99, in clause 92, page 38, line 24, at end insert—

“(c) has a current entry on the Database of Rogue Landlords and Letting Agents as set out in Part 2 of the Housing and Planning Act 2015”.

The amendment would deny those with an entry on the Database of Rogue Landlords and Letting Agents from being granted a licence for a HMO.

Amendment 67, in clause 93, page 39, line 25, leave out “as an alternative” and insert “in addition”.

The amendment would allow for a financial penalty as an addition rather than as an alternative to prosecution.
Government amendments 27 to 30.

New clause 47—Duty of Care—

‘(1) The Secretary of State shall by 31 December 2016 introduce via regulation a statutory Duty of Care to be placed upon acquiring authorities.

(2) The Duty of Care established under subsection (1) must include, but need not be confined to specifications regarding the treatment by acquiring authorities towards those losing land or property to compulsory purchase.”

This new clause would place a Duty of Care upon acquiring authorities to ensure that those losing land or property to compulsory purchase are treated fairly, as well as introducing a clear set of guidelines by which authorities would have to adhere to and could be judged against.

Amendment 79, in clause 141, page 70, line 44, at end insert—

‘(6) If an acquiring authority fails to make an advance payment of compensation and the landowner has fulfilled all of the requirements to facilitate a payment, the acquiring authority will not be able to take possession of the relevant land without the written permission of the landowner or until an advance payment has been made.”

This amendment would require compensation to be paid in advance of entry to allow for the purchase of replacement land or another business asset. The failure to provide compensation in advance would prohibit the acquiring authority to take possession of the land in question without the written permission of the landowner.

Amendment 76, in clause 142, page 71, line 15, at end insert—

‘(1A) The rate of interest on compensation due to be paid in advance of entry, but paid late, shall be set at 8% above the Bank of England base rate.

(1B) Interest on compensation that is paid after entry, but was not due in advance of entry, shall be paid at 4% above the Bank of England base rate.”

This amendment would set the interest rate on compensation that was due before entry, but not paid on time, at 8% above the base rate, in line with the interest rate on late commercial payments. Any compensation which is paid after entry but was not quantifiable at the time of entry would attract an interest rate of 4% above the base rate, in line with commercial lending rates.

Amendment 77, page 71, leave out lines 24 to 32.

This amendment is consequential to amendment 76.

Mr Jones: First, I shall respond to the point raised by the Chairman of the Select Committee. I know he has discussed it with the Minister for Housing and Planning previously, and the Minister has just told me that he will undertake to write to him to clear up the confusion.

Mr Betts rose—

Mr Jones: I will give way later in my comments. This is the final group before we send this Bill to the other place. A small number of landlords and property agents do not manage their lettings or properties properly, sometimes exploiting their tenants and the public purse through renting out overcrowded accommodation. New clause 62 deals with the contravention of an overcrowding notice under section 139 of the Housing Act 2004. The maximum fine currently allowed is set at level four, which is £2,500. The amendment, which affects premises in England only, would remove the restriction on the fine that may be imposed. The landlords and property agents who let overcrowded properties will therefore face the same penalties as those who let out substandard and unsafe properties.

Amendments 27 to 30 revise schedule 6 to the Bill to increase the maximum amount of civil penalty that can be imposed as an alternative to prosecution for the following offences: failure to comply with an improvement notice; failure to obtain a licence for a licensable house of multiple occupation or to comply with HMO licence conditions; and failure to obtain a licence for a property subject to selective licensing, or to comply with licensed conditions. The maximum penalty for those offences will now stand at £30,000. The amendments also increase the civil penalty to £30,000 for contravening an overcrowding notice. Once again, that is in line with the civil penalties for other housing offences under the Housing Act 2004.

In addition, the offence of failing to comply with management regulations in respect of a house in multiple occupation has also been added to the list of offences that can attract civil penalties as well as an alternative to prosecution.

We have listened to the debate that has taken place as the Bill has progressed through the House. In Committee, Members expressed concern that £5,000 was not much of a disincentive for a rogue landlord to continue to operate as they could easily recoup that sum in a relatively short period of time through unlawfully continuing to rent out properties, and we absolutely agree with that. A potential fine of up to £30,000 will significantly negate any economic advantage a rogue landlord might seek to achieve through breaching a banning order. The amendments tabled during this part of our debate will help to create a fairer housing market and to see unscrupulous landlords driven from the sector.

Teresa Pearce (Erith and Thamesmead) (Lab): I rise to speak to new clauses 52 to 54 and amendments 154, 99 and 67.

New clause 52 follows on from the private Member’s Bill of my hon. Friend the Member for Westminster North (Ms Buck), which sought a similar aim, and from the discussions in Committee. It seeks to put into legislation a duty on all private sector landlords to ensure that, when they let their properties, they are fit for human habitation.

The majority of landlords let property that is, and remains, in a decent standard. Many go out of their way to ensure that even the slightest safety hazard is sorted out quickly and efficiently, which makes it even more distressing when we see reports of homes that are unfit for human habitation being let at often obscene prices. A quarter of a million properties in the private rented sector are estimated to have a category 1 hazard. According to a major report by Shelter, following a YouGov survey, 61% of tenants were found to have experienced mould, damp, leaking roofs or windows, electrical hazards, animal infestations or a gas leak in the previous 12 months.

Jake Berry (Rossendale and Darwen) (Con): I am sure that the hon. Lady will reflect the frustrations of colleagues across the House when it comes to dealing with category 1 hazards. The fact is that local authorities already have significant powers to tackle such problems. Before we give these new powers to local authorities, will she tell us what more can be done to encourage authorities to exercise the powers that they already have to tackle problems in properties?
Teresa Pearce: That matter was raised earlier. At the moment, the private rented sector is massively increasing, yet resources are not. I agree that many local councils have the powers, but they have depleted members of staff able to inspect properties. We need to show that we take this matter very seriously. Councils should ensure that they have properly staffed departments. I know that they will then come back and say that they do not have the funds, and that is another issue. The fact that there are not the funds does not mean that we should not make tackling the matter an aim of this House.

For more than 100 years, Parliament has legislated for standards in the private rented sector. The Housing of the Working Classes Act 1885 and the Landlord and Tenant Act 1985 both placed on landlords regulations to ensure safety in their properties. Indeed, the 1985 Act placed a statutory duty on landlords, covering issues such as damp, mould and infestation, yet those duties applied only to those fulfilling a particular limited rent criterion that is now well outdated. Last updated in 1957, those duties now apply only to properties where the annual rent is less than £80. This new clause seeks to remove those limits, which will allow the previous legislation to fulfil its purpose and to place a duty on landlords to provide a safe and secure environment.

I am sure that all Members will have received casework from constituents living in poor conditions. Indeed, in my own constituency, it is one of the biggest issues. The office phones ring off the hook with calls about mould and its impact on health and the inaction of some landlords in rectifying the situation. Where else in modern day life could someone get away with such behaviour? It is a consumer issue. If I purchased a mobile phone or a computer that did not work, did not do what it said it would, or was unsafe, I would take it back and get a refund. If I purchased food from a shop that was unsafe to eat not only would I get a refund but there is a high possibility of the shopkeeper being prosecuted. If I rent the only available property for me from a landlord and it is unsafe to live in, I can either put up or shut up. In a market where demand outstrips supply, renters lack basic consumer power to bargain for better conditions.

Shelter notes that one in eight renters have not asked for repairs to be carried out, or challenged a rent increase in the past year because they fear eviction. By introducing a new minimum that all properties must meet, we can drive up standards across the private rented sector. Indeed, the 1985 Act placed a statutory duty on landlords, covering issues such as damp, mould and infestation, yet those duties applied only to those fulfilling a particular limited rent criterion that is now well outdated. Last updated in 1957, those duties now apply only to properties where the annual rent is less than £80. This new clause seeks to remove those limits, which will allow the previous legislation to fulfil its purpose and to place a duty on landlords to provide a safe and secure environment.

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Shelter notes that one in eight renters have not asked for repairs to be carried out, or challenged a rent increase in the past year because they fear eviction. By introducing a new minimum that all properties must meet, we can drive up standards across the private rented sector. As there is no current legislation in place to force landlords to ensure that their property is safe to live in, a third of private rented homes fail to meet the Government’s decent homes standard. Failure to legislate in this area will see the quality of accommodation in the ever-growing private rented sector fall drastically behind other tenure types.

Many Members in this place will have horror stories of poor living conditions from their own casework. Just this week a family wrote to me about thick mould covering their walls, a broken heating system, a leaking toilet and a sewage problem, and about the impact those problems had on their health. Their five-year-old son has had a cough his entire life, and he has just finished a course of steroids and yet another course of antibiotics, and their daughter suffers from constant migraines, but the landlord refuses to do anything about the problems. The environmental teams often lack resources to carry out proactive inspections and enforcement work. Although it is true that the majority of properties are safe and fit to live in, it is unacceptable that, in 2016, we still have people—our neighbours and our constituents—up and down the country living in properties unfit for human habitation. This clause would change the lives of many tenants and provide a more robust, secure and safe private rented sector, which surely we all desire.

New clause 53 is about safety and would introduce a requirement for landlords to undertake electrical safety checks. Many organisations from across the sector support the measure, such as the Local Government Association, the London fire brigade, Shelter, the Association of Residential Letting Agents, British Gas, Crisis and the Fire Officers Association. They have all given their support in the past to measures that will see the introduction of mandatory electrical safety checks.

It is estimated that electricity causes more than 20,000 house fires each year, leading to about 350 serious injuries and 70 deaths across the UK. Carbon monoxide, gas leaks and other fires and explosions cause fewer deaths and injuries, with 300 injuries and 18 deaths—these risks remain serious and it is right that we should continue to monitor them, but that shows what is at stake as regards electrical fires in the home.

Although landlords have a duty to keep electrical installations in proper working order and to ensure that any electrical appliances they supply are safe, poorly maintained installations in the sector remain and there is no explicit requirement for landlords to prove to a tenant that a property is electrically safe. Houses in multiple occupation are inspected every five years, so if someone is in an HMO or a bed and breakfast they are safer than if they are in the more general private rented sector.

In an HMO where a landlord lets to six unrelated people, an inspection is needed, yet there will be houses let to six people, who might not be related to each other, but that are not HMOs, and there is no legislation for them. Many good landlords run electrical safety checks and ensure that all appliances are tested at the beginning and end of a tenancy, but there is growing consensus across the UK that introducing mandatory electrical safety checks is a worthy cause. We have seen movement on this issue in Scotland, where the Scottish Government have introduced provisions. In Northern Ireland, a review is being run of the private rented sector in which mandatory fire safety checks are one of the issues, and in Wales we have growing cross-party support for them.

Electrical Safety First ran a survey of MPs in England back in September, and there was overwhelming support for such a provision. In Committee, the Minister intimated that he felt warmly towards the suggestion so I would be grateful if at some point he let us know how far those conversations have gone and whether there will be some movement in future.

3.30 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): My hon. Friend is making a very strong case for the Government to take electrical safety checks more seriously. May I suggest, given the pressure on housing and the increasing number of buy-to-lets, HMOs and Airbnbs, and the different ways in which people are renting property, that this is an issue that will not go away? In fact, it could get worse. As my hon. Friend says, most
decent landlords are already carrying out these checks and this is very much about encouraging those who do not to follow good practice.

Teresa Pearce: I thank my hon. Friend for that intervention, and that is exactly right. Across the private rented sector, many good landlords do all the things we would wish of them. It is for the minority that we need to legislate. As I mentioned, the Minister said in Committee that the Government were considering this and I know that there have been conversations with the sector, so I would be pleased to hear how far they have gone and whether something will be introduced in future.

New clause 54 would remove the three-storey condition for HMOs. That would require mandatory HMO licences for all buildings that meet all the other requirements of an HMO but are not three storeys high. HMOs come in a variety of forms and the current definition does not fit the actuality on the ground.

I know that the Government are consulting on extending mandatory licensing of HMOs and I shall be interested to hear where the Minister thinks that consultation might go. HMOs make up one of the main forms of private sector housing for students, young professionals and single people on low incomes and the three-storey threshold means that many actual HMOs do not require a licence. Indeed, down my road there is a bungalow—it clearly does not have three storeys—that has over the previous year had as many as 10 unrelated people living in it. Clearly, it would be classed as an HMO in any other regard apart from the fact that it is not three storeys high.

Private rented housing is an important part of the housing sector and with the reduction of housing benefit for the under-35s allowing only shared occupancy, more and more properties are in effect HMOs apart from the fact that they do not meet the three-storey provision. The new clause and wider Government consultation provide an opportunity to evaluate the purpose of HMO licensing simply to provide for a more robust, secure and safe private rented sector through the licensing of houses in multiple occupancy that operate with shared facilities.

Amendment 154 would lead to the retention of sections 225 and 226 of the Housing Act 2004, under which every local authority must, when carrying out a review under section 8 of the Housing Act 1985, carry out an assessment of the accommodation needs of Gypsies and Travellers who reside in the area, and provide for the Secretary of State to issue guidance on how local housing authorities can meet those needs. Clearly there has been and continues to be a need to recognise the differing housing needs of Gypsies and Travellers. Anyone with an understanding of the community will appreciate that they have different housing needs and the Government’s impact assessment for the Bill recognises a perception of differential treatment of Gypsies and Travellers. In Committee there was a great deal of written and oral evidence of the devastating impact that the withdrawal of sections 225 and 226 could have on Gypsy and Traveller communities. This amendment would retain those sections.

The Joseph Rowntree Foundation noted that the former Commission for Racial Equality concluded in 2006 that Gypsies and Irish Travellers were the most excluded groups in Britain. Concern was expressed that the existing provisions weakened the understanding of those groups’ specific accommodation needs. As the Department for Communities and Local Government’s “Gypsy and Traveller accommodation needs assessments: guidance” of 2007 states:

“In the past, the accommodation needs of Gypsies and Travellers . . . have not routinely formed part of the process by which local authorities assess people’s housing needs. The consequences of this have been that the current and projected accommodation needs of Gypsies and Travellers have often not been well understood.”

If the requirement specifically to assess their accommodation needs is removed, there will be an even higher rate of homelessness, even fewer sites to meet their assessed need will be delivered, and even less land will be allocated in local plans to meet their need.

As a result of the shortage of authorised sites, Gypsies and Travellers will have no alternative but to camp in an unauthorised manner, which impacts not only on their community but on the settled communities around them. Without authorised sites they will have difficulty accessing running water, toilets, refuse collection, schools and employment opportunities. Local authorities already spend millions of pounds each year on unauthorised encampments in legal costs, evictions, blocking off land from encampments and clear-up costs, so this is a lose-lose situation. Where Gypsies and Travellers’ needs are not assessed or met, local communities are impacted upon as a consequence. The Community Law Partnership is concerned that as a result of the clause Gypsy and Traveller accommodation needs will be buried within general housing need. CLP highlights the fact that this community consists of traditionally hard to reach groups, and calls for focused guidance for local authorities to assess their needs.

Gypsies and Travellers already experience some of the poorest social outcomes of any group in our society, and accommodation is a key determinant of those wider inequalities. We have seen written evidence from the Showmen’s Guild of Great Britain, the main representative body for travelling show people, which shared extreme concern about these clauses and the impact on its work. I would be grateful if the Minister outlined the impact on travelling show people and provided reassurance to the guild and show people that the clauses will not affect them.

The policy in this area is different across the nations. The Welsh Government are taking a different approach, introducing a statutory duty on local authorities to facilitate site provision. Why does the Minister think Gypsies and Travellers should face such a postcode lottery? We believe the amendment is necessary to continue support for Traveller and Gypsy communities, which are some of the most excluded groups in Britain.

There are legal concerns, too. The public sector equality duty recognises Romany Gypsies and Irish Travellers as ethnic minorities, and the European Court of Human Rights has held that the UK has an obligation to facilitate the traditional way of life of Gypsies and Travellers. Will the Minister clarify whether the removal of the clause would go against that?

Our amendment would retain sections 225 and 226 of the Housing Act 2004, which would ensure that the housing needs of Gypsies and Travellers were assessed by local authorities. This would make sure that safe sites could continue to be identified and would avoid
the lose-lose situation set out in the Bill, where an under-represented group faces the prospect of its housing needs being swallowed up within the general housing need. As the clause stands, it would lead to many unintended consequences—a shortage of authorised sites for Gypsies and Travellers, a rise in unauthorised sites, worse safety standards, and greater pressure on local authorities and on local communities. I hope the Government will consider the amendment.

Amendment 99 to clause 92 would ensure that those with an entry on the database of rogue landlords and letting agents would not be granted a licence to run an HMO. Although those subject to a banning order would not be able to receive an HMO licence as they would be in breach of the banning order, there may be others on the rogue landlord and letting agents database who could still apply and receive an HMO licence. As the House is aware, a local housing authority may include other persons on the database, rather than applying for a banning order in a case where a person’s offences are slightly less serious and the local authority considers that monitoring the person is more appropriate than seeking a banning order. This amendment seeks assurance that those people would not be considered for an HMO licence. It would have the added bonus of ensuring that the local housing authority checked with the rogue landlords and letting agents database to ensure that the application was allowed and that nobody subject to a banning order could slip through. If in future the database of rogue landlords and letting agents were expanded, that would provide further protection for tenants against such landlords.

As was mentioned in earlier debates, including in Committee, we support measures to tackle rogue landlords to ensure security and safety for tenants in the sector and to penalise criminal landlords. However, we would like this further measure to be added, to ensure that in no circumstances can rogue landlords be granted an HMO licence. The amendment would help drive up standards across the sector and protect tenants in HMOs from rogue landlords.

Amendment 67 relates to clause 93, which would change the Housing Act 2004 “to allow financial penalties to be imposed as an alternative to prosecution for certain offences.” Our amendment would ensure that financial penalties could be sought “in addition” to prosecution rather than as an alternative. Although we support the measures that tackle rogue landlords, we believe that the Bill could go further to penalise criminal landlords, to make it harder for them to get away with housing-related offences and deter them from committing the crimes and from returning to the sector, as well as providing an adequate punishment for their offence.

At present, the Bill would allow for a financial penalty to be sought instead of a criminal prosecution in cases ranging from failure to comply with improvement notices to letting an unlicensed HMO, among other offences. Clearly there will be cases in which a financial penalty is more appropriate, just as a prosecution route will be in others. However, there may well be further situations where both routes would be appropriate. Our amendment would allow that to happen.

The amendment would also help in situations where the impact of the offence was unclear. A local authority may deem a financial penalty appropriate, but for repeat offenders, or if the impact of the original offence escalates, it may also wish to use an additional prosecution route. Making provision for both routes will allow greater flexibility: local authorities could choose to fine, prosecute or do both. The amendment would increase the options available to local authorities. In that way, we hope to ensure further security and safety for tenants in the sector and to help drive up standards.

If the Government do not agree to it, we will divide the House on new clause 52. Amendments 79, 76 and 77, tabled by the hon. Member for Bromley and Chislehurst (Robert Neill), among others, seek to test the House’s will on the compulsory purchase order provisions. We believe that those amendments would water down those provisions, so the Opposition will oppose them in a vote.

Mrs Main: I rise to speak in favour of new clause 42. It is a contradictory situation, but in very high-value areas such as St Albans people often want to live in mobile home parks because that is the most affordable route to securing their own home. There are many mobile home sites in my constituency, as well as some of the highest house prices and lowest affordability in the country.

I was pleased when the coalition Government sought to tackle some of the abuses of rogue site owners, but the issue of people being able to sell their own mobile home freely without being shackled with enormous costs really needs tackling. New clause 42 probes that issue and I would be interested to hear the Minister’s views.

Residents at Newlands Park, a mobile home park in my constituency, have told me that when a home becomes available it is often so difficult to sell that the site owner ends up buying it. Gradually, more and more park homes are becoming the property of the site owner, who then rents them out for very high rents. On many sites in the United Kingdom not only is the cost of selling mobile homes hugely disproportionate to the value of the units, but restrictions are placed on those selling them. For example, in Newlands Park there is an insistence that the site owner should vet the potential new buyer of the mobile home. There are also restrictions on how and when advertisements for selling the mobile home can be displayed, and on the associated wording. As a result, mobile home or park home sites that are poorly run, or run by landlords imposing onerous demands, can start to become controlled by the site owner. This Bill—or, if not this one, perhaps another relating to the Mobile Homes Act 2013—could provide a tool to try to restrict the control that unscrupulous owners may choose to try to exercise over those who wish to divest themselves of a park home site.

3.45 pm

Park home sites are often owned by elderly, divorced or single people, or people on very low incomes, who are not always very savvy or able to defend themselves legally should they find themselves put in a difficult position. Putting new clause 42 into law would show the willingness of the Government to support these owners. It might also be a shot across the bows of the unscrupulous site owners who seek to make life so difficult and expensive for park home owners who are selling homes, often as a result of an elderly person having died. In the end, they give up and sell it to the site owner, and he or
that this time they will take it a step further and strengthen Government, in coalition, acted last time, and I hope this time that they had a much stronger champion. This most disadvantaged, grey areas within housing, and it is future, because park home owners have been one of the know that it is coming down the road at some point in sites. If it is not going to happen now, I would like to are going to be given to people who live on park home tenants' rights, 50% of the properties are social-rented, so that is also a big issue locally.

I am pleased that the Government have recognised the scale of the leasehold reform issue. The hon. Member for Worthing West (Sir Peter Bottomley) has led on the issue, having campaigned on leasehold reform for many years. I am pleased to support him, backed up by the Leasehold Knowledge Partnership, which is organised by Martin Boyd and Sebastian O'Kelly. The hon. Gentleman and I have arranged a number of open forums here at Westminster for parties interested in leasehold reform. They have been attended by professional bodies, individual leaseholders and others who have raised these matters with the civil service and with Government. I am grateful to the Minister for affording us a number of opportunities to meet him and civil servants at DCLG to explore these issues and try to identify a way forward.

One of the major successes that we have had in the past 12 months is that although the Government initially estimated that there were between 2 million and 2.25 million leaseholders, it has now been recognised that there are now at least 4.5 million. That demonstrates that this is a bigger problem than perhaps the Government thought it was before. Of course, that does not take into account the nearly 2 million leaseholders of former council properties who exercised right to buy or who subsequently bought those properties, so we are talking about nearly 6 million households, which means that a significant number of our citizens are affected by leasehold regulation.

The issue affects my constituents, among whom are not only very wealthy professionals who live in smart and very expensive properties in Canary Wharf, but a number of pensioners in the east end who exercised right to buy and who own former council properties. They clearly do not have access to the resources, assets or finances available to some of my constituents. The issue also affects retirement homes. Leaseholders are represented in every strata of society, from the poorest right the way to the richest, so nobody is excluded from being exposed to the vulnerability of living in a leasehold property.

I use the word “vulnerable” because the lack of protection and the informal dispute resolution procedure, which is abused by unscrupulous freeholders who employ high-powered barristers, affects ordinary leaseholders, whether they be professionals, rich or poor. I see that Conservative Members are smiling because they are either vulnerable leaseholders or freeholders. I will not say that they are unscrupulous, because that certainly does not apply to the hon. Member for Bromley and Chislehurst (Robert Neill), who I know, as a fellow West Ham United supporter; would never be unscrupulous when it comes to his properties. There are major anomalies and weaknesses in leasehold regulation, including the amount paid in service charges, as well as insurance, ground rent and forfeiture charges, all of which mean that leaseholders are vulnerable to unscrupulous freeholders. Sadly, there are too many such freeholders, even though they are in the minority.

It is appropriate to recognise that the sector has been attempting to improve its performance and raise its game with a new voluntary code. Significant progress has been made, but leasehold reform should be on the Government’s radar, especially given that leasehold has been increasingly used over many years. Six major statutes, a number of statutory instruments and dozens of sections of other Acts of Parliament have dealt with the issue. Previous Conservative Administrations—notably in 1985, 1987 and 1993—and Labour’s Commonhold and Leasehold Reform Act 2002 all tried to address that which is recognised collectively as an area that needs attention, but we have signal failed to protect leaseholders. I would be interested to hear the Minister’s response.

New clause 3 proposes to abolish leasehold by 2020. I hope—I am sure that other colleagues do, too—that it will galvanise the Government into asking why nothing has happened in respect of commonhold. I understand that the Government have been having key discussions on moving responsibility for commonhold legislation, which still falls under the Ministry of Justice, to the Department for Communities and Local Government and the housing department. It would make sense to place such responsibility for housing in that Department. At the end of the previous Administration, with the general election approaching, all three main political parties supported moving that responsibility to DCLG, but there has been no movement. I would be grateful to hear the Minister’s response.

New clause 4 is far less complex, but I am disappointed that there has been no movement on the issue, because it is very much one of localism and community empowerment. One of the few existing protections for leaseholders—it is, however, very difficult to implement—is the right to sack property management companies responsible for the upkeep of residents’ homes. There is provision within legislation for ballots to take place, and a simple majority allows residents to look for a new property management company to manage their properties. However, as I have said, it can very seldom be used.

In recent decades, many thousands of tenants in my constituency have voted in stock transfer ballots to move responsibility for their homes from the council to
housing associations. That was one of the mechanisms that the Labour Government between 1997 and 2010 used to deal with the 2 million homes we inherited that were perceived as being below the decency threshold. That led to upgrades of nearly 1.5 million of those properties by 2010, including new kitchens and bathrooms, double glazing, new security and all the rest of it.

Most such schemes were successful. However, in a small minority of transfers, the offer provided by the housing associations when seeking the support of local tenants was not delivered. There is no provision for those tenants to express their disappointment and to sack their registered social landlord. This is a basic element of consumer protection. For any product that one buys on the open market, there are protections in consumer law—the ability to return the product, and to seek a refund, redress or compensation—but for a home, and a council tenant who has voted to move to a new registered social landlord, there is nowhere else to go once they have been transferred. A leaseholder at least has such a provision, even though it is rarely used.

With my new clause 4, I am trying to introduce an provision—with, I suggest, a five-yearly review—to give council tenants an opportunity to say to the housing association or their registered social landlord that is supposed to deliver the services for which tenants are paying. “You are not doing a good enough job. If you don’t up your game, we will have a ballot in five years’ time. We can then sack you and move to a new housing association, go back to the council or set up a tenant management organisation.” That would basically give tenants the right to hold their housing association to account.

The current protections are to complain to the Housing Ombudsman Service, the Homes and Communities Agency or the regulator. It is very difficult to go to such lengths, however, and the regulator is very reluctant to transfer ownership and responsibility from one housing association to another. New clause 4 suggests that tenants should have the right, when the registered social landlord or housing association is not delivering, to say, “You’re not doing a good enough job. We want somebody else to manage our property.”

On new clauses 3 and 4, one of which is very complex and the other relatively straightforward, I am very disappointed that the Government have not seen it to be in their interest to introduce such provisions. I am sure that there will be some interest in them when the Bill makes progress in the other place. I will be very interested to hear the Minister’s response to the points I have made in supporting my new clauses.

Robert Neill (Bromley and Chislehurst) (Con): It is always a particular pleasure to follow the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). As a fellow officer of the all-party group for the advancement of West Ham United—happily, they are doing rather well at the moment—it is always a pleasure to speak after him and to recognise his very real commitment and expertise in housing, particularly in the area of leasehold.

I ought to refer to my entries in the Register of Members’ Financial Interests. One of them includes being a leaseholder in the hon. Gentleman’s constituency. My experience of stock transfer has been rather more positive, but his serious and important points need to be addressed. For any London MP, dealing with leaseholders is particularly important, because leasehold is such a critical part of the capital’s housing stock.

I was reminded of some of the remarks made to me in the past by my good friend, who has now left the House, Jacqui Lait, the former Member for Parliament for Beckenham. Many hon. Members will recall that she was a very doughty and active advocate of leasehold reform and of improvement in that area of the law. It is time that we paid tribute to her for her work.

I will turn to new clause 47 and amendments 79, 76 and 77 on compulsory purchase, which stand in my name. My smile at the hon. Member for Poplar and Limehouse related not so much to being a leaseholder, but to his reference to high-powered barristers. It never quite seemed like that in the Bow county court—that is all I can say.

4 pm

Compulsory purchase is a complex but important area of law and one where Ministers are engaged in the need for reform. The simple truth is that our compulsory purchase law has evolved piecemeal since about 1840, when the initial legislation and case law started. It has grown up incrementally, it is not coherent and lags well behind the rest of the planning system in terms of being updated. The Law Commission has recognised that and continues to work on it. I hope that we will revisit this matter in the course of this Parliament. Frankly, we need to get a grip of compulsory purchase law and have wholesale reform. That is not possible in the context of this Bill, but I welcome the improvements that it does make on compulsory purchase and land compensation, which are good steps forward. I will suggest some other steps forward.

I am sorry that the hon. Member for Erith and Thamesmead (Teresa Pearce) thinks that these are negative proposals. I do not see them that way and will try to persuade her of that, although I suspect I will not succeed, given that she comes from Charlton territory. For all that, let me at least try.

I will set out the essence of what I am trying to do. There are three aspects of the new clause and amendments. First, they are about fairness of treatment to landowners whose land is acquired compulsorily. People assume that this somehow relates to landed estates and the aristocracy, but that is not the case at all. Many people whose land is acquired compulsorily are small businesses or smallholders in one way or another. They are small people who sometimes struggle to finance the running of their businesses. It can happen in an urban area. We can think of compulsory purchase orders that have been made in relation to infrastructure projects in London and elsewhere. Fair treatment for the landowner is as important as fair treatment for the public or other authority that acquires the land.

Secondly, we must ensure that there is prompt payment. I think all of us would agree that, whatever the circumstances, the payment of compensation should be done swiftly and at a fair rate of interest. The rate of interest is the third aspect of my amendments. We are still deficient in this. The Government have made an important step forward in the Bill in increasing the rate of interest. I welcome that, as do bodies such as the...
Country Land and Business Association, which represents landowners and businesses in rural areas, but I am pressing Ministers to go further.

Let me explain why these changes are needed. First, there is the question of a duty of care. Duties of care are often written into statute in relation to a number of issues. The acquisition of land can bring fundamental change to the future of a business in an area and to families. Frequently, we are talking about family businesses that may be acquired or have part of their land acquired compulsorily. There is nothing wrong with compulsory acquisition. It is sometimes necessary for the greater good, but the fair treatment of those people is important.

New clause 47 would place a duty of care on acquiring authorities to ensure that those who lose land or property through compulsory purchase are treated fairly. It would also introduce a clear set of guidelines by which the authority would have to adhere and against which it could be judged objectively. The Minister might say that we do not need primary legislation for that. We can talk about that in due course, but the issue needs to be flagged up because there is concern among many practitioners.

I am grateful for the support not only of Mr McKee in the Table Office, who was rightly referred to earlier, but of people in the Compulsory Purchase Association—practitioners in the legal field—who highlighted the concern about consistency and suggested the possible means of having a transparent mechanism for determining a fair rate of compensation. At the moment, there is a bit of a horse-trading process. A proper set of guidelines on conduct would give people a benchmark against which to judge whether the acquiring authority was behaving in a fair and reasonable fashion.

The state gives considerable power to acquiring authorities in compulsory purchase. I do not object to that, but the corollary is that it should be exercised in a sensible, professional and genuinely fair fashion. Most of the time it is, but there are occasions when it is not, and that is what we are seeking to address. If that measure might be achieved through means other than primary legislation, I hope that we can take that forward in the constructive way that the Housing and Planning Minister spoke about when discussing the other compulsory purchase amendment that I tabled on Report. I hope the Minister will concede that we need to address this issue.

Amendments 76, 77 and 79 are tabled in my name, but it is not right to characterise them as weakening the power of compulsory purchase. Compulsory purchase requires fairness for both sides, and we are seeking first to ensure prompt payment, and secondly to ensure that payment comes at a fair rate of interest for what has been taken. Amendment 79 deals with advance payment. Often, if land is compulsorily acquired, whether that land is a farm or a rural business—the principle is the same—people find it difficult to secure funding to take their business forward. If part of their holding is severed and part of the business is, in effect, taken away, that may interrupt and disturb their existing financial arrangements with their bank. They may have to go back to the bank because they have mortgaged or borrowed against X number of acres, and suddenly that figure is reduced and the bank will inevitably want to reconsider its arrangements. In order to give comfort to the bank, it is important that people receive prompt compensation and at a fair rate for what has been taken. That is what we are seeking to address.

At the moment, even though it is possible to sort out the acquisition and compensation sum, there are frequently long delays after the authority has taken possession of the land. Once the acquiring authority has taken possession of land under compulsory purchase, it is no longer available for use as part of the business. The land has gone from the landowner, but they might not receive compensation for many months and they will have to make bridging arrangements with their banks in the interim.

Jake Berry: Before coming to Parliament I was involved in a case in which the bank required an immediate repayment of a loan facility because of the reduction in its security, and the business had to close because it did not have immediate access to funds. My hon. Friend’s reasonable amendment suggests that payment should be made promptly to ensure that in such a situation there is a possibility of the business continuing. I would have thought that would be welcome.

Robert Neill: I am grateful to my hon. Friend. I know he has professional experience and expertise in this matter. Of all the amendments and new clauses in my name, I urge the Minister most strongly to pay urgent attention to this provision. As my hon. Friend said, this issue is the one thing that puts people out of business, and that cannot be in anybody’s interest, and I urge the Minister to look swiftly and urgently at the matter. Perhaps it does not require primary legislation, but it needs to be addressed. My hon. Friend is right—established firms have folded from time to time when the bank required a redemption, and people may need to increase their exposure and put up the family home, for example, to provide that security, which cannot be just under such circumstances. My hon. Friend effectively encapsulates the point of the amendment.

Finally, failing to pay advance compensation runs contrary to virtually all other commercial transactions, and it is an outlier that often puts people who have been compulsorily required to sell in a disadvantageous position compared with public bodies. It makes it really difficult for any landowner or businessperson to run their business efficiently against that backdrop, as they do not have the financial security they would otherwise have. That is the purpose of the amendment and I hope it will be looked on favourably by the Government. I am not fussed about the route. Achieving outcome and fairness is the most important thing. Amendment 77 is consequential to that amendment; they hang together.

On amendment 76, it is important not only to have prompt payment but a realistic level of compensation. That can be assessed through the current system, but there is the question of interest on late payment. The coalition Government and the current Government have rightly emphasised the importance of prompt payment to businesses, and the Department for Business, Innovation and Skills set up codes to encourage prompt payment. The importance of prompt payment weighs particularly heavily on small and medium-sized enterprises, because they are more exposed than most to the need for external bank financing. They are not likely to be able to draw down on capital.
I recognise and welcome the Government’s increase—to 4% as I recall—in the rate paid. That is an important and valuable step forward, but, for exactly the same reasons that have already been referred to, I urge them to go further. When a compulsory purchase goes through, very often landholders find it difficult to secure the funding to move forward. In particular, it is important to have a realistic rate of interest. Even with the current proposed changes, the rate will lag behind what is effectively the market rate.

The nature of compulsory purchase means that the majority of compensation due is meant to be paid before entry. When it is, all well and good. When it is not, there ought to be some compensation for those held up by late payment. By and large, the Government have now proposed introducing an interest rate of 2% above the base rate on late payments. That is a step forward, but still well below the commercial rate.

On compensation due before entry but not paid on time, the amendments seek an interest rate of 8% above the base rate. That is in line with the rate of interest charged on the late payment of commercial transactions. The truth is that that would be no burden on acquiring authorities. All they have to do is pay on time. If they pay on time, they will not attract the punitive rate of interest. It is a spur to good behaviour by acquiring authorities. An 8% rate would be closer to the market rate than the 4% rate currently available.

We suggest that any compensation on a quantifiable amount should be at 8%, which would put it in line with interest charged on a finding by a court or tribunal. Other payments, which are not always quantifiable immediately but become apparent, should attract an interest rate of 4% above the base rate. That would be in line with commercial lending rates. We are therefore simply saying to acquiring authorities, “Behave like any other commercial body would.” I say to those on the Opposition Front Bench that that would not undermine the compulsory purchase regime, but ensure fairness and efficiency from an acquiring authority. Those that are efficient would have nothing to fear: if they just pay up promptly they will not have to pay the rate. If they do not, why should a landowner who has been compulsorily acquired against be in a worse position than if the land had been acquired as a result of a commercial negotiation or a judgment of a court not under the compulsory purchase regime?

That is the point of the amendments. They may sound technical, but they are actually quite important to a lot of rural businesses. I can say that there is little constituency interest for me—I think we have one farm in Bromley and Chislehurst—but this is an important issue for many businesses in rural areas.

Catherine West (Hornsey and Wood Green) (Lab): It is a delight to follow my colleague from the all-party group on London, the hon. Member for Bromley and Chislehurst (Robert Neill), given his expertise on housing and planning. I want to talk about conditions in the private rented sector, in particular in my constituency. Whereas 20 years ago the Member for Hornsey and Wood Green would have been dealing mainly with local authorities, housing associations and homeowners, many more cases now relate to the private rented sector. For that reason, it is a pleasure to speak today. As we know from our debate on the private Member’s Bill promoted by my hon. Friend the Member for Westminster North (Ms Buck), the condition of many homes in the private rented sector leaves something to be desired. Instead of 10% or 15%, up to 45% of the population of an average London borough are in the private rented sector, which is why we need to be much more ambitious when it comes to the quality of homes.

We know that fewer and fewer people can afford to own their own home and that the level of homeownership is at an all-time low. The Government’s policy is to try and assist people, but, when I last looked, only one household in my constituency, which has 80,000 electors, had been helped by the Government’s Help to Buy incentive scheme, which indicates how difficult it is for people to get on the housing ladder. It is important, therefore, that while people save up, in the hope of one day owning a home, we ensure high-quality private rented homes.

Most landlords are very good and want to look after their tenants and follow best practice, but unfortunately, owing to the high demand for privately rented homes and because people want to live near where they work, standards sometimes drop and people are afraid to raise issues of poor quality with their landlord for fear of being evicted. We have heard stories of people queuing up with baked goods—cakes, biscuits and so on—for landlords and saying, “Please can I be your tenant?”, such is the demand for properties. There is, therefore, no great incentive on landlords to provide high-quality homes. Instead of having to fix the plumbing, they are getting cakes. We are ambitious for our communities, however, and want to ensure the provision of high-quality homes. We need to ring-fence funding for local authorities to ensure quality in the privately rented sector. Local authorities, given their duty to prevent homelessness, should have an eye to this anyway, but they rightly complain of a lack of funding, so we should ring-fence funding for high-quality homes, particularly as up to 40% of families live in the private rented sector.

My particular bugbear is where housing benefit either wholly or partly pays the rent. That is state-sponsored squalor. It is not fair that the state subsidises landlords where conditions are not good. It is one thing for people paying out of their own pockets to think, “Maybe I won’t demand better conditions”, but, where the state subsidises landlords, we must demand much better quality homes.

Jake Berry: Will the hon. Lady join me in hoping that, where a tenant also receives housing benefit, the landlord will offer a longer lease? Up to 45% of people in London boroughs rent in the private sector, but the assured shorthold tenancy is not fit for purpose for families. Will she join me in encouraging the Government to take forward their very good proposal to encourage landlords to offer family-friendly tenancies with longer lease terms, especially where tenants receive housing benefit?
Catherine West: I thank the hon. Gentleman for that excellent point, which is something I have campaigned on for a long time. Now that the private rented sector is the new normal, we need to move towards tenancies of three or four years. People do not have to accept three or four years, but six months as the norm is simply unacceptable, particularly when we know that in places such as Finsbury Park people need an income of £75,000 to rent a three-bedroomed place for the family. Finsbury Park is not Chelsea, but now that such a high income is required, we need to do much more to deal with the problem of short-term leases and lack of security. The length of tenancy is a crucial issue. I am sure we will get another bite at the cherry when it comes to tabling an amendment to deal with that. Unfortunately, such an amendment was not accepted in Committee, but we will continue to campaign for it. The hon. Member for Rossendale and Darwen (Jake Berry) was quite right to mention it.

In the olden days, we used to talk about the decent homes standard, which included things such as kitchens and bathrooms, heating, security, windows and so on. We should have exactly the same thing in mind when we talk about conditions in the private rented sector. We all know about the long-term health impact of living in a cold home. Now and, funnily enough, in many places, our social homes have better conditions—on account of the decent homes standards I mentioned, which were introduced under the Labour Government up to 2010—and many tenants live in quite acceptable accommodation.

Private tenants, however, who are now paying more, are living in colder homes, which we know leads to a greater chance of getting respiratory illnesses. In London, we should not be seeing the increased number of tuberculosis cases that we are seeing. Tuberculosis is aggravated by overcrowded and cold accommodation. Problems such as these are a regular feature of our constituency surgeries, and we should be ambitious about seeing the end of something like tuberculosis.

Another issue is the number of days that children miss at school because of illness, and this applies whether we are talking about primary school, secondary school or further education. Asthma, chronic obstructive pulmonary disorders and other respiratory problems are holding our youngsters back, and we must not forget the healthcare of our older folk.

When we are reflecting on what we want our local authorities to look at, I hope that we can include high-quality heating systems. I would be surprised to find any social sector homes left in the borough of Haringey that did not have a proper heating system. However, I have been into homes in the private rented sector where tenants are still switching on low-quality heating systems.

That brings me to the point made by my hon. Friend the Member for Poplar and Limehouse about the importance of having electricity checks. Every local authority knows about CORGI—Council for Registered Gas Installers—and it seems to me basic common sense that we need something similar to that for electricity. It will need a new name, but we need something for electricity standards—names on a postcard to the Deputy Speaker if anyone can think of one today. The CORGI standard is the reason we do not have as many accidents caused by problems with gas. People have campaigned on gas standards for the last 20 years and we now have that protection put into rules and regulations through statute. When checks are carried out for gas, we could do the same thing for electrics. It is such a basic point; we must make this part of what we do.

My hon. Friend the Member for Poplar and Limehouse and others mentioned leaseholder issues. With 4.3 million people living in leasehold properties, it has become, like the private rented sector, the new normal. A third of all residents living in social homes in some of our London boroughs are leaseholders, so we need to look further at providing some form of regulation to deal with service charges and ground charges, and to control the interaction between the freeholders and the leaseholders. A number of leaseholders have come to me with specific questions in circumstances where it is plain that the freeholder is not being a good landlord. We need to deal with that, and we need some kind of cap on what can be charged where the freeholder is a private entity and leaseholders are at their mercy when it comes to repairs, unreasonably high bills and general lack of rights. Being a Member of Parliament with just one caseworker in a constituency where there are thousands of unhappy leaseholders is not good. [Laughter.] Everyone is laughing because they know what the situation is like for leaseholders.

There are a number of other steps that need to be taken, and I think that we may need more time to consider them. Some of them are very specific. In the case of both the private rented sector and leaseholders, we are no longer talking about small groups; we are talking about more and more people who cannot afford to buy into the property market and get on to the housing ladder. Notwithstanding all the announcements by politicians wearing hard hats and wonderful fluorescent jackets, we know that supply is a desperate problem which will not be fixed overnight. What we can do is improve the conditions of leaseholders, and, first and foremost, ensure that the private rented sector is at the forefront of our minds.

John Stevenson (Carlisle) (Con): I want to say a few words about new clause 42. I thank my hon. Friend the Member for St Albans (Mrs Main) for her support, and I entirely agree with what she said earlier.

The Minister will be pleased to know that I do not intend to press the new clause to a vote. However, I seek a reassurance from him that the issue will be properly reviewed in 2017—as has been proposed by Ministers previously—and that, if necessary, the Government will seek to amend the law if that is required.

Given that the Bill concerns housing, there have of course been discussions about home ownership, whether freehold or leasehold, and about tenancies, whether in the private or the social housing sector. There are also different types of housing: detached houses, terraced houses and flats. However, we should not forget the mobile park home. A surprising number of people own such accommodation in constituencies all over the country, and certainly in mine. Under the current law, a site owner can charge a commission of up to 10% on the sale price, which I think many people—including politicians and, especially, mobile park home owners—consider to be grossly unfair and, indeed, outdated. I acknowledge that the commission was reduced from 15% to 10%, so there was an acceptance that it was an issue, but that was back in 1983. I think that we live in a very different world now, and that the 10% commission should be reviewed.
Mrs Main: There are other exorbitant charges. For instance, mobile owners buy their fuel through site owners, who can rack up charges all over the place. This is just another opportunity to milk some rather poorer members of the community.

John Stevenson: That is an interesting point. Although I have concentrated on just one aspect of mobile homes, I think that the 2017 review should consider the issue holistically, across the board, rather than focusing on one or two specific issues.

My new clause would reduce the maximum commission to 5%. I accept that there are counter-arguments. Site owners suggest that the commission forms part of their investment calculations or business models, and can make their businesses viable. They also suggest that a reduction in the commission could result in increased pitch fees or service charges. The Select Committee considered the issue during the last Parliament, and concluded that the commission should remain at 10%. I would ask, however, whether it is right for site owners to benefit from an increase in value when they have not actually done anything. I do not believe that it is.

There are a number of possible solutions. We could gradually reduce the percentage—by, say, 1% a year over five years—to allow site owners to adjust their business models. The commission could be charged only on the difference between the original purchase price and the subsequent sale price. Alternatively, there could be a straight reduction from 10% to 5%, as my new clause suggests. I accept that there could be an increase in pitch fees, but arguably that would reflect the true costs of running a site. Site owners cannot guarantee that they will receive income from any sales because they do not know when those sales will occur.

The new clause is intended to achieve three things. It is intended to highlight the issue in the House, and to remind Ministers that there are different forms of home ownership and that this is one of them. Most important of all, however, I seek confirmation from the Minister that the Government will properly and comprehensively review the issue of mobile park homes in 2017, as previously promised.

4.30 pm

Sir Peter Bottomley (Worthing West): May I pick up the words of my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) on the need for fair outcomes, and may I tie that to the excellent speech by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), with whom I co-operate on leasehold issues? His new clause 3 talks about commonhold. The Act on commonhold in 2002, that would have effected the转变 many of us wanted to see at the time?

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Jake Berry: I want to speak briefly to new clause 3 proposed by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). I have some concerns about it and I guess that it was tabled to probe this issue, which is extremely important and on which I think the Government should look to act.

Long leases in the residential sector have been one of the most established forms of tenure in our country for literally hundreds of years. I can remember when I was training as a property lawyer and looked at the leases of the Grosvenor Estate, for which 999 years was the average lease term. I remember thinking, “I’ll be long dead before anyone has to consider this returning to the freeholder.” I draw Members’ attention to my entry in the Register of Members’ Financial Interests: I own some properties on long leaseholds.

It is important to note that although there are problems with long leaseholds and that form of tenure, a lot of them tend to be London-related. In my constituency, leasehold is often a way of protecting areas by stopping inappropriate development, such as the clauses in leases that prevent the development of gardens without the landlord’s or freeholder’s consent. They are an important form of tenure and one that the new clause would abolish by 2020, which probably illustrates its probing nature.

Long leaseholds have advantages, particularly in the area of estate management, where I have personal experience of them. In my professional life, I have set up many estates to be run for the benefit of tenants. They have involved important cost-sharing measures relating
to matters such as estate roads and the maintenance of the outside of buildings. It is important that we preserve such measures in any changes that we make to this historic and important form of tenure. That said, the spirit of the proposal seems to relate to estates with service charges and rent charges, and to ask what more the Government can do to ensure that the interests of tenants are protected. This is an important area and I hope that the Government will explore it in more detail in the months and years to come.

A particular issue with leasehold properties occurs when the management company no longer exists. This is a big issue on housing estates. I can think of one in Irwell Vale in my constituency—unfortunately, it was severely flooded on Boxing day—in which the road attached to the estate has been passed to a freehold company. Despite the tenants and other residents of the estate being more than prepared to contribute to the maintenance of the road, it can no longer be maintained.

The Government should certainly look into the circumstances in which tenants want to take on the management of an estate. There should be specific provisions for when some freeholders have exercised their rights under leasehold enfranchisement legislation and taken away the landlord’s interest but some leaseholders are still involved. This is a complicated area of the law, but these are not issues that can be resolved by the proposals in new clause 3. I will not support the new clause, but it would be worth while for the Government to introduce some proposals in this important area.

I was working in a law firm when the then Labour Government introduced their proposals on commonhold, and I remember there being lots of seminars on the subject to teach us how they were going to affect property law. It never really happened, however. No one really embraced commonhold. In my view, that was not because we did not tie it to a compunction for a development to offer commonhold, but because it sought to solve problems that often did not exist. A much better move straight on to dealing with the proposals. On the amendments tabled by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), I recognise the comments that he and my hon. Friend the Member for Worthing West (Sir Peter Bottomley) made about the benefits of commonhold tenure, but there are important differences between it and leasehold. For example, a different statutory framework of rights and protections is in place, and my hon. Friend the Member for Rossendale and Darwen (Jake Berry) eloquently explained his experience of some of the challenges in that area. That is partly why commonhold is, and was intended to be, a voluntary alternative to long leasehold ownership, and we believe it should remain so, without forcing commonhold on those who may not wish it. Notwithstanding that, I hear what the hon. Gentleman has said, and I know that he and my hon. Friend the Member for Worthing West have discussed this matter with the Minister for Housing and Planning. He will keep it under review and will continue the dialogue with them.

Barry Gardiner: I recall the situation that the hon. Gentleman describes, because I was sponsoring the whole drive for leasehold reform at that stage, along with the hon. Member for Worthing West (Sir Peter Bottomley). The hon. Member for Rossendale and Darwen (Jake Berry) talks about giving tenants rights against the freeholder, but in some situations a head leaseholder might be putting through vicious surcharges that are completely uncalled for and charging rack rates for administering the issuing of legal letters. I do not really feel that his suggestion would present a solution, but I commend my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) for tabling his new clause. It is vital that the Government take this issue seriously. There has always been cross-party consensus that something needs to be done, and it is high time that the Government took action.

Jake Berry: I would like to disagree with the hon. Gentleman at length, but time will not allow me to do so. Leasehold tenure solves problems that cannot be solved by commonhold, including problems relating to the flying freehold, which can be dealt with only by a lease. I do not believe that commonhold is the answer to that problem. Whatever the answer is, however, if we were to create a new form of tenure, of which we expected commonhold to become a part, we would have to ensure that mortgage companies were happy with it. In my career, I have seen lots of properties with a market value of zero because they were unmortgageable owing to problems with flying freeholds.

Finally, I want to comment on the proposals on the electrical safety certificate set out in new clause 53, tabled by Labour Members. It is a good idea for the Government to find ways of ensuring that landlords prioritise electrical safety, but I do not agree with the proposals in the new clause. Subsection (2)(b) seems to propose that a landlord would have to provide a certificate every 12 months. That is too onerous and a longer period should be proposed.

It is important that landlords take electrical safety very seriously, but we should also be looking at ways in which we can get owner-occupiers to take it more seriously. We lived in the house I was brought up in for 35 years and when we put the light on to go into the cellar it would flicker on and off. We had had no electrical work done for 35 years, yet my parents were amazed when the people who bought the house from them, when they eventually moved, said that it needed rewiring. Anything that can encourage people to look at what is in place in their own home, not just rented properties, would be advisable. I do not think it is necessary to have primary legislation to deal with this, because I know from properties I let that estate agents often insist that landlords provide an electrical safety certificate. If they do not insist on it, often the insurance company will insist on an up-to-date electrical safety certificate for a proper buy-to-let commercial insurance policy. I am not sure that we need primary legislation, but I would encourage people to look at this.

Finally, I reiterate my call on the Government to push forward with the excellent family-friendly tenancy, which is sat there waiting for Ministers to embrace it to ensure that families are protected. All the other provisions in this Bill relating to the private rented sector would be so much more welcome if people could have more security of tenure in private rented leases.

Mr Marcus Jones: Given the time available, I will move straight on to dealing with the proposals. On the amendments tabled by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), I recognise the comments that he and my hon. Friend the Member for Worthing West (Sir Peter Bottomley) made about the benefits of commonhold tenure, but there are important differences between it and leasehold. For example, a different statutory framework of rights and protections is in place, and my hon. Friend the Member for Rossendale and Darwen (Jake Berry) eloquently explained his experience of some of the challenges in that area. That is partly why commonhold is, and was intended to be, a voluntary alternative to long leasehold ownership, and we believe it should remain so, without forcing commonhold on those who may not wish it. Notwithstanding that, I hear what the hon. Gentleman has said, and I know that he and my hon. Friend the Member for Worthing West have discussed this matter with the Minister for Housing and Planning. He will keep it under review and will continue the dialogue with them.
I understand the arguments put forward in new clause 4, but I do not believe it to be necessary. It would conflict with last week’s deregulatory clauses. Housing association tenants already have a number of ways to scrutinise their landlords and hold them to account, in addition to the Homes and Communities Agency’s regulatory standards. They may, for example, refer complaints to the housing ombudsman, who may also, along with tenants, raise specific concerns with the regulator, who has the power to initiate a statutory inquiry. That can lead to interventions in housing association management structures or to forced mergers or takeovers where the boards are not fit for purpose.

Barry Gardiner: Will the Minister give way?

Mr Jones: I need to make progress because I have not got long. I am glad to say that the regulator rarely needs to use such powers.

My hon. Friend the Member for Carlisle (John Stevenson) tabled new clause 42, and I can understand why he has raised this issue, as has my hon. Friend. The Member for St Albans (Mrs Main), and why mobile home owners object to a 10% commission on the sale of a home. Commission is one of the legitimate income streams for park home businesses. If the commission was reduced or abolished, there would need to be a compensatory increase in pitch fees to cover the shortfall in income, a move which many park home residents would not support. Following its inquiry into the park homes sector in 2012, the Select Committee on Communities and Local Government held an inquiry into the park homes sector just before legislation was passed, recommending that the right of site owners to receive up to 10% commission from the sale of a home should remain in place. The coalition Government agreed with the finding of the Select Committee, and this Government’s view remains unchanged. That said, the Mobile Homes Act 2013 introduced substantial changes to the sector and it is important that the new measures are given time to have an impact. We will therefore review the effectiveness of the legislation in 2017. I can reassure colleagues that a working group is already in place, and I am sure that they will await its recommendations with bated breath and anticipation.

4.45 pm

On the amendments tabled by the Opposition Front Bench, new clause 52 will result in unnecessary regulation and cost to landlords, which will deter further investment and push up rents for tenants. Of course we believe that all homes should be of a decent standard, and that all tenants should have a safe place in which to live regardless of tenure, but local authorities already have strong and effective powers to deal with poor quality and unsafe accommodation, and we expect them to use them.

The hon. Member for Erith and Thamesmead (Teresa Pearce) will know that we debated the provisions in new clause 53 extensively in Committee. I confirmed then that the Government would carry out the necessary research to understand what, if any, legislative changes and amendments for such requirements in the private rented sector should be introduced. On that basis, the amendment was withdrawn. To update her, let me say that officials are now undertaking research and have spoken already to Shelter and Electrical Safety First. Given the time, I do not want to cover any further ground on that new clause in this debate.

I understand where the hon. Lady is coming from with regard to new clause 54. Local housing authorities have the power to apply additional licensing schemes to cover smaller HMOs. We issued a technical discussion paper recently seeking views on whether mandatory licences should be extended to smaller HMOs. We hope to publish a response to that in the spring, and I do not want to pre-empt that by amending the Bill at this point.

Similarly on amendment 99, a local authority is already required to have regard to a range of factors when deciding whether to grant a licence. They include whether the applicant has contravened any provision of the law relating to housing or of landlord and tenant law. That would include all offences leading to inclusion in the database.

With regard to new clause 47, I thank my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) for bringing such matters to the attention of the House. I know that he has raised them on a number of occasions, and that he has had discussions with my hon. Friend the Minister for Housing and Planning, who I know is considering what he has said extremely carefully, and will, I understand, meet him and the Country Land and Business Association.

Robert Neill: I am grateful to my hon. Friend for his response, and will of course not press my amendment. I hope that we can now go forward with some constructive discussions.

Mr Jones: In the same spirit let me say that I am extremely glad to hear that. I am sure that the Minister for Housing and Planning will continue to work with my hon. Friend, as he has undertaken to do.

In bringing this stage of the Bill to a close, I wish to say that it has been a pleasure to support my hon. Friend the Minister for Housing and Planning in helping the House to scrutinise the Bill and the amendments that we have tabled to improve it. I trust that the House will look favourably on the remaining Government amendments, and that Members who have spoken to other amendments will not push them to a Division.

Question put and agreed to.

New clause 62 accordingly read a Second time, and added to the Bill.

New Clause 52

IMPLIED TERM OF FITNESS FOR HUMAN HABITATION IN RESIDENTIAL LETTINGS

(1) Section 8 of the Landlord and Tenant Act 1985 (c.70) is amended as follows.

(2) Leave out subsection (3) and insert—

“(3) Subject to subsection (7), this section applies to any tenancy or licence under which a dwelling house is let wholly or mainly for human habitation.”

(3) Leave out subsections (4) to (6).

(4) After subsection (3), insert—

“(3ZA) Subsection 1 does not apply where the condition of the dwelling-house or common parts is due to—

(a) a breach by the tenant of the duty to use the dwelling-house in a tenant-like manner, or often express term of the tenancy to the same effect; or
(b) damage by fire, flood, tempest or other natural cause or inevitable accident.

(3ZB) Subsection 1 shall not require the landlord or licensor of the dwelling house to carry out works—
(a) which would contravene any statutory obligation or restriction; or
(b) which require the consent of a superior landlord, provided that such consent has been refused and the landlord or licensor has no right of action on the basis that such refusal of consent is unreasonable.

(3ZC) Any provision of or relating to a tenancy or licence is void insofar as it purports—
(a) to exclude or limit the obligations of the landlord or licensor under this section; or
(b) to permit any forfeiture or impose on the tenant or licensee any penalty or disadvantage in the event of his seeking to enforce the obligation under subsection (1).

(3ZD) Regulations may make provision for the exclusion of certain classes of letting from subsection (1).

(3ZE) In this section “house” has the same meaning as “dwelling house” and includes—
(a) a part of a house, and
(b) any yard, garden, outhouses and appurtenances belonging to the house or usually enjoyed with it.

(5) In section 10 of the Landlord and Tenant Act 1985, after “waste water”, insert—

(6) Regulations may make provision for guidance as to the operation of the matters set out in section 10 which are relevant to the assessment of fitness for human habitation.

(7) This section shall come into force—
(a) in England at the end of the period of three months from the date on which this Act receives Royal Assent and shall apply to all tenancies licences and agreements for letting made on or after that date; and
(b) in Wales on a date to be appointed by the Welsh Ministers.”—

(Teresa Pearce.)

This new Clause would place a duty on landlords to ensure that their properties are fit for habitation when let and remain fit during the course of the tenancy.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 219, Noes 312.

Division No. 162] [4.49 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blomfield, Paul
Bradshaw, rh Mr Ben
Brake, rh Tom
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Burnham, rh Andy
Butler, Dawn

De Piero, Gloria
Donaldson, rh Mr Jeffrey M.
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dugher, Michael
Durkan, Mark
Edwards, Jonathan
Efford, Clive
Elliot, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Field, rh Frank
Fitzpatrick, Jim
Fiell, Robert
Fletcher, Colleen
Flint, rh Caroline
Fovargue, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Glass, Pat
Glindon, Mary
Goddard, Mr Roger
Goodman, Helen
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendick, Mr Mark
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Holliern, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Mr Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Kinnock, Stephen
Kyle, Peter
Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma

Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
Miliband, rh Edward
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Nandy, Lisa
Onn, Melanie
Onwurah, Chi
Osamar, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Gavin
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sherriff, Paula
Shuker, Mr Gavin
 Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Stephen
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Cameron, rh Mr David
Carmichael, Neil
Carswell, Mr Douglas
Cardiff, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chisty, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth

Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damien
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hallon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, rh Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkins, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kaczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Liddell-Grainger, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Morgan, Mark
Morgan, Rhian
Morgan, Anne Marie
Morris, David
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Oford, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priyanka
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pincher, Christopher
Pon, Rebecca
Prenits, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Ruffley, David
Scully, Paul
Selous, Andrew
Question accordingly negatived.

5.3 pm

More than four hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, 5 January).

The Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Schedule 6

Financial penalty as an alternative to prosecution under Housing Act 2004

Amendments made: 27, page 103, line 30, leave out paragraphs 2 to 5 and insert—

“2 In section 30 (offence of failing to comply with improvement notice), after subsection (6) insert—

“(6A) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

“(6B) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5 In section 139 (overcrowding notices), after subsection (9) insert—

“(10) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

“(11) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5A In section 234 (management regulations in respect of HMOs), after subsection (5) insert—

“(6) See also section 249A (financial penalties as alternative to prosecution for certain housing offences in England).

“(7) If a local housing authority has imposed a financial penalty on a person under section 249A in respect of conduct amounting to an offence under this section the person may not be convicted of an offence under this section in respect of the conduct.”

5B After section 249 insert—

“Financial penalties as an alternative to prosecution

249A Financial penalties for certain housing offences in England

‘(1) The local housing authority may impose a financial penalty on a person if satisfied that the person’s conduct amounts to a relevant housing offence in respect of premises in England.

“(2) In this section “relevant housing offence” means an offence under—

(a) section 30 (failure to comply with improvement notice),
(b) section 72 (licensing of HMOs),
(c) section 95 (licensing of houses under Part 3),
(d) section 139(7) (failure to comply with overcrowding notice), or
e) section 234 (management regulations in respect of HMOs).

“(3) Only one financial penalty under this section may be imposed on a person in respect of the same conduct.

“(4) The amount of a financial penalty imposed under this section is to be determined by the local housing authority, but must not be more than £30,000.

“(5) The local housing authority may not impose a financial penalty in respect of any conduct amounting to a relevant housing offence if—

(a) the person has been convicted of the offence in respect of that conduct, or
(b) criminal proceedings for the offence have been instituted against the person in respect of the conduct and the proceedings have not been concluded.

“(6) Schedule 13A deals with—

(a) the procedure for imposing financial penalties,
(b) appeals against financial penalties,
(c) enforcement of financial penalties, and
d) guidance in respect of financial penalties.

“(7) The Secretary of State may by regulations make provision about how local housing authorities are to deal with financial penalties recovered.
The Secretary of State may by regulations amend the amount specified in subsection (4) to reflect changes in the value of money.

(9) For the purposes of this section a person's conduct includes a failure to act..."

This amendment has two substantive effects as well as making certain drafting changes. The substantive effects are that: (1) an offence under section 234 of the Housing Act 2004 is added to the list of offences in respect of which a financial penalty may be imposed; (2) the maximum financial penalties available are increased.

Amendment 28, page 107, line 2, leave out “2A” and insert “13A”
See Member's explanatory statement for amendment 27.

Amendment 29, page 107, line 6, leave out “30A, 72A, 95A or 144A” and insert “249A”
See Member's explanatory statement for amendment 27.

Amendment 30, page 109, line 13, leave out “30A, 72A, 95A or 144A” and insert “249A” — (Mr Marcus Jones.)
See Member's explanatory statement for amendment 27.

Mr Speaker: Consideration completed. I will now suspend the House for about five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will be tabling the appropriate consent motions, copies of which will be available shortly in the Vote Office and will be distributed by Doorkeepers.

5.4 pm
Sitting suspended.

5.11 pm
On resuming—

Mr Speaker: I can now inform the House that I have completed certification of the Bill, as required by the Standing Order, and that I have made no change to the provisional certificate issued yesterday evening. Copies of my final certificate will be made available in the Vote Office and on the parliamentary website.

Under Standing Order No. 83M, consent motions are therefore required for the Bill to proceed. Copies of the motions are available in the Vote Office and on the parliamentary website, and they have been made available to Members in the Chamber. Does the Minister intend to move the consent motions?

Brandon Lewis: Yes.

Bob Stewart (Beckenham) (Con): Thank goodness.

Mr Speaker: I am always happy to hear the Minister's voice, but a nod suffices for the purpose.

Under Standing Order No. 83M(4), the House must forthwith resolve itself into the Legislative Grand Committee (England and Wales) and thereafter into the Legislative Grand Committee (England).

The House forthwith resolved itself into the Legislative Grand Committee (England and Wales) (Standing Order No. 83 M).

5.13 pm

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): There will now be a joint debate on the consent motion for England and Wales and the consent motion for England. I remind hon. Members that, although all Members may speak in the debate, if there are Divisions only Members representing constituencies in England and Wales may vote on the consent motion for England and Wales, and only Members representing constituencies in England may vote on the consent motion for England.

I call the Minister to move the consent motion for England and Wales, and I remind him that, under Standing Order No. 83M(4), on moving the consent motion for England and Wales, he must also inform the Committee of the terms of the consent motion for England.

Brandon Lewis: I beg to move,

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and Wales and being within devolved legislative competence

Clauses 97, 98 and 120 to 150 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;
Schedules 7 and 10 to 15 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;
Amendments certified under Standing Order No. 83L(4) as relating exclusively to England and Wales

Amendments 180 and 181 made in Committee to Clause 71 of the Bill as introduced (Bill 75), which is Clause 76 of the Bill as amended in Committee (Bill 108);
Amendments 127 and 128 made in Committee to Clause 85 of the Bill as introduced (Bill 75), which is Clause 92 of the Bill as amended in Committee (Bill 108).

The First Deputy Chairman: With this we shall consider the consent motion to be moved in the Legislative Grand Committee (England):

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence

Clauses 1 to 63, 65 to 77, 79 to 81, 83 to 85, 87 to 95 and 99 to 119 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;
Schedules 1 to 6, 8 and 9 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;
New Clauses NC6, NC7, NC29 to NC31, NC35, NC37, NC43 to NC46, NC59, NC60 and NC62 on Report;
New Schedules NS1, NS4 and NS5 on Report;
Amendments certified under Standing Order No. 83L(4) as relating exclusively to England

The omission in Committee of Clauses 35 and 36 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;
Amendment 4 on Report, resulting in Clause 78 of the Bill as amended in Committee (Bill 108) being left out of the Bill;
Amendment 111 on Report, resulting in Clause 84 of the Bill as amended in Committee (Bill 108) being left out of the Bill;
Amendment 129 on Report, resulting in Clause 86 of the Bill as amended in Committee (Bill 108) being left out of the Bill.
Brandon Lewis: The importance of what we are doing in the Chamber today is shown by the fact that so many of my hon. Friends are here to see us delivering on a manifesto pledge. I am just sorry that Labour Members do not think it is so important to do what is right for our country and its constitution.

As you have outlined, Mrs Laing, I am also required under Standing Orders to inform the Committee that I intend to move a further consent motion relating to England at the end of this debate. I will, however, address both consent motions now.

I draw the Committee's attention to my written ministerial statement of 7 January, which informed the House that I had placed in the Library my Department's analysis of Government amendments tabled on Report.

Lady Hermon (North Down) (Ind): Since so many of the clauses in the Bill have been designated as applying exclusively to England or, indeed, to England and Wales, will the Minister help the House—particularly Members who are excluded from the vote on the consent motion, if there is one—by stating what evidence he has that not a single person from Northern Ireland is a landlord in England and Wales and therefore that there is no particular Northern Ireland interest in the Bill?

Brandon Lewis: I will come on to that specific point in a few moments. I would, however, point out that the hon. Lady and other hon. Members were able to speak on Second Reading and on Report both last Tuesday—through to the early hours—and this afternoon, and that we touched on that very point.

I want to thank Mr Speaker for his careful consideration and certification of the Bill. I also pay tribute to the work of my hon. Friend the Deputy Leader of the House and of members of the Procedure Committee for getting us to this historic inaugural Legislative Grand Committee. I want to put on the record my thanks to the Clerks of the House for their, as ever, excellent service and advice to Mr Speaker and to my Department.

John Redwood (Wokingham) (Con): Many Conservative Members welcome some modest justice for England at last. We welcome the fact that at a time when Scotland is being given so many powers of self-government, we now have a small voice and a vote. May I encourage the Minister to go further and make sure that we have justice over money and over law making for England in order to have a happy Union?

Brandon Lewis: As ever, my right hon. Friend tempts me to go just a little beyond the Housing and Planning Bill, but I understand his point.

As we all know, the history of this House goes before us, so it is quite rare to see a true first. I am very proud to be the first Minister to stand at the Dispatch Box to address the very first Legislative Grand Committees for England and Wales and for England only.

As my right hon. Friend the Member for Wokingham (John Redwood) has just mentioned, “the English a strong voice on English matters without...excluding MPs from other parts of the United Kingdom from participation in this House.”—[Official Report, 22 October 2015; Vol. 600, c. 1175.]

The purpose of the Legislative Grand Committee is to allow English and Welsh MPs either to consent to or to veto the clauses of and the amendments made to the Bill. I will not detail the territorial extent of each clause and amendment, but I again draw right hon. and hon. Members' attention to my written ministerial statement of 7 January.

When we discussed the principle of English votes for English laws in the House, we heard fears that it would or could create a class system within the Chamber. As the first Minister to lead a Bill through this process, I am happy to report that that has not been my experience. The debates in the Public Bill Committee and on Report clearly demonstrate that the majority of Members of Parliament support the measures in the Bill. For example, although we did not have the pleasure of their company in the Public Bill Committee, the hon. Members for Kilmarnock and Loudoun (Alan Brown) and for Glasgow Central (Alison Thewliss) ensured that constituents in Scotland were represented during our debate both on Second Reading and on Report. As well as the hon. Lady's questions about the territorial extent of our new duty on public sector organisations to dispose of land, we have also discussed the implications of landlords or housing associations who may have properties in the devolved Administrations, as well as in England.

My Department is responsible for local authorities, communities and housing associations in England. In many ways, we are the Department for England. It is therefore fitting that the majority of the clauses in Mr Speaker's certification before this very first Committee relate to England only. However, thanks to Members on both sides of the Chamber, I am satisfied that the House has considered the Bill's implications for the whole of our United Kingdom.

David T. C. Davies (Monmouth) (Con): My hon. Friend has pointed out that the Bill relates to England only. May I put it on the record that it is absolutely right that only English MPs should vote for it? As one of those who will be excluded, I applaud the English MPs who have decided that their constituents should not have their legislation affected by people coming from Wales, Scotland or elsewhere in the United Kingdom.

Brandon Lewis: My hon. Friend makes a good point that relates to the consent motion on English-only matters. Obviously, some parts of the Bill cover Wales as well and we will deal with those separately this afternoon.

My noble Friend Baroness Williams of Trafford will continue to ensure that any cross border issues are carefully considered in the other place.

This is an historic Bill in many ways. It will put homeownership within the grasp of generations that have only dreamed for many years that it could be possible. It will deliver a planning system that is the envy of the world. It will get Britain building again. By being the first Bill to go through this procedure, it goes further. I am proud of the steps that this elected Government are taking through this Bill to deliver our manifesto commitments.
Clive Efford: Will the hon. Gentleman confirm that the removal of secure tenancies from council tenants was not in the Conservative manifesto and that the Government have no mandate to introduce that abolition? Council tenants were not warned by the Conservatives that they would impose this on them.

Brandon Lewis: We had that debate in Committee and earlier today on Report. The hon. Gentleman should look carefully at the Bill because it does deliver our manifesto commitments. It will deliver homeownership to a whole new generation of people by bringing forward starter homes and it will extend homeownership to 1.3 million people who have been locked out of it. His party has fought to prevent both proposals at every opportunity, and disgracefully so.

Clive Efford: I will not take any more interventions on the Bill. This is about English votes for English laws.

I am proud of the steps the Government have taken to bring fairness to the devolution settlement. In that spirit, I ask this inaugural Legislative Grand Committee to consent to the certified clauses and schedules of the Housing and Planning Bill and the certified amendments made by the House to the Bill.

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): I call John Healey.

John Healey (Wentworth and Dearne) (Lab): No, I do not want to speak.


Pete Wishart (Perth and North Perthshire) (SNP): I am grateful, Mrs Laing.

So, this is what an English Parliament looks like. It looks pretty much like the unitary UK Parliament to me. This is a remarkable day. It is worth noting how significant and historic this is. For the first time in the history of this House and this Parliament, Members of Parliament are banned from voting on a whole new generation of people by bringing forward starter homes and it will extend homeownership to 1.3 million people who have been locked out of it. His party has fought to prevent both proposals at every opportunity, and disgracefully so.

Pete Wishart: The right hon. Gentleman just does not understand, so I will try to explain it to him patiently once again. We live in the United Kingdom. There is asymmetric devolution within the United Kingdom. We have a Parliament in Scotland that determines and decides the very issues—[Interruption.]

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): Order. The hon. Gentleman is a Member of this House and has a right to be heard. He will be heard.

Pete Wishart: I did not know whether I was a Member of this House or an international observer, but I will take the initial one as your favour—thank you, Mrs Laing. Let me say to the right hon. Member for Wokingham (John Redwood) that we have a Parliament in Scotland that determines and decides on these matters—he is right; we do that in Scotland. We do those things in this House too, but what he wants, and what has been created today, is a quasi-English Parliament within the confines of the unitary Parliament of the United Kingdom and Northern Ireland. That is the nub of the issue, and that is why this first meeting today is so significant and remarkable.

Iain Stewart (Milton Keynes South) (Con): May I remind the hon. Gentleman that what we have before us is a consent mechanism for Members from England, or England and Wales, to agree to measures that apply only to us? On Third Reading, if the hon. Gentleman fundamentally disagrees with something in the Bill, he will have a vote to vote against it.

Pete Wishart: Let me tell the hon. Gentleman what it feels like to us. What it feels like to me, and to my right hon. and hon. Friends, is that we are on the wrong side of a banishment and a bar that denies us our right as Members of Parliament to agree to measures that apply only to us. That is what is being done; that is the key point, which people still fail to grasp. What has been done with this Legislative Grand Committee is the creation of two types of Member of Parliament of this House. That is the issue that we object to and find so difficult.

Simon Hoare (North Dorset) (Con): While Conservative Members find their handkerchiefs to mop their tears, will the hon. Gentleman say why, if he and his party feel so passionately about this Bill, there were no votes from SNP Members on Second Reading or Report?

Pete Wishart: We have no great interest in this Bill. [Interruption.] I do not know why that comes as a surprise to the hon. Gentleman. Let me say it again, in case he missed it: we have no great interest in this Bill. He is right to say that we did not vote on Second Reading or any of the proceedings that we were allowed to
participate in, because we respect the right of English Members of Parliament to determine issues on that basis—of course that is their right.

Simon Hoare rose—

Pete Wishart: I am not giving way again—I am answering the hon. Gentleman’s point.

That is why we took no interest and stayed away on those Divisions. However, the creation of this Legislative Grand Committee—again, I am astounded that Conservative Members do not understand this—has created two classes of Members of Parliament of this House. One class is able to participate in every Division in this House, as we are about to see, while other Members of Parliament, such as my hon. Friends on the Benches behind me, are not able to participate in all parts of the Bill. That is what hon. Members have done.

Several hon. Members rose—

Pete Wishart: Far too many Members wish to intervene, so I will say no to them all.

Even if I wanted a say in this Bill, I would be barred from doing so. I am not even allowed to call a Division, and if I attempted to do so, you would quite rightly rule me out of order. Mrs Laing, according to the standards of the House. If I were to vote in the Division I have no idea what would happen. I presume that the Serjeant at Arms would come chasing after me with his little sword, telling me that I cannot participate in this vote, and he would chase me out. That is what he should do; that is what his job would be.

Dr Sarah Wollaston (Totnes) (Con) rose—

Pete Wishart: I will give way to the hon. Lady, because I like her.

5.30 pm

Dr Wollaston: I thank the hon. Gentleman for giving way. He will know I have a great deal of respect for him. He talks about how this feels for him and his colleagues. How it feels for my constituents in south Devon is that an historic injustice has been righted. I put it to him that I cannot participate in this vote, and he would chase me out. That is what he should do; that is what his job would be.

Pete Wishart: Here is something for the hon. Lady, for whom I have a great deal of respect, to consider: how about if we all retain equality in the House of Commons? How about we retain the same rights and privileges, just as we did just a few short weeks ago? The hon. Lady and all her hon. Friends obviously feel very strongly about this. I understand the passion of English Members of Parliament on this issue. How about they create a Parliament? How about designing a Parliament in their own image, where they can look after these issues like we do in the Scottish Parliament? How about this is a solution? We could then come back together to this House as equal Members and consider the great reserved issues of foreign affairs, defence and international relations. That is how most other nations do it. It is called federalism and it seems to work quite adequately in most other nations.

What Conservative Members have done today is create this absolute mess—a bourach, a guddle. Nobody even understands how it works! We have just rung the Division bells to suspend proceedings, so that the Speaker can scurry off and consult the Clerks to decide whether it is necessary to recertify pieces of proposed legislation. This is what has happened to the business of this great Parliament. This is what we have resorted to today.

Mr Jacob Rees-Mogg (North East Somerset) (Con) rose—

Pete Wishart: I will give way to the hon. Gentleman, who I also like very much.

Mr Rees-Mogg: I am very grateful to the hon. Gentleman for giving way, but I think he has actually got it fundamentally wrong. Two tiers of Members of Parliament have not been created by the mechanism that has been used. By using Standing Orders, which can be changed by all Members of Parliament, and by this being a Grand Committee—we see where the Mace is—and not the House sitting in full session, the rights of every individual Member remain intact. That is crucially important.

Pete Wishart: In all candour, I have to say that that is not what it feels like on this side of the House. If a Division is called, the hon. Gentleman will be able to vote and express his view as a legitimately elected Member of Parliament. My hon. Friends and I, as equally legitimate Members of Parliament recently elected at the general election, will not be allowed to vote. We will be banned. We will be barred. We will be effectively banished from that process.

Mrs Main: Does the hon. Gentleman really expect taxpayers to pay for another Parliament just because his feelings are somehow being assaulted? I do not how he could explain that extra layer of bureaucracy and cost to the British taxpayer, but maybe spending other people’s money is how they like to do things in Scotland.

Pete Wishart: I do not know whether I am grateful or not to the hon. Lady for her intervention. I think she is saying that she wants great dollops of cake so she can spend her time eating it and having a singularly English Parliament. Let us just use the House of Commons to accommodate that. The thing that has been created here is a quasi-English Parliament, but this Parliament belongs to me as much as to her. It belongs to the Scottish people as much as to the English people. What has happened today with the Legislative Grand Committee is that she will be able to represent her constituents in all Divisions, but my hon. Friends and I will not.

Graham Stuart (Beverley and Holderness) (Con): I think what the House will take from the hon. Gentleman’s animated, passionate and, as ever, fluent speech is the fact that he is furious about a typically British evolution in the system of government that blocks his most devout desire, which is, of course, separation for Scotland.
This system makes it fair in England. It deals with that grievance and means that his hope for independence disappears. That is why he is so angry.

Pete Wishart: As with so many things, the hon. Gentleman is half right. This has been noted in Scotland. A lot of people are observing this and seeing this Parliament becoming, in effect, an English Parliament. They are seeing the voices of their Members of Parliament, so recently elected, diminished in this House. They will not be able to speak or vote in particular circumstances.

Throughout the debate on EVEL, the Leader of the House gave the impression that these votes would be subject to a double majority—that the whole House would express its will and then there would be a vote for English Members, which would effectively be their veto—but that has not happened. Instead, there has been a banishment. That is the brutal reality of EVEL. This is what happens when we start mucking about with the Standing Orders and our membership arrangements. We are left with some Members who can do anything—participate and vote on any issue—and others who cannot. It is totally unsatisfactory.

We have wasted God knows how much time discussing these issues today. It has made such a mess of parliamentary proceedings and added extra elements to the functions of an already hard-working House when considering Bills. It is a total mess.

Sir Gerald Howarth (Aldershot) (Con): The hon. Gentleman has already told the House that the Scottish nationalist party—[HON. MEMBERS: “National!”]—that the Scottish National party has no interest in this measure, which in no way applies to Scotland, and therefore will not vote on it. What is his problem? SNP Members have every right to speak, and we have redressed an injustice. For years, Conservative Members felt like second-class citizens, unable to vote on health and education matters in Scotland, while they have been able to vote on matters solely to do with England. Would the SNP have voted on the measure to bring hunting regulations in England and Wales into line with those in Scotland?

Pete Wishart: I say this in all candour to the hon. Gentleman, whom I very much respect: we hear much from our English colleagues about their deeply held views on EVEL. He is a fine exponent of this perceived injustice: “How dare these Scots oppress English Members”—they only make up about 85% of the House!—“by coming injustice: “How dare these Scots oppress English Members”—they are doing this to save the Union. I add a word of caution to my friends representing English constituencies: they are driving Scotland out of the door. That is why he is so angry.

Mr David Winnick (Walsall North) (Lab): As someone proud to represent an English constituency, I feel—I do not know if my Labour colleagues feel the same—that the Tories are making precisely the same mistake as their predecessors did over Ireland. The way to proceed is for Scottish and Welsh Members to show self-restraint in deciding whether to vote on an issue. To have first and second-class Members does a disservice to the Union. I deplore what is being done.

Pete Wishart: I am very grateful to the hon. Gentleman. I knew his would be one of the quality interventions of the debate. He is absolutely right. The only thing I would say to him is this: where on earth is his Front-Bench team? They are not even prepared to make a speech or statement. Why are they not participating? Labour Members used to be stalwarts of this debate. I remember when we had 50-odd Labour Members for Scotland. They would have been making a fuss and standing up for Scotland’s interests, yet today there is absolute silence from the Labour Benches.

Ian Murray (Edinburgh South) (Lab): I am delighted the hon. Gentleman has given way, because no SNP Members have participated in the Bill proceedings. We agree that this process is a complete charade, but while I was voting at 2.45 am last week on behalf of my constituents, he was in his bed.

Pete Wishart: I am grateful to the hon. Gentleman. I say this in all candour to the hon. Gentleman, whom I very much respect: we hear much from our English colleagues about their deeply held views on EVEL. He is a fine exponent of this perceived injustice: “How dare these Scots oppress English Members”—they only make up about 85% of the House!—“by coming injustice: “How dare these Scots oppress English Members”—they are doing this to save the Union. I add a word of caution to my friends representing English constituencies: they are driving Scotland out of the door. That is why he is so angry.

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Pete Wishart: I am grateful to the hon. Gentleman. I say this in all candour to the hon. Gentleman, whom I very much respect: we hear much from our English colleagues about their deeply held views on EVEL. He is a fine exponent of this perceived injustice: “How dare these Scots oppress English Members”—they only make up about 85% of the House!—“by coming in
more issues like that. Confining the Evel rulings to a Grand Committee means that no consequential issues can be considered by the Speaker in making his certifications. That means that many massive issues will impact on my constituents down the line, but I will not be able to represent them in those matters.

If Conservative Members think they have won and believe that this will not have anything other than a totally detrimental impact on the fortunes of the Conservative party in Scotland, they need to have another think about it. This is unworkable; this is ungovernable; this is a mess; this is unfair. This creates two classes of Members in this House, which is totally unacceptable to my hon. Friends and the Scottish National party.

John Redwood: I rise to thank Ministers for taking England on its first step on the journey to justice and fairness for our country. Having participated in recent Parliaments and seen very large powers transferred to Scotland for self-government in accordance with the wishes of many Scottish people and their now vocal representatives from the SNP, I would have thought that on this day of all days it was time for Scotland to say, “We welcome some justice for England to create a happier Union, just as we have fought so strongly for so long for more independence for Scotland.” I hope that SNP Members will reconsider and understand that just as in a happy Union, where there are substantial devolved powers of self-government for Scotland that they have chosen to exercise through an independent Parliament, so there needs to be some independent right of voice, vote and judgment for the people of England, which we choose to do through the United Kingdom Parliament because we think we can do both jobs and do not wish to burden people with more expense and more bureaucracy.

On this day of all days, when Labour has been reduced to a party of England and Wales, having been almost eliminated from Scotland in this Parliament, I would have thought that the Front-Bench—[Interruption.] Our party is speaking for England. The point I am making is that now that the Labour party represents parts of England and Wales but has so little representation in Scotland, it behoves Labour Members to listen to their English voters and to understand that although they might not want justice for England, their voters do want it and are fully behind what this Government are doing.

Graham Stuart: I congratulate my right hon. Friend on the work that he has done for many years in championing the need for Evel to be introduced. Does he agree that, given that they completely failed to persuade the Scottish people to end the Union, the greatest hope of the nationalists was that such would be the grievance and resentment in England that Scotland could be pushed out? Does he agree that this modest step is a way of alleviating that grievance, and that that is why the hon. Member for Perth and North Perthshire (Pete Wishart) was quite so angry?

5.45 pm

John Redwood: I entirely agree. We need fairness for England, in respect of the new financial settlement as well as our legislative procedures, but the way to preserve and develop the Union is to show that it is fair to all parts. I am sure that that will mean greater powers of independence for Scotland than we will gain for England, but we cannot ignore England. England deserves a voice, England deserves its votes, and England deserves, at the very least, the right to veto proposals that do not suit England but only affect England. I think that we shall need fair finances as well, because otherwise the English people will not be as happy with their Union as we should like them to be.

I hope that today is a day on which to advance the cause of the Union rather than to damage it. I hope that it is a day on which other Scots will welcome this small step on the road to justice for England, and will see that it helps them as well as us. What is wrong with England having a voice, its own political views, and some of its own political decision-making, in a Union in which Scotland took a great deal of that following the general election? In that election, all the main parties fought on the united proposition that there should be more rights to self-government for Scotland, but my party wisely said that that meant that there had to be some justice for England too. This is a small step towards that justice, and I hope the House will welcome it and not oppose it.

John Healey: We had intended simply to leave the Government to deal with the mess of their own making in this debate; and this debate is about the Housing and Planning Bill. With respect to the right hon. Member for Wokingham (John Redwood), it is not about the Union, or about justice for a part of the Union. This is, quite simply, a motion and a debate about the Housing and Planning Bill.

The rather ridiculous proceedings that we have seen this afternoon, and the over-excitement, underline the flaws in rushing reform of the House without proper consideration, without proper consultation and without proper cross-party agreement. We want, and recognise the need for, a stronger voice for England in this Parliament, but we have always said “a voice, not a veto”, and this Legislative Grand Committee constitutes a veto simply for those Members who are eligible. That should not be happening in this way, in a unified Parliament of the United Kingdom.

Simon Hoare: The hon. Gentleman appears to have neglected the opposite point that was made by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) and reiterated throughout the Procedure Committee’s discussion of this proposal, namely that it meant a change in Standing Orders on an almost “suck it and see” basis, so that we could see how it would work out. The great totemic change in the rules of the House that is supposed to have taken place does not exist, in statute or anywhere else. If we need to tweak this, we can, because it is only a change in Standing Orders.

John Healey: Standing Orders can always be altered, particularly by Governments, but by doing it unilaterally the Government have, on this occasion, created an extremely unsatisfactory procedure, as this afternoon’s debates have amply demonstrated.

Let me say something to the Scottish nationalists. I have not seen, none of my colleagues have seen, and the House has not seen them present in such numbers in
debates on the Housing and Planning Bill, and at no stage—not on Second Reading, in Committee or on Report—have we seen them vote on the Bill. The hon. Member for Perth and North Perthshire (Pete Wishart) said this afternoon, “We have little interest in this Bill”, and he was right, because so little of the Bill concerns Scotland. He and his party would do much better to concentrate on his own poor record in government, and on improving what the SNP Government are doing about housing in Scotland. There are 150,000 people on the council house waiting list in Scotland and there is the lowest level of house building in Scotland since 1947. This debate—these proceedings—is simply preventing us from getting on with the proper job of holding this Government to task on the Housing and Planning Bill in this Chamber, and I hope we can move on to Third Reading without any further delay.

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): I remind hon. Members—although I do not think hon. Members really need to be reminded—that if there is a Division on the consent motion for England and Wales, only Members representing constituencies in England and Wales may vote. This extends to expressing an opinion by calling out Aye or No when the Question is put or acting as a Teller—I know the hon. Member for Perth and North Perthshire (Pete Wishart) knows that I recognise a Scottish voice when I hear one.

Question put and agreed to.

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and Wales and being within devolved legislative competence

Clauses 97, 98 and 120 to 150 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 7 and 10 to 15 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Amendments certified under Standing Order No. 83L(4) as relating exclusively to England and Wales

Amendments 180 and 181 made in Committee to Clause 71 of the Bill as introduced (Bill 75), which is Clause 76 of the Bill as amended in Committee (Bill 108);

Amendments 127 and 128 made in Committee to Clause 85 of the Bill as introduced (Bill 75), which is Clause 92 of the Bill as amended in Committee (Bill 108).

Lady Hermon: On a point of order, Madam Chairman.

On a serious point of order, I am very conflicted because I do not want in any way to be critical of the Speaker and his certification, but the Speaker clearly today confirmed his provisional certification that included reference to new clause 62 as being exclusively applicable to England. New clause 62 applies to both England and Wales. What could the Deputy Chairman advise when a certification of the Speaker—whom I have enormous regard—appears to be flawed?

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): The hon. Lady makes a perfectly reasonable point, and it is important that we consider points of order because this is a new procedure and the Procedure Committee has assured the House that it will be looking at the procedure and how it works in practice.

What I can say to the hon. Lady is that Mr Speaker did make available in the Vote Office, and in other ways, several days ago his provisional decision on this matter, and there have been several days during which the hon. Lady, and indeed any other hon. Member, had an opportunity to make representations to Mr Speaker exactly along the lines that she has just done. Perhaps if this happens in future and the hon. Lady has similar concerns, she will have ample opportunity to take those concerns up with Mr Speaker before we get to this point in the proceedings.

Lady Hermon: Further to that point of order, Madam Chairman. I do apologise for not bringing this to the Speaker’s attention earlier, but I am bringing it to the House’s attention today. I would hate to think there might be any consequences because flawed procedure has been followed in this case. It is a very important point. Members are going to be asked to go through the Division Lobby—apart from those of us from Northern Ireland, a constituency which I feel exceedingly resentful, as I think it is quite wrong; and I do have an interest in this Bill because my constituents who are landlords are affected by it. So today I would like Madam Chairman to give advice as to whether we should pause and postpone this historic occasion until we get the certification corrected by the Speaker.

The First Deputy Chairman: No, again the hon. Lady is making a perfectly reasonable point, but I think I have already answered it. The fact is that the House took the decision on 22 October that we would proceed as we are proceeding today. As I have said to the hon. Lady, if she has concerns about how matters work in practice both the Procedure Committee will look at this as the weeks go on and Mr Speaker will be pleased to hear from the hon. Lady if she has concerns the next time we come to this point in the proceedings. But now we will proceed.

The House forthwith resolved itself into the Legislative Grand Committee (England) (Standing Order No. 83M(4)(d)).

The First Deputy Chairman: I remind hon. Members that no further debate on the consent motion for England is permitted, and that if there is a Division on the consent motion for England, only Members representing constituencies in England may vote. This extends to expressing an opinion by calling out Aye or No when the Question is put.

Motion made, and Question put forthwith (Standing Order No. 83M(4)(d)).

That the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the House to the Bill:

Clauses and schedules certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence

Clauses 1 to 63, 65 to 77, 79 to 81, 83 to 85, 87 to 95 and 99 to 119 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

Schedules 1 to 6, 8 and 9 of the Bill as amended in Committee (Bill 108) including any amendments made on Report;

New Clauses NC6, NC7, NC29 to NC31, NC35, NC37, NC43 to NC46, NC59, NC60 and NC62 on Report;

New Schedules NS1, NS4 and NS5 on Report;

Amendments certified under Standing Order No. 83L(4) as relating exclusively to England

Resolved, that the Committee consents to the following certified clauses and schedules of the Housing and Planning Bill and certified amendments made by the Grand Committee (England) (Standing Order No. 83M(4)(d)).

The House forthwith resumed.

Stage 2 completed.

The Speaker: The House will now proceed to the consideration of the Bill on Third Reading.
The omission in Committee of Clauses 35 and 36 of the Bill as introduced (Bill 75);
Amendment 4 on Report, resulting in Clause 78 of the Bill as amended in Committee (Bill 108) being left out of the Bill;
Amendment 111 on Report, resulting in Clause 64 of the Bill as amended in Committee (Bill 108) being left out of the Bill;
Amendment 129 on Report, resulting in Clause 86 of the Bill as amended in Committee (Bill 108) being left out of the Bill.—
(Brandon Lewis.)

Question agreed to.
The occupant of the Chair left the Chair to report the decisions of the Committees (Standing Order No. 83M(6)).

The Deputy Speaker resumed the Chair, decisions reported.

Third Reading

5.56 pm

The Secretary of State for Communities and Local Government (Greg Clark): I beg to move, That the Bill be now read the Third time.

It is customary on these occasions to thank all those involved in the consideration and scrutiny of the Bill in question. On this occasion, I would like to pay particular tribute to the Minister for Housing and Planning for having moved so elegantly that historic motion for the first time in this House. I also commend the Leader of the House of Commons for giving us the opportunity to carry out our consideration of the Bill in this way. Throughout our proceedings, the debate has been rich and vigorous from beginning to end. Those of us who were here last week for the first day of its Report stage will know that there was no let-up in the passion—or indeed the number—of the contributions, despite the lateness of the hour.

Before embarking on the traditional congratulations, however, I suggest to the whole House that a degree of humility would be in order on the part of us all. Housing and planning policy has been debated in this House and in the other place for decades, yet for decades this country has not built the number of new homes that we need, despite the improvements of recent years, including the 50% increase in new housing starts and the fact that planning permissions now stand at more than 200,000 a year. The last time we consistently built 200,000 homes a year was back in 1988.

Clive Efford: May I take the Secretary of State back to his comment about humility? Will he take this opportunity to apologise to council tenants for not informing them at the general election of the Conservatives’ intention to take away their secure tenancies and for introducing that measure only towards the end of the Bill’s Report stage? Council tenants were not given that information before they went to vote in the general election.

Greg Clark: Going back to 2010, the Prime Minister thought it was reasonable that when we were allocating homes and social tenancies, we should amend the idea that someone should inherit, without conditions, a tenancy. That business was notified as much as five years ago. Evidence of the effects, over many Administrations, of not building the number of homes we have needed for many decades has been seen in the lives of those who could, should and want to be homeowners, but have been denied the opportunity that many of us have had. Those who say that we already build enough homes or that home ownership is not important would do well to remember that.

Mrs Maria Miller (Basingstoke) (Con): I applaud the Secretary of State’s commitment to house building, to make sure that more of our constituents can be homeowners. I also applaud the Minister for Housing and Planning’s undertaking to look further at the quality of that house building in the response he made to my new clause 1 in the initial parts of our debate on Report.

Greg Clark: My right hon. Friend is absolutely right in what she says, and she has made an important contribution to the proceedings. It is vital that we see an improvement in the quality of design of our housing stock. One feature of the last housing bubble that was experienced before the Government came into office was a dearth of new family homes. Instead, most of the increase in housing that came during that time was in the form of flats. That arose from the particular incentive structure in place, whereby units, rather than any suggestion of quality, were important. The points she made have been well noted; in fact, in some of the announcements the Prime Minister made in recent days we have stressed the importance, in regenerating our estates, of adhering to standards of the highest quality.

Andy Slaughter: It is no surprise to hear that the Secretary of State wants to move away from talking about council tenancies, because his treatment of them is a disgrace. He was not asked about inheriting succession rights; he was asked about security. Why can council tenants not continue, as happened under the Housing Act 1985, introduced by Margaret Thatcher, to have security in the same way that anybody else would want in their home? The situation is appalling. Why is he only building starter homes, which nobody can afford, in Old Oak in my constituency, instead of social homes, which people need and want?

Greg Clark: The hon. Gentleman is completely wrong, and if he looked at our housing plans, he would see that they include building 100,000 houses for affordable rent as well as 200,000 starter homes. It is right, and it is the mandate on which this Government were elected, to provide homes for people who aspire to own their own home, as well as for those who want to rent. One failure during recent years has been that people who wanted to own their own home, in the way that many Members of this House have, have been denied that opportunity.

Mr Bacon: Does the Secretary of State agree that the hon. Member for Hammersmith (Andy Slaughter) is wrong not only because this Government are allowing the building of more affordable homes, but because this Bill provides for self-build and custom house building on a larger scale than ever before—and this can also include social housing for rent?

Greg Clark: My hon. Friend is absolutely right: we need homes provided right across the country, of all the different types and tenures that our constituents and residents want. There has been a dearth of affordable homes for first-time buyers for an increasing number of years, which is why the commitment in our manifesto to
provide starter homes for first-time buyers is such an important part of our platform, which we are implementing with this Bill.

Graham Stuart: Does my right hon. Friend agree that the most important single thing we can do is get building, because it is only by supply outdoing demand that prices will come down, and that all the programmes we had in the Labour years, from key worker housing to all the rest of it, were band aids on a massive wound? It is building that we need. That is what will make housing more affordable and that is how we are going to deliver a true one nation Government.

Greg Clark: My hon. Friend is right to say that we need to get Britain building again, and we are doing so, with a 25% increase in starts in the past year. We need to do this right across the country. I would have thought that all Members of the House, including Labour Members, shared in the warm welcome given across the housing sector, including by housing associations and by builders big and small, to the announcements the Chancellor made in the spending review, which double the housing budget. This is the biggest programme of affordable house building that we have seen since the 1970s.

Andrew Gwynne: Of course, what is affordable to the Secretary of State’s constituents might not be affordable to mine. Does he share my concerns that what we will see, as perhaps an unintended consequence of his measures, is the removal of properties from the social rented sector and their appearance in the private rented sector, costing more to the public purse in the long run?

Greg Clark: No, we want to see more homes of all types. We have committed to build 1 million homes over the next five years, which the previous Labour Government signally failed to do. In fact, when they were in power, the number of homes that were built in a single year fell to 88,000, which was the lowest number since the 1920s.

Graham Jones (Hyndburn) (Lab): At the weekend, the Prime Minister said on the “Andrew Marr Show” that he expected a million properties to move from the social rented sector and their appearance in the private rented sector, costing more to the public purse in the long run?

Greg Clark: The reduction in social rented properties happened under the previous Labour Government, when the stock fell by 400,000. Our determination is to build more homes of all types, so that we can house the growing number of young people who want to own and rent homes of their own.

Mr Prisk: On council houses, is not the real scandal that, in 13 years, the previous Labour Government failed to build the number of homes that we built in five?

Greg Clark: My hon. Friend is absolutely right. As Housing Minister, he made a major contribution to the revival in house building that was necessary after the crash that took place under the previous Labour Government. We have seen, over the past five years, house building recover from the record lows of the previous decade, but, as this Bill makes clear, these are the first steps away from a much longer record over successive Parliaments. Indeed, the connection between supply, affordability and ownership is obvious to all, and yet for decades successive Parliaments and Governments failed to find a lasting solution not because they did nothing, but often because they failed to tackle the underlying issues.

In the previous Parliament, the Government’s focus was on recovery from the worst housing crash since the second world war, but in this Parliament, our focus has shifted from rescue to reform. Though wide-ranging in scope, the Bill does not represent the entirety of what needs to be done. As the Chancellor made clear in the autumn statement and as the Prime Minister said last week, the Government are committed to a comprehensive and ongoing programme of reform, addressing the whole of the problem and not just part of it. This Bill is of central importance to the overall strategy.

Anna Turley (Redcar) (Lab/Co-op): I appreciate the Secretary of State kindly giving way. He talked about the previous Labour Government’s record, but could he explain why funding for affordable homes was slashed by 60% when his Government came to power in 2010?

Greg Clark: The record of the previous Government is very clear: we built more affordable homes, specifically more council houses, than the previous Labour Government did in 13 years, so we will take no lessons from the hon. Lady.

Tristram Hunt (Stoke-on-Trent Central) (Lab): Will the Secretary of State confirm at the Dispatch Box that, under this Bill, there is no block to foreign buyers purchasing council housing built for British people down the generations? As a result, we will see the sell-off to foreign investors of properties that were built for workers in this country.

Greg Clark: The hon. Gentleman might not be aware that restrictions are in place that prevent, for a considerable period, homeowners who have exercised the right to buy selling on. In fact, foreign ownership of UK property is still at a very low level. I do not recall the previous Labour Government introducing any particular restrictions on that. Let me point to two flagship manifesto commitments that the Bill implements, namely the extension of the right to buy to housing association tenants and the provision of 200,000 starter homes by 2020. The Bill is making good the pledges that were made directly to the British people and that were backed by the British people in the general election.

Catherine West: That particular element of the Secretary of State’s scheme does not work in high-value areas where people, because of the sort of work that they do, will never ever be able to get a mortgage. Therefore, there are certain people who will never be helped by his Bill.
Greg Clark: I hope that, on behalf of her constituents, the hon. Lady will welcome the announcements that were made to extend the Help to Buy scheme in London to provide greater help there. In fact, housing associations, including those in her constituency, have welcomed enthusiastically one of the key features of this Bill, which is the provision that enables them to provide their residents with the right to buy their home and, at the same time, to build more homes in London.

Robert Neill: On that point, does my right hon. Friend recognise that it is thanks to this Bill, the work of the current Mayor of London and the initiative of my hon. Friend the Member for Richmond Park (Zac Goldsmith) that we are seeing consistently more affordable housing being delivered in London? That is in contrast with what happened under a socialist Mayor and a socialist Government that persistently under-delivered for London.

Greg Clark: Indeed, and one of the proud pieces of the legacy of the current Mayor of London, our hon. Friend, the Member for Richmond Park (Zac Goldsmith), is the opportunities he has given across the capital for people to own and rent their own home.

Of course, there are few pieces of legislation that cannot be improved by the deliberations of this House. This is a long Bill and I thank Members on both sides of the House for their informed contributions, their attention to detail and, on occasion, their perseverance. That applies especially to the members of the Public Bill Committee, adroitly chaired by my hon. Friend, the Member for North Wiltshire (Mr Gray) and the hon. Member for Mansfield (Sir Alan Meale). I am also grateful for the expert guidance of my departmental officials and to the Clerks of the House.

Finally, allow me to thank my own formidable Front-Bench team, who conducted this Bill through all its proceedings with precision and tenacity and who have strengthened an already important Bill. In the same spirit, allow me to acknowledge the contributions of Opposition Members who served long into the night not just on Report but in the Bill Committee. In contrast to the Cities and Local Government Devolution Bill, which I am informed has completed its passage unamended in the House of Lords this very afternoon, we might not have greatly expanded the common ground between us during our deliberations on this Bill, but I thank the Opposition for their contributions to a debate that has at times generated light as well as heat.

I join my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) in recognising the notable contribution of my hon. Friend, the Member for Richmond Park (Zac Goldsmith). London is a city like no other and it has a property market to match. In view of the special challenges and opportunities, it is right that proceeds from the sale of vacant high-value assets should be used to provide new affordable homes in London on a two-for-one basis. I am delighted that the Bill has been amended fully to support that objective, and I am grateful to my hon. Friend, the Member for Richmond Park for his advice and advocacy in this matter. London is fortunate to have such a tireless and effective champion.

Of course, it is not only Members of this House who have contributed to the development of the Bill. I would like to put on record my gratitude to all those beyond this Chamber who have made their mark. That includes local government leaders of all parties, experts in planning policy, tenants’ representatives and the housing sector in all its diversity. Indeed, nothing has made a greater contribution to the development of the Bill than the historic deal agreed last year between the Government and the housing association movement. The voluntary agreement on right to buy not only speeds up the delivery of a commitment made to the British people at the election, but provides the basis on which housing associations can play a major role in the delivery of new affordable homes for both rent and purchase. I would therefore like to express my particular thanks to the National Housing Federation and its chief executive, David Orr.

The Bill has been the subject of intensive scrutiny and debate, with more than 40 hours in Committee and a further 15 on the Floor of the House. Furthermore, it has been a debate in which words have had consequences. The Government have listened and, as we should, we have acted on what we have heard. Significant and strengthening changes have been made as a direct result and thus, subject to today’s vote, the Bill goes to the other place in good shape, buttressed by a clear electoral mandate. I commend it to the House.

Madam Deputy Speaker (Mrs Eleanor Laing): As we complete this historic new procedure, I propose the Question that the Bill be now read the Third time.

6.14 pm

John Healey: As we pass this Bill on to the other place, I thank the officers and staff of the House, particularly those in the Public Bill Office, for their guidance and support throughout our work. I also pay tribute to my Front-Bench colleagues, my hon. Friends the Members for City of Durham (Dehenna Davison), for Erith and Thamesmead (Teresa Pearce), for Greenwich and Woolwich (Matthew Pennycook) and for Easington (Grahame Morris). They relentlessly exposed the deep political, fiscal and policy flaws in the Bill as we opposed the worst of what the Government are trying to do. I am grateful, too, for the unified and strong support from my colleagues on the Labour Benches, particularly those who served on the Public Bill Committee—my hon. Friends the Members for Bootle (Peter Dowd), for Harrow West (Mr Thomas) and for Dulwich and West Norwood (Helen Hayes). I pay tribute also to the other members of that Committee who worked through those 40 hours of scrutiny.

The voices of serious concern from the Conservative Benches are welcome, as well as striking—those of the hon. Members for Hertford and Stortford (Mr Prisk) and for Wimbledon (Stephen Hammond), the right hon. Members for Cities of London and Westminster (Mark Field) and for Arundel and South Downs (Nick Herbert), and the hon. Members for St Albans (Mrs Main), for South Cambridgeshire (Heidi Allen) and for Oxford West and Abingdon (Nicola Blackwood), to name just a few. It is a warning to Ministers, and a signal to the other place, that Conservative Members and Conservative local government leaders rightly have growing criticisms about the loss of genuinely affordable homes in their area, rural and urban alike, about the sweeping new powers for Ministers to impose planning decisions on
local communities, and about the so-called starter homes being unaffordable for many young families on modest incomes in their areas.

Usually, we hope to improve a Bill as it goes through the House. This was a bad Bill; it is now a very bad Bill. It was a bad Bill, now made much worse by amendments forced through at the last minute after the Committee’s line-by-line scrutiny—new clauses to define homes on sale for up to £450,000 as officially affordable. The Government are not building enough affordable homes, so they are simply branding more homes as affordable. Other late amendments included new clauses to stop councils offering anything longer than two to five-year tenancies, meaning the end of long-term rented housing, the end of a stable home for many children as they go through school, and the end of security for pensioners who move into bungalows or sheltered flats later in life.

How has it come to this—that we on the Labour Benches are having to defend the reforms and rights introduced by Margaret Thatcher? This is an extraordinary and extreme Bill.

Catherine West: Does my right hon. Friend agree that this Bill makes the lives of Londoners and people in other regions as well much less secure? Added to the insecurity that many people are experiencing in the workplace, that makes everyone’s life much worse.

John Healey: My hon. Friend is right. The Bill fails to get to grips with the problems of modern life and the crisis of homeownership, especially for young people and families on ordinary incomes. The so-called starter homes are simply out of reach in those areas where people most need help to buy a home of their own. Last week, Tory MPs voted against Labour proposals to make those homes more affordable. The Bill sounds the death knell for social housing, which has had support from all parties for over a century, and for the first time since the second world war, the Chancellor confirmed in the autumn statement that there is no national investment programme to build such housing.

Starter homes will be built in place of affordable council and housing association homes, both to buy and to rent. Councils will be forced to sell their best properties and housing associations will not replace many of their right-to-buy sales with like-for-like homes. That is why Shelter, like the independent Chartered Institute of Housing, predicts that this Bill will lead to the loss of at least 180,000 genuinely affordable homes to rent and buy over the next five years—an extraordinary and an extreme Bill.

We have tried to stop the worst of the plans, but Tory Ministers and Back Benchers have opposed our proposals to give local areas the flexibility to promote not just starter homes but homes of all types, depending on local housing need; to make starter homes more affordable and protect and recycle taxpayers’ investment; to stop Ministers mandating that pay-to-stay limits hit working households on modest incomes; to allow local areas to protect council and housing association homes with a proper replacement of each; to limit any automatic planning permission from Ministers for brownfield land; and to protect stable family homes for council tenants.

In truth, many of the problems are caused by Ministers who announce first and ask questions later—no consultation and little time for proper scrutiny. More than 60 pages of new legislation were tabled at the last minute after the Committee had completed its scrutiny. There is a great deal for the other place to do.

In five years of government, we have seen five years of failure on housing under Conservative Ministers. Homelessness is rising, private rents are soaring and levels of homeownership have fallen each and every year since 2010; they are now at the lowest level for a generation. Over the past five years, the Government have seen fewer new homes built than under any Government in peacetime history since the 1920s. After five years of failure, the Bill does nothing to deal with the root causes of those failures; in many areas, it will make the problems a great deal worse.

Andrew Gwynee: Is it not also time that the Government practised what they preach? There are measures in the Bill to tackle houses of multiple occupation, yet in my constituency, but for the tenacity of Councillor Oliver Ryan and local residents, the Home Office and its contractors would have converted a small semi-detached family home into an HMO for the dispersal programme.

John Healey: My hon. Friend is right; I could have extended the list. Tory Ministers and Back Benchers have voted against our proposals to reinforce councils’ hands so that they deal with such abuse from landlords and such exploitation of tenants, to require homes to meet standards that make them fit for human habitation and to mandate annual electrical safety checks. They rejected each and every one of those proposals, to which we will return in the other place.

Mr George Howarth (Knowsley) (Lab): Will my right hon. Friend add to that list the failure to address the fact that some private landlords use properties to launder drug money?

John Healey: My right hon. Friend may well be right in some cases. One of the weaknesses of the enforcement regime and council powers, not to mention the resources being stripped out by the deep cuts, is that action to deal with such problems, often with other agencies, is prevented. Those issues blight many areas when they could be dealt with.

During the Bill’s passage the Prime Minister has been hyperactive with housing announcements; if press releases built homes, he would have had the housing crisis sorted by now. In years to come, people will judge him, the Government and the Bill on whether their housing pressures have eased, their housing prospects have improved and their housing costs have become more affordable. After five years of failure, we desperately needed a Bill to give people hit by the high cost of housing and the cost of housing crisis some hope that things will change. But this is not that Bill. This is an extraordinary and extreme Bill, and we will vote against it again tonight.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. A great many Members wish to speak in this important Third Reading debate. We have only half an hour left. I hope that hon. Members will be courteous and take no more than three to four minutes: that means less than four minutes.
Robert Neill (Bromley and Chislehurst) (Con): I am saddened to have heard the speech by the right hon. Member for Wentworth and Dearne (John Healey), because he and my right hon. Friend the Secretary of State are two of the people I have always had the most respect for in this Chamber, but his diagnosis is fundamentally flawed. I am sorry that he has fallen into that error.

The reality is that the Secretary of State has brought forward a Bill that is necessary, proportionate and sensible. Anyone who tries to characterise anything that comes from my right hon. Friend as extreme, is, I am sorry to say, not in touch with political reality. In the past—I understand why the right hon. Member for Wentworth and Dearne was in difficulty—we saw a litany of failure by Labour Governments. As a result, when my right hon. Friend the Secretary of State and I, with my hon. Friend the Member for Hertford and Stortford (Mr Prisk) and others, walked into the Department for Communities and Local Government, we inherited the worst rates of house building since the 1920s, the worst rates of social housing being built, and a market that was depressed and crushed.

That was particularly so in London, thanks to the very dirigiste and imposition views adopted by the previous Mayor, Ken Livingstone, who choked off the supply of housing, through unrealistic demands for a social element under section 52 agreements on developers and an almost ideological hatred of the private rented sector—a sentiment which, I am sorry to say, slipped through in an intervention earlier. If run properly, the private rented sector has a crucial role to play in the housing mix of London and of any other city or nation. It is sad that we see a retreat not just back to the ’70s and ’80s but to policy of an incompetence that Herbert Morrison would be ashamed of.

Mrs Miller: Does my hon. Friend recognise the problems that I experienced under the Labour Government of centrally set house building targets that led to high levels of flatted accommodation rather than the family homes that are being delivered under this Government, with hundreds of families getting starter homes of the sort that they could only dream of under the previous Labour Government?

Robert Neill: My right hon. Friend is absolutely right. The London suburbs, in particular, suffered from the ludicrous policy of counting things in terms of units rather than the number of affordable homes. That meant that places such as Bromley, Beckenham and others were swamped with flats being built—one or two-bedroom units—when the real demand was for affordable family homes. That, at last, we are tackling. Good housing associations such as Affinity Sutton in my constituency were happy to sign up to the agreement with the Secretary of State, because it gives them flexibility to be innovative.

Many local authorities would take that up. Housing co-operatives are a great idea. Labour’s attitude towards the private rented sector has been a barrier to the institutional investment in the private sector that would so improve the quality of the stock. It is the consistent failure of Labour authorities to take their opportunities that is the real story, not the freedoms that this Government and the previous coalition Government had been giving them.

It is a sad day, but I have to say this frankly to the right hon. Member for Wentworth and Dearne and his hon. Friends: I like them as people but they are profoundly wrong in their opposition to this Bill.

Mr Bacon: While my hon. Friend is on the subject of Labour’s lack of radicalism, does he share my confusion that the Labour party, which has control of many councils and billions of pounds of reserves, is not establishing and promoting mutual housing co-operatives? There is nothing in law to prevent Labour from doing that. If it really wanted to promote in perpetuity social rents, there are avenues available to it. Where is the radicalism one would have expected to hear from Labour Members?

Robert Neill: My hon. Friend is absolutely right. Many local authorities would take that up. Housing co-operatives are a great idea. Labour’s attitude towards the private rented sector has been a barrier to the institutional investment in the private sector that would so improve the quality of the stock. It is the consistent failure of Labour authorities to take their opportunities that is the real story, not the freedoms that this Government and the previous coalition Government had been giving them.

It is a sad day, but I have to say this frankly to the right hon. Member for Wentworth and Dearne and his hon. Friends: I like them as people but they are profoundly wrong in their opposition to this Bill.
based in Scotland as a result of the Bill; there are a number of cross-border housing associations and we do not yet know what the impact on them will be. If they are forced to sell off stock south of the border, what will be the impact on their investment and other plans for Scotland and Scottish tenants? We do not know.

We have abolished the right to buy in Scotland, and for good reason. Those houses were being lost from the housing stock in Scotland and people were languishing on waiting lists. We realised that we could go no further, because people were not getting the chance to realise their aspiration of a socially rented home. Their aspiration was for a home, not a house, to live in for generations.

The tenancy limit is a cause for concern and will upset many people. People want to live and settle in an area and to belong to it. For many people, that will be the area they grew up in, while for others it will be elsewhere. If people's rent is going to be up for review every two to five years, as stated in the Bill, they will not know whether they will be permitted to stay in their home. They might have to move and they will not know whether their children will be able to stay in their school. There may, therefore, be consequences for local schools in the area; if there is a constant turnover of pupils, that will impact on a school's ability to work well, flourish and build a solid community in which we would all wish to live.

The Bill is pretty dreadful in many respects. The Minister said earlier that he did not want central command and control over housing. Why, then, does he want to set the rent and force housing associations to reduce rent by 1%, which undermines their ability to borrow, plan and provide essential welfare rights services to their tenants? They do not have that choice any more—he has taken it out of their hands through his central command and command system.

Pay to stay will have an impact on the personal relationship that many tenants have with their housing officer and their neighbours, who, if their daughter or son is waiting for a house, may feel inclined to clype, should somebody get a wee pay increase or if they want to improve themselves by getting a new job or a promotion. That undermines the principles of every party, because we all want people to get on and do better. It is just not right, and the Government have clearly recognised that by rolling back the scheme and making it voluntary rather than compulsory. I hope that in time they will get rid of it altogether.

I am also concerned about the selling of high-value homes, because they are not luxury mansions, but family homes that allow families to stay in local communities. We should look at that again, because it is very important that they are replaced properly. I will close on that point, because other Members want to speak and I would not want to abuse the House.

6.33 pm

Chris Philp: I will do my best to stick to Madam Deputy Speaker's injunction of an informal four-minute limit.

It was a pleasure to serve on the Bill Committee and to watch both Front-Bench teams in action. I welcome the Bill as an opportunity further to improve this Government's record on house building. The right hon. Member for Wentworth and Dearne (John Healey) cited some statistics a few moments ago. I respectfully remind him that in his last year as Housing Minister, there were 125,000 starts across the United Kingdom, yet last year, under the current Secretary of State and Housing and Planning Minister, the figure had increased by 35% to 165,000 starts. This Government have a record they can be proud of.

Anna Turley: London has experienced a 55% increase in rough sleeping. There is a Tory Mayor and a Tory Government. Is that the kind of Tory aspiration we have heard about this evening?

Chris Philp: I believe that the level of rough sleeping last year had gone down compared with five years ago. Of course action is needed to combat this terrible problem. I am sure that we can all agree on that.

There is agreement around the House that there is an under-supply of housing in this country when compared with population growth. That is true, and I welcome the measures in the Bill to increase the housing supply, particularly the measures to build on surplus brownfield land, as encapsulated by local development orders. The measures will also help to protect the green belt by making sure that we focus development in areas where it is most appropriate. The London Land Commission, which is jointly chaired by the Minister for Housing and Planning, is already doing its work. I welcome the announcement made a week or so ago about giving it further powers to bring publicly owned land into development. Similarly, amendments tabled on Report last week to introduce non-local authority providers of planning processing services—not decision making, but processing powers—will expedite the passage of planning consents and further increase the supply of housing. All those measures will help to increase housing supply, and therefore help to improve affordability.

Another area in which the Bill does welcome work is that of home ownership. The right hon. Member for Wentworth and Dearne pointed out that home ownership has declined. The decline started in 2007, not 2010, but it is lamentable that home ownership has gone down. I welcome the starter home initiative, which I hope will reverse the trend. It is regrettable that the Labour party has passed up every opportunity to promote home ownership provided for by the Bill, which I shall be delighted to vote for in a few minutes' time. In effect, every first-time buyer in this country will be given a 20% discount when the Bill becomes law. That is extremely welcome, and I hope reverse the tide of home ownership decline. We should all be able to support that.

In summary, the Bill will increase the housing supply and promote home ownership. I urge all Members to support it. I even urge our SNP colleagues to support it vicariously.

6.36 pm

Andy Slaughter: It is difficult to dignify this Bill with analysis, because parts of it are so squalid and vindictive. What is pay to stay if it is not punishing success or making people on moderate incomes unable to afford to live in places such as my constituency. In the short time available, I want to focus on two of its aspects: one is the enforced sale of council housing, and the other is the end of secure tenancies.
Such sales are nothing less than ad hominem attacks on every council tenant, every housing association tenant and everyone who lives in a social landlord tenancy in this country. Frankly, the policy is outrageous. It has nothing to do with housing policy; it is to do with sectarian interests, gerrymandering and social engineering. I agree with Glenn Tilbrook, the lead singer of Squeeze, who memorably sang to the Prime Minister on “The Andrew Marr Show” on Sunday that council housing—affordable and secure homes for people on low and moderate incomes—is “part of what made Britain great”.

For my constituents, the policy means that 50% of council housing will be sold off: 6,500 homes will be lost from the public sector in that way when there is an absolutely chronic shortage of decent housing and no one can afford private rents or owner occupation in my constituency. I do not believe that such homes will be replaced. Whenever homes are demolished, either they are not replaced or they are replaced by meaner versions at the side of private sites. The hon. Member for Richmond Park (Zac Goldsmith) let the cat out of the bag when he said that all the Tories will do is replace them with starter homes costing £450,000 and miles away from the areas in which such people are now living.

The attack on security of tenure is the most disgraceful thing in this Bill. Security of tenure is part of the social compact in this country, as Margaret Thatcher understood. When we had the Housing Acts 1985 and 1988, private tenancies were made insecure, which I regret, but assured tenancies and secure tenancies gave families something they could call a home. Why do this Government want to destroy that?

Finally, the largest development site in London—24,000 new homes in Old Oak—is in my constituency. We are now told that they will be starter homes. Who will be able to afford homes at £450,000 each? The hon. Member for Richmond Park should be ashamed of himself. He cannot speak for London on this issue. The speech of my right hon. Friend the Member for Tooting (Sadiq Khan) shows that only one party and one candidate in the mayoral election will stand up for all Londoners in providing genuinely affordable housing in this country.

6.39 pm

Clive Efford: We will take no lectures from the Government on home ownership. It is at its lowest level for a generation and has gone down in every year under their tenure. They have to explain why they scrapped the £8.4-billion investment that was put into the programme in 2008 to build houses of all sorts, including affordable houses to buy, and cut it down to £660 million in their first Budget.

This is a war on social housing. For London, it is a war on traditional, long-standing, established working-class communities that have played their part in the economy of London for generations. There are several measures in the Bill that will wipe out the future of social housing. On planning, section 106 funding used to pay for most social housing, but will now pay for starter homes. There is the forced sale of housing association properties and the forced sale of high-value council housing properties to subsidise the rebuilding of housing association properties. We are yet to see the figures that prove that that is financially viable.

To the Government’s eternal shame, there is the removal of secure tenancies, with no mandate from the electorate whatsoever. There was no warning. We said that this was what the Tories wanted to do in 2010. We were told that we were lying. We are not lying now, are we, because it is exactly what they have done at the first opportunity to introduce it.

There is pay to stay. If someone goes out and increases their income or if the family income increases, they will be penalised with a higher rent. In what other social field would the Tories introduce a policy like that? It is just a war on social housing.

However, the Tories are prepared to subsidise home ownership. I am happy to see the subsidising of home ownership through various schemes, but it is not fair when the money is taken away from social housing. The Chartered Institute of Housing estimates that the cost of this measure will be £3.3 billion. We are yet to see where that money will come from.

The hon. Member for Richmond Park (Zac Goldsmith) says that there will be two-for-one replacement in Greater London. Where are the figures to show that that adds up? It is a fig leaf to cover his embarrassment at the Bill, which is disastrous for communities in London. It is an excuse written up on the back of the fag packet by Lynton Crosby, who is running his campaign. It will not work for people in London.

What the Tories do not understand is that social housing is an essential part of any major city’s economy. People need to live close to where they work. Particularly on the back of the fare increases that we have seen from this Tory Mayor, people cannot afford to do low income jobs, live in outer London and travel into central London. That is why low-cost social housing is so essential in areas of high land values in central London. The Tories do not understand it—they never have and they never will. They have always had a hatred of social housing. This is a Bill that Margaret Thatcher could not have dreamt of. It is a disaster for communities in London and I’ll tell you what: the Tories will rue the day that they did this.

Several hon. Members rose—

Mr Speaker: I need speeches of nearer to three minutes, because I wish to call the hon. Member for Hornchurch and Upminster (Dame Angela Watkinson) and then to accommodate the hon. Members for Westmorland and Lonsdale (Tim Farron), for Brent North (Barry Gardiner) and for Sheffield, Brightside and Hillsborough (Harry Harpham).

6.43 pm

Dame Angela Watkinson (Hornchurch and Upminster) (Con): In welcoming this large and excellent Bill, I thank the Secretary of State, who fell short of accepting my new clause 5, but who has agreed to set up a working party to look into why so few local authorities use the powers that are available to them to collect tenure information via their council tax application forms. I believe that the information so collected would be extremely helpful to local authorities and tenants in identifying rogue landlords and letting agents, as well as
housing benefit fraud, unregulated houses in multiple occupation, environmental health issues and other parts of the housing and planning function. I look forward to the Government making progress to ensure that those powers are exercised consistently across all local authorities.

6.44 pm

**Tim Farron**: It is right that the Government included a Housing Bill in the Queen's Speech. Poor housing robs people of their freedom and liberty, and housing is the entry point to a civilised society. It is therefore a tragedy that in response to a broken market and chronic lack of supply, where we need 300,000 new builds a year over 10 years, where 1.6 million people are rotting on a council house waiting list, and where more than a quarter of 18 to 30-year-olds in this country are still living in the family home—

**Peter Dowd** (Bootle) (Lab): I probably should not give way to be fair to other Members who wish to speak.

It is a tragedy that the scale of this crisis is inverse to this Government's puny ambition. Where is the designation of the five to 10 garden cities that are needed over this decade? Where is the increase in income and building capacity for housing associations? Instead, there is a decrease in their ability to raise funds to develop homes. Where is the increase in social housing that we desperately need to meet the needs of 1.6 million people? Instead there is a diversion of funds towards the wrong priorities. In short, we have 200,000 so-called starter homes, instead of 300,000 section 106 actual affordable homes. Right to buy is the second huge assault on affordable housing.

If we believe that aspiration is right and that the right to own one's home is good and something to work towards, we should be allowing a like-for-like replacement in advance. If, by an act of vandalism, we want to destroy social housing, we should do what the Government are doing.

The hon. Member for Bromley and Chislehurst (Robert Neill) took offence at those on the Labour Front Bench who used the word “extreme”, but this Government's actions towards rural communities are absolutely extreme. If we consider that three in four council houses in South Brent would be at risk of forced sale, rather than going to people on the waiting list. We have 4,500 households on the waiting list in bands A to C. Band D has been abolished, and we have had to tell people that anyone in band D does not stand a chance of getting a home in Brent North. That is the scale of the problems we are facing, and the response that we have had from the Government is totally inadequate to meet the housing needs of people in London. High rent, lower than average incomes and a larger than average household size in my constituency means that affordability is a huge problem.

Council and housing association rents are to be cut by 1% a year. That is mixed news. According to the Institute for Fiscal Studies, it will help very few of the 3.9 million social tenants—it just comes off their housing benefit—but it is a great bonus for the Treasury. Some £1.7 billion will be removed from the housing benefit bill by leaving a disastrous hole in council and housing association finances. It is there, in the social rented sector, that the real price of this measure will be paid for and felt by tenants.

Future planning for housing development will have a greater and greater share of homeownership, rather than social rented housing. Communities will find themselves broken up by redevelopment or, in the long term, by the loss of secure tenancies, which have been a bedrock of stable neighbourhoods. I want children in my constituency to grow up knowing that in three years' time they will be able to sit their GCSEs and their A-level exams at the same school they started off in at the age of 11. The Government are denying them that right. It used to be that an English family's home was their castle—no longer.

6.51 pm

**Harry Harpham** (Sheffield, Brightside and Hillsborough) (Lab): I would like to focus on a couple of areas that I find especially concerning.

First, on the planned extension to the right to buy scheme, Ministers have made much of it being agreed to voluntarily by the National Housing Federation. Given that it was accepted only with the clear knowledge that similar measures would be forced on housing associations, there are some doubts as to
how voluntary the agreement really was. After the Government strong-armed housing associations into this position, it is no wonder that they are sceptical.

Forcing local authorities to sell off their housing stock to pay for the Bill means councillors are not exactly keen either. As the Tory-led Local Government Association pointed out, councils are best placed to respond to their area’s housing needs. It is disappointing that Ministers, who not so very long ago prided themselves as the champions of localism, are now tying councillors’ hands while they raid town halls for the money to cover this counterproductive measure.

The Chartered Institute of Housing has suggested that sales of these high value properties will fall well short of expectations, to the tune of some £3.3 billion. More to the point, who will these high-value homes be sold to? If they are high value, then certainly they will not be sold to first-time buyers. Councils are incentivised to sell them at a price as dear as possible to make sure they can meet Treasury demands, so they will, more likely than not, end up in the hands of speculators or buy-to-let landlords. Council housing that was once leased at affordable rents will move out of the reach of people struggling to meet their housing costs.

On council tenancies, the Bill legislates for insecurity. By forcing local authorities to offer only short-term tenancies, the Government are encouraging uncertainty and worry for low-income families. For council tenants, the house they live in is not an asset to be managed. It is a home. It is where they have raised their family. A third are now saying that they will stop building affordable homes altogether. Housing associations have always worked with a social ethos, but the Bill hollows that out to the point where commercial survival is all.

I will end with a few remarks about the private rented sector. From my own experiences as a councillor in Sheffield, I know there are many dedicated and genuinely caring private landlords whose professionalism does them great credit, but there is far too large a minority who see their often vulnerable tenants as cash cows and who have little thought for their responsibilities, other than turning up every week on the doorstep to collect the rent. Private renting is on the rise. One quarter of all families with children are private renting, and it is a national scandal that nearly one third of these properties do not meet the decent homes standard. The Government are to be congratulated on trying to get to grips with the problem, but the Bill could be so much bolder. A statutory requirement for private landlords to make sure their properties are up to scratch throughout the lifetime of a tenancy would give their tenants a decent level of security and allow for much swifter action to be taken against landlords who give the rest a bad name.

Question put, That the Bill be now read the Third time.
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NOES

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Kyle, Peter
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Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malthotra, Seema
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Marris, Rob
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Matheson, Christian
McCabe, Steve
McCarty,ERRY
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McDonald, Andy
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McMahon, Jim
Miliband, rh Edward
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Nandy, Lisa
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Owen, Albert
Pence, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smith, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
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Spellar, rh Mr John
Starmer, Keir
Stevens, Jo
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Thornberry, Emily
Timms, rh Stephen
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Turley, Anna
Turner, Karl
Twigg, Derek
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Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watson, Mr Tom
West, Catherine
Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Noes:
Judith Cummins and
Sue Hayman

Question accordingly agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)).

LANDLORD AND TENANT

That the Agricultural Holdings Act 1986 (Variation of Schedule 8) (England) Order 2015, dated 24 November 2015, a copy of which was laid before this House on 2 December 2015, be approved.—(Margot James.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

TERMS AND CONDITIONS OF EMPLOYMENT

That the draft National Minimum Wage (Amendment) Regulations 2016, which were laid before this House on 7 December 2015, be approved.—(Margot James.)

Question agreed to.
Connaught Income Fund

Motion made, and Question proposed. That this House do now adjourn.—(Margot James.)

7.10 pm

Guto Bebb (Aberconwy) (Con): Before we get into the detail of the questions I want to ask the Minister, I think it is important for me to provide some context and background on the issue.

The Connaught Income Fund Series 1 was established in April 2008. The aim of the fund was to invest in bridging loans, primarily through a company called Tiuta International Ltd. Regulatory demands resulted in the fund being operated by a Financial Services Authority-regulated firm. In the case of Connaught the initial operator was Capita Financial Managers Ltd.

Capita issued the first investment memorandum as the fund’s promoter under section 21 of the Financial Services and Markets Act 2000 in April 2008. In September 2009 Capita Financial Managers resigned and the role of the operator was transferred to Blue Gate Capital management. At the time this decision was taken, a meeting between representatives of Capita Financial Managers and Capita plc was held. Minutes of this meeting, which are in the public domain, confirm that Capita was, at the very least, concerned about Tiuta’s financial viability and was aware of the false representations promoted to investors within the information memorandum. However, despite this level of knowledge and concern about the viability of Tiuta and the improper use of moneys invested in the fund, Capita, upon transferring the operator status to Blue Gate Capital management, did not inform existing investors of its concerns. That is despite the fact that Capita did write to existing investors informing them of the change of operator.

Jim Shannon (Strangford) (DUP): I congratulate the hon. Gentleman on securing this debate, and the number of Members who are present is an indication of the interest in this issue. Does he agree that the Financial Conduct Authority should publish the issues that resulted in it withdrawing from negotiations with Connaught and other parties so that, importantly, those who lost out in the collapse of this fund can know who they have cause to claim against and to blame?

Guto Bebb: The hon. Gentleman makes an important point that I will come on to. Indeed, the need for information as to why that decision was taken is something I will be asking the Minister to comment on.

Graham Stuart (Beverley and Holderness) (Con): I, too, congratulate my hon. Friend on championing this issue. I have been contacted by constituents. They want to know why the FCA is taking so long conducting its inquiry and when they are going to get information about what is going on within it. They want to be confident that the inquiry is being properly conducted and to see a resolution of this unpleasant and long-running saga.

Guto Bebb: My hon. Friend has summarised my speech in a pithy intervention.

It is important to highlight that when the transfer of operator happened, the subsequent information memorandum issued by Blue Gate was virtually identical to the original information memorandum issued by Capita, and for a further 10 months, more or less, investors’ funds going into Connaught were still managed by Capita IRG Trustees Ltd, which handled investors’ money while Blue Gate waited to receive authority from the FSA to handle client funds.

The whole issue becomes even more concerning because in January 2011 a whistleblower—none other than the chief executive of Tiuta, George Patellis—contacted the FSA to make a principle 11 notification in relation to the misuse of fund moneys by Tiuta. In March 2011 George Patellis met Ian Conway from the FSA to highlight evidence of mismanagement and the fraudulent use of investor funds. He provided ample evidence to support his claims.

Kirsten Oswald (East Renfrewshire) (SNP): Does the hon. Gentleman share my concern that, after five years, the regulatory authorities appear to have made little progress on securing justice for the 1,500 investors, including my constituent George Devon, who lost money in what should have been a secure investment fund? They have made even less progress on working out who to hold to account for the disappearance of more than £100 million. Will he join me in calling for a comprehensive review of the regulatory framework, which is supposed to protect small-scale investors but fails to do so?

Guto Bebb: I will join the hon. Lady in that call, and I agree entirely with her comments.

On 26 May 2011, three months after the whistleblower provided evidence of wrongdoing, the FSA finally published a note on its website stating that the fund should not be compared to a bank or building society account. That was remarkable, considering it had been provided with evidence of wrongdoing. In the light of that evidence, it is difficult not to argue that a stronger warning should have been provided to investors by the FSA.

Mims Davies (Eastleigh) (Con): Does my hon. Friend agree that many of our constituents have waited a long time for this investigation, despite the whistleblowers? This debate provides an excellent opportunity for us to urge the Financial Conduct Authority to set out a clear timescale. It is only right and proper that full clarity should be given to all our constituents—we can see the large number of Members present in the Chamber tonight—about the scope, nature and timing of this full and much needed investigation.

Guto Bebb: Absolutely. My hon. Friend has just covered part of my speech very well, and I agree entirely with her comments.

Despite the warnings, and the acknowledgment of those warnings by a note that was issued on the FSA’s website, money was still being invested in the fund for a further 10 months. That is scandalous.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I congratulate my hon. Friend on calling this debate. It is obvious that there is interest across the House in this matter. Is not the situation made even more dreadful by the fact that constituents like mine who invested £100,000...
in 2011 did not receive those warnings earlier? One of the financial advisers who advised several people to invest in the fund is based in my constituency. They are now exposed and they want timely and transparent answers from the FCA. Everything seems to have been concealed in this case.

**Guto Bebb:** I am grateful to my right hon. Friend for that intervention. I will come on to the way in which independent financial advisers have been badly treated under the regulatory framework in this regard.

**Bill Wiffin** (North Herefordshire) (Con): Does my hon. Friend agree that the new body, the FCA, is as toothless as ever and that it is more likely to refer people to the ombudsman than to do anything itself? Will he urge the Government to change that?

**Guto Bebb:** I regret that I have to agree with my hon. Friend. The financial ombudsman service is too often seen as an option by the FCA when problems are brought to its attention. Unfortunately, I also have some comments to make on the performance of the ombudsman in relation to this issue.

**Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): I am extremely grateful to the hon. Gentleman for calling this debate. It is unacceptable that people such as my constituent Paramjit Tank, whose family invested some £60,000 in the fund over three years, do not know what has happened to their money. Whatever authorities we have set up, those people are in limbo. Their money has gone and they do not know what is going to happen next.

**Guto Bebb:** The hon. Lady speaks for all of us in this regard, and the constituents who are the worst affected are often old and vulnerable and have invested their life savings in the scheme. I share her concerns.

In March 2012, the fund was finally suspended. It is important to point out, however, that more than half the investment in the fund was invested after the original warnings had been given to the FSA. That issue needs to be addressed. The fund went into administration in May 2012 and finally entered liquidation in December 2012.

When I first came across this matter through my constituency casework, most interested parties and stakeholders were complaining that the FSA—and subsequently the FCA—were unresponsive to their concerns. However, that situation appeared to change following the establishment of the all-party parliamentary group on the Connaught Income Fund. At its first meeting in July 2014, the FCA's director of supervision, Linda Woodall, announced unilaterally that the FCA would facilitate negotiations between the liquidators of the fund and the former operators of the fund, Blue Gate and Capita. This was not a perfect solution, but it offered the hope that some redress and compensation would be offered to investors. That commitment was made during the APPG meeting, but again a question arises: given that a warning was made by a whistleblower so much in advance of this fund being suspended, should the FCA be looking not just at contributions towards compensation from the operators of the fund, but at itself? Did the FCA owe the investors a duty of care?

**Mrs Caroline Spelman** (Meriden) (Con): As a member of the APPG, will my hon. Friend say how concerning it is that there has been no communication from the FCA since March 2015? This long period of anxiety for our constituents is what is really troubling so many of us.

**Guto Bebb:** As the chair of the APPG, I have felt extremely frustrated when Conservative and Opposition Members have asked me for an update, as I am unable to offer one, because there is nothing to be said.

**Dame Angela Watkinson** (Hornchurch and Upminster) (Con): I, like most colleagues here, have had correspondence with constituents who have lost considerable amounts of savings, with this often changing the direction of their lives as the amounts are so significant. Does my hon. Friend share my hope that the strength of feeling being shown in this Chamber today will force some urgency to be put into finding a solution to this?

**Guto Bebb:** Again, I fully agree with my hon. Friend's comments, and I do think that tonight's turnout indicates the concern across the House on this issue. It is important to point out again that the proposed mediation was described as the fastest way of getting some compensation to investors, which is why the APPG welcomed it, although with some reservations. A deadline date of 31 October 2014 was offered for the completion of that mediation. Subsequently, in November 2014 the FCA announced a new date of the end of January 2015, and then in January 2015 it announced a new date of the end of March.

On 9 March 2015, I was asked to meet Martin Wheatley, the now former chief executive of the FCA, in Portcullis House, where I was informed that the FCA was withdrawing from the mediation process—that was announced the following day. Again, the decision was unilateral. In effect, the decision was to go for mediation was a unilateral one made by the FCA without consulting other stakeholders, as was the decision to end the mediation. As chair of the APPG, I think it essential that the FCA explains why it took those decisions. It needs to explain why it thought it was better to end the mediation rather than continue with a method of dealing with this issue that it had claimed would be the most effective way to proceed.

**John Glen** (Salisbury) (Con): My hon. Friend is getting to the crux of the matter. For an organisation that many of our constituents see as being an appropriate regulator and an arbiter of what should happen, this lack of accountability is totally unacceptable. The number of vulnerable people who are reliant on this organisation to act wisely means that it is outrageous that this situation is allowed to continue. Does he agree that urgent action needs to be taken by the Minister to ensure that the FCA steps up to the mark immediately?

**Guto Bebb:** I agree entirely with my hon. Friend. Who has been a firm supporter of the APPG since its establishment. He makes the point we wish to make: we might be annoyed that the all-party group has not been
kept informed, but we should be outraged that the investors and the stakeholders involved in the fund have also been treated with such disrespect.

Alex Chalk (Cheltenham) (Con): May I declare an interest, Mr Speaker? As a barrister, I was instructed by the FCA to prosecute serious Ponzi fraud. I agree with my hon. Friend that this is about clarity and certainty; it is only by being clear that the investigation is being concluded that investors who have been left in limbo can get the certainty they deserve.

Guto Bebb: Again, I fully endorse those comments. We are in this House this evening almost giving a cry for help to the Minister, where the all-party group and Members of Parliament have failed to deliver on behalf of their constituents. I sincerely hope that she can intervene and ensure that at least a degree of clarity is offered.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I wish to raise a wider issue. Unregulated collective investment schemes are not permitted to be marketed to the general public, as one would expect, but does the hon. Gentleman not agree that this needs proper enforcement and that it may not always take place?

Guto Bebb: That is a point that I subscribe to and agree with, and it should be considered in due course.

The questions that I have for the Minister are pretty clear. First, in view of the FCA's recent decision to cancel its proposed review of banking standards and culture, can we have a guarantee that the investigation will be completed by the FCA? Many people affected by this issue have contacted me, expressing their concern that, in view of the delays and the lack of information from the FCA, the review will be completed.

Secondly, the FCA unilaterally withdrew from the mediation process, without any consultation with stakeholders or investors. Can the Minister assure us that the FCA will, upon completion of its investigations, publicly justify its decision to curtail the process of mediation and the subsequent delay in compensation and redress?

Thirdly, it has also been implied that the reason for curtailing the mediation process was a result of a realisation within the FCA that the financial compensation on offer from the mediation process would not be sufficient. Is that the case? As we have had no clarity or confirmation that that is the case, will the Minister give us some assurances on the matter? If it is not the case, will the FCA be able to explain why it therefore curtailed the mediation?

Liz McInnes (Heywood and Middleton) (Lab): I wish to add my voice to those of other hon. Members who have expressed concerns on behalf of their constituents. I also wish to express the request of my constituent Mel Carney, who says:

“I have already waited over three years to learn what has happened to my money.”

He is asking for transparency from the FCA and for the investigation to be concluded in a timely manner.

Guto Bebb: The hon. Lady has asked my fourth and fifth questions.

My fourth question is this: 10 months after the mediation was cancelled, are we in a position to get an update from the FCA, and, if we are, how soon can that update be offered?

Finally, we need an end date. We need to know when this investigation will be completed. I ask the Minister to implore the FCA to provide that information.
ask the Minister to ask whether the FOS and the FCA are acting properly and fairly as regards their duty of care towards independent financial advisers. The debate has shown, if nothing else, that there is a degree of concern across the House. I apologise to the Minister for having over-extended my allotted time, and I will therefore sit down and allow her to answer some of the very important questions that have been raised by colleagues.

7.30 pm

The Economic Secretary to the Treasury (Harriett Baldwin): I congratulate my hon. Friend the Member for Aberconwy (Guto Bebb) on securing this debate, chairing the all-party group and raising the serious issues concerning the Connaught Income Fund. His constituents and, clearly, those of many other colleagues have been seriously affected by this event and have written to me many times.

Many investors have lost substantial sums and, indeed, sometimes their life savings as a result of the events involving the Connaught funds. I am very much aware that that has caused real hardship for people across the country. It is important that the FCA and the all-party group get to the bottom of this matter and try to secure the best outcome for investors in these funds. Those who are responsible should face justice for their actions. It is equally important that steps are taken to ensure that this situation does not arise again in the future.

I reassure my hon. Friend and all other Members that the Financial Conduct Authority takes this matter extremely seriously.

Kirsten Oswald rose—

Harriett Baldwin: Given the lack of time, I will make a bit of progress. If I have time, I will come back to the hon. Lady.

The FCA also knows that what happened with the Connaught funds has caused serious distress to many investors and continues to work closely on this case to secure the best possible outcome. As my hon. Friend the Member for Aberconwy said, the Connaught funds comprised three separate funds, income series 1, series 2 and series 3. In total, approximately £147 million was invested in the funds, which, as we know, were unregulated collective investment schemes. By definition, such schemes are not subject to direct regulation by the FCA or, previously, by the Financial Services Authority.

In the case of Connaught investment funds, many of the usual protections and safeguards that protect investors in regulated funds were absent, owing to the unregulated nature of some of the entities involved. On this point, I want to touch on two main issues. The first concerns the actions taken by the FCA to try to protect consumers, despite most of the entities involved being unregulated. That includes the ongoing work to secure a fair and proper outcome for investors. The second involves the steps that can be taken to ensure that this sort of situation does not happen again.

First, despite the schemes being unregulated, the FCA has taken a number of significant steps to try to protect customers right from when the first problems arose. In May 2011, the FCA, which was at the time the FSA, altered Tiuta’s permissions on issuing new regulated mortgage lending. Shortly thereafter, it wrote to investors who might have been mis-sold the fund and all financial advisers who sold the fund, asking them to review the sales and to contact customers where there may have been the risk of unsuitable advice. The FCA has continued to provide updates on the situation via its website. Once the funds were suspended and steps were taken to wind them down, the FCA announced on 16 July 2014 that it would support a negotiated settlement to address investor losses.

As hon. Members may know, the FCA initially supported the negotiations between the parties involved, as it believed that doing so was in the best interests of investors. However, having extended the negotiations more than once, in March 2015 the FCA announced its decision to withdraw from them. The FCA decided that a further extension to the negotiation period was not in the best interests of investors. I am sure my hon. Friend will understand that as the negotiations were voluntary and confidential, the FCA cannot provide specific details on what happened during the negotiations.

Mr David Hanson (Delyn) (Lab): Will the Minister give way?

Harriett Baldwin: I have so little time.

The FCA is now conducting formal investigations into the activities of the two operators of the fund, Capita Financial Managers Ltd and Blue Gate Capital Ltd. My hon. Friend questions the length of time that the FCA is likely to take in order to conduct and conclude its investigations. Although it is too early to give a reliable estimate of the likely time frame for their conclusion, the FCA has assured me that it intends to progress the investigations efficiently and effectively. The length of time it will take to complete the investigations is affected by, among other things, the level of co-operation received from those under investigation and any related third parties.

As the FCA is in the process of carrying out its investigations it is, of course, not possible to comment on their likely outcome. The FCA is unable to provide any comment on what the level or form of compensation to investors may be if it is found that the operators have contravened any regulatory principles or rules.

Mr David Nuttall (Bury North) (Con): Will my hon. Friend please give way?

Harriett Baldwin: I have so little time, but I will try to make progress and then give way.

The FCA is an independent, non-governmental body, so I am sure my hon. Friend the Member for Aberconwy will agree that for me to interfere in its investigations in any way would not be appropriate.

My hon. Friend raised the question of whether the Financial Ombudsman Service has indicated a predetermination to find against independent financial advisers, regardless of the allegations of fraudulent behaviour within the fund. It is important to note that like the FCA, the Financial Ombudsman Service is an independent, non-governmental body. It provides an independent dispute resolution service for consumers with individual complaints against financial services companies. In view of this independence, it would not
be appropriate for the Government to comment or intervene in the Financial Ombudsman Service’s work on complaints against advisers who sold the Connaught Income Fund.

However, although I cannot provide comment on these details of these investigations, I am assured that the FCA has put considerable resources, time and effort into trying to achieve a good outcome for the investors affected by the failure of the fund, and that it continues to act in the best interests of the investors.

Mary Robinson (Cheadle) (Con): Will my hon. Friend give way?

Harriett Baldwin: I shall give way to the hon. Member for East Renfrewshire (Kirsten Oswald) first.

Kirsten Oswald: I am grateful to the hon. Lady for giving way. In response to a written question I was referred to the record of ministerial meetings to find out when a Treasury Minister last met representatives of the FCA. Does the Minister understand my astonishment at finding not a single bilateral meeting between the Treasury at ministerial level and the FCA in the two years from October 2013 to September 2015? Does she appreciate that her Government seem to be asleep at the wheel as the FCA fails to clean up the financial services sector?

Harriett Baldwin: The hon. Lady has been assiduous in tabling a number of parliamentary questions. I think I am right in saying that they have been put on the record in the Library. I encourage other hon. Members to have a look and see the record that she has managed to get from the FCA in writing.

I am sure that other hon. Members who have constituents who have suffered losses in the Connaught Income Fund will welcome the reassurance that the FCA is doing its utmost to secure the best possible outcome for investors, and that they will support the FCA in its current investigations.

Mr Nuttall: I appreciate that the Minister does not want to comment, but given the strength of feeling this evening, will she please pick up the phone in the morning to Tracey McDermott, the interim head of the FCA, and make it absolutely clear that we want some action on behalf of our constituents and we want this matter sorted out now?

Harriett Baldwin: I am sure my hon. Friend would not want me to interfere in a number of different FCA matters, but I am quite sure that the FCA will have seen the strength of feeling in the Chamber this evening.

I have one minute left so I will take a quick intervention.

Mary Robinson: I am grateful to my hon. Friend. Does she agree that at the heart of this are many elderly people who have done the right thing all their lives, saved for their retirement and gone, like my constituents, to an IFA, and now it is time for the FCA to do the right thing for them?

Harriett Baldwin: There clearly is a lot to investigate in this case. As I said, the FCA is doing its utmost to secure the best possible outcome for investors.

I would like to reassure hon. Members about the steps that have been taken to ensure that this situation does not occur again. The FCA has brought in new rules banning the promotion of unregulated collective investment schemes to ordinary retail investors. Independent financial advisers should not be selling unregulated investment schemes to retail investors. The circumstances in which unregulated schemes can be promoted to consumers are generally restricted to certain types of qualifying investors, such as those who have a high level of understanding about investments, or high net worth individuals, for whom those products are likely to be more suitable. That is an important step to take in ensuring that such a situation does not occur in the future.

I thank my hon. Friend the Member for Aberconwy once again for raising these important issues. His all-party group plays an incredibly important role in the parliamentary scrutiny of what the FCA is investigating, and I hope we can move forward and secure redress for his constituents and others.

Question put and agreed to.

7.40 pm

House adjourned.
The Secretary of State was asked—

S4C: Funding

1. Mr Mark Williams (Ceredigion) (LD): What discussions he has had with the Secretary of State for Culture, Media and Sport on future funding of S4C. [902938]

4. Carolyn Harris (Swansea East) (Lab): What discussions he has had with the Secretary of State for Culture, Media and Sport on future funding of S4C. [902942]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): The Secretary of State and I have regular discussions with Cabinet colleagues which provide opportunities to discuss a range of issues, including matters related to the funding of services across Wales such as the future funding of S4C.

Mr Williams: The Prime Minister said last week at the Dispatch Box that he wanted to “meet…the wording and the spirit of our manifesto promise”, on S4C, which stated:

“If we were to abandon the proposed cuts to the DCMS part of S4C's budget and undertake a review of the future funding needs of S4C?”

Alun Cairns: We will meet our manifesto commitment to “safeguard the funding and editorial independence of S4C.”

The hon. Gentleman will have heard the Prime Minister say that we would “meet…the wording and spirit of our manifesto commitment.”—[Official Report, 6 January 2016; Vol. 604, c. 281.]

He will also remember that on the evening before there was a debate proposed by my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) to which the Minister for Culture and the Digital Economy responded by saying that he was looking at the arguments and keen to engage positively.

Carolyn Harris: I am grateful to the Minister for mentioning last Tuesday’s debate because I too want to talk about the wonderful consensus that broke out in the Chamber regarding S4C’s funding. Given that consensus, will he remind his colleagues at DCMS that he has a statutory duty to protect S4C’s funding? Will he also join us in offering his personal support for an independent review of S4C?

Alun Cairns: The hon. Lady took part in that debate and she will recognise the way in which the Minister responded. He said that he was listening to the arguments and that he wanted to engage as positively as he could. I hope that she recognises the spirit in which that was intended.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Last July, the Culture Secretary and the Treasury informed the director-general of the BBC in a letter that S4C’s grant might be cut by the same percentage reduction as the BBC itself and that: “It will be up to the Government to decide how to make up the shortfall.”

This is therefore not only the Government-driven cut facing S4C. What additional funds will the Government be providing over and above these DMCS cuts?

Alun Cairns: As the hon. Lady knows, charter renewal negotiations and discussions are under way at the moment, and I do not want to pre-empt any of the issues that will come out of that. Clearly, there will be a widespread consultation and I hope that she and other Members will engage positively in it.

Liz Saville Roberts: I understand, of course, that we are facing the BBC charter consultation, but given the BBC’s response in the current situation there is surely now room for cross-party consensus on Silk II’s recommendation that the funding of the public expenditure element of S4C should be devolved to the National Assembly for Wales.

Alun Cairns: I do not accept the basis of the question. During my right hon. Friend the Secretary of State’s discussion that led to the St David’s day agreement, there was not agreement on this issue. We are keen to progress in consensus so that we can take everyone forward. We need to remember that it was a Conservative Government who established S4C, which has been a great success since 1982. I hope that the hon. Lady will share in and recognise that success.

Susan Elan Jones (Clwyd South) (Lab): What complete waffle from the Minister! The Tory party manifesto said only last spring that that party was committed in government to safeguarding “the funding and editorial independence of S4C”, yet now we are talking of a cut from the DCMS budget of a quarter of its funding. [Interruption.] The Secretary of State is asking for my question. It is simply this: why will the Government not safeguard the funding, and why is that quarter of the DCMS funding budget still under consideration? It is a disgrace. How can we trust them on any other commitment they make?

Alun Cairns: The hon. Lady will have heard my answers to the previous questions. I find it a bit rich that Labour Members are calling for extra funding for a Welsh language channel when this morning the First
Minister in the Assembly is seeking to defend his position of cutting the budget to support the Welsh language by 5.5%. That is simply a disgrace.

SMEs


The Secretary of State for Wales (Stephen Crabb): Our nation’s small businesses are the true heroes of this economic recovery, and I am proud to be part of a Government who are on their side. SMEs have created two thirds of all the new jobs in the private sector in Wales since 2010. As we continue to reduce regulation and lower taxes, support for small businesses right across the UK has never been stronger.

Karen Lumley: This year is the British Chambers of Commerce year of action on exports. Will my right hon. Friend update the House on how he is helping small businesses in Wales to punch above their weight this year?

Stephen Crabb: My hon. Friend raises a very important point. We have set ourselves a really ambitious target of £1 trillion of exports from the UK by 2020. If we are going to have any hope of meeting that target, we need to engage with SMEs right across the UK, especially in Wales. That is why I will be in north Wales tomorrow, with my right hon. Friend, the Minister for Trade and Investment, promoting everything that north Wales has to offer.

Stephen Kinnock (Aberavon) (Lab): The Welsh steel industry plays a critical role in underpinning business right across the board, including SMEs, but global headwinds affecting the industry have been growing stronger. Will the Secretary of State join me and Welsh MPs from all parties in asking for a meeting with his right hon. Friend the Secretary of State for Business, Innovation and Skills to ensure that no stone remains unturned in the fight to save the Welsh steel industry?

Stephen Crabb: I thank the hon. Gentleman for his question and for the spirit in which he asked it. He knows as well as we do that the steel industry right across the UK, not least in Wales, faces a global crisis. He is aware of all the different actions being taken by the Government to try to help the British and Welsh steel industry face the global nature of the crisis. I am very happy to pass on his request to the Business Secretary. We are obviously in very close contact, as is the hon. Gentleman, with Tata, and especially the plant in Port Talbot in his constituency.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): My right hon. Friend will know that one of the small businesses emerging in Wales is Tidal Lagoon Power Ltd, which has exciting plans for the Swansea bay tidal lagoon. The roll-out programme also includes Cardiff, Newport and north Wales. When can we expect to hear what financial support will be forthcoming from the Government so that this exciting project can proceed without delay?

Stephen Crabb: My right hon. Friend the former Secretary of State is right. The Swansea tidal lagoon proposition is very exciting and commands wide support across the business community in Wales, but we also need to recognise that the project is asking for a very significant level of public subsidy and intervention. It is absolutely right that my right hon. and hon. Friends in the Treasury and the Department of Energy and Climate Change should conduct very robust due diligence in making sure that such projects will deliver value for the taxpayer.

Albert Owen (Ynys Môn) (Lab): One of the issues that small businesses raise with me in my constituency is the lack of connectivity for superfast broadband and, indeed, mobile connections. Now that the Government and the Prime Minister agree with me on the universal obligation for broadband, will the Secretary of State help me by supporting a pilot scheme on Ynys Môn, the Isle of Anglesey?

Stephen Crabb: The hon. Gentleman raises a very important point. We have discussed this many times in Wales questions and debates. Improvements are happening right across Wales, and we are seeing big improvements in internet connectivity and for mobile phones in his constituency and mine. There is much more that we can do. I am very interested to hear about a pilot project in Anglesey, which I am happy to discuss with ministerial colleagues.

Dr James Davies (Vale of Clwyd) (Con): In early December, the UK Government announced £50 million of additional funding to address flooding issues. That figure has Barnett consequentials for Wales of £2.276 million. Since then, a further £90 million has been announced by the UK Government, and we await to see what, if any, Barnett consequentials will arise from that. On the new money to be allocated to Wales, will the Secretary of State join me in calling on the Welsh Assembly Government to allocate it to St Asaph?

Stephen Crabb: I absolutely join my hon. Friend in making that suggestion and recommendation. It is worth putting it on the record that our sympathy and thoughts are with all the families and businesses in Wales, as well as with those right across the UK, that suffered damage due to flooding over the Christmas period. All the new money that the Government have announced to address flooding issues has delivered Barnett consequentials for Wales. It is up to the Welsh Government to decide how to use that money, but we certainly want them to use every single penny to help to address flooding issues. I am afraid that we will have to come back time and again to such issues and discuss them in this place.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Further to the question from the hon. Member for Aberavon (Stephen Kinnock), the Minister will undoubtedly share our concern about press reports over the weekend. What contingency plans do the UK Government have for a worse-case scenario? Would he support a Welsh public stake in the Welsh operations of Tata, as was afforded to the banks of London during the financial crash of 2008?
Stephen Crabb: I will not engage in the speculation about job cuts that we saw in the press at the weekend. Members from all parts of the House need to be responsible in how we debate these issues. We are in very close contact with Tata internationally and with regard to its operations across the UK, including in south Wales. We are discussing closely what its needs are at this moment. There are big issues and questions that need to be addressed.

**Rail Connectivity**

3. Nick Smith (Blaenau Gwent) (Lab): What steps the Government are taking to improve rail connectivity to south Wales. [902940]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): We are investing in the most ambitious rail upgrade programme since Victorian times. We are committed to electrifying the Great Western main line to Swansea and have agreed to contribute £125 million towards electrifying the Vale of Glamorgan and valleys lines. That will increase services and reduce journey times for passengers across south Wales.

Nick Smith: Blaenau Gwent needs good rail links down to Cardiff and across to Bristol for jobs. The flourishing Ebbw Vale to Cardiff line must be part of the core metro system for that to happen. How will the Minister help make sure that south-east Wales gets the modern transport infrastructure it so badly needs?

Alun Cairns: The hon. Gentleman has been a strong champion of investment in the Ebbw Vale railway line, including in the new station at Ebbw Vale and the UK Government’s investment at Pye Corner, which has improved access to Newport. The scope of the valleys lines upgrade is a matter for the Welsh Government, but the Department for Transport has made £125 million available specifically for that purpose. To my mind, the valleys lines upgrade stretches from Ebbw Vale to Maesteg and down to the Vale of Glamorgan.

Byron Davies (Gower) (Con): The Government’s investment in transport is vital for businesses and people across Wales and, in particular, in my constituency of Gower. Despite the negativity surrounding electrification from Opposition Members, will the Minister take this opportunity to reaffirm the Government’s commitment to the electrification of the line to Swansea?

Alun Cairns: The Prime Minister, the Secretary of State for Transport and the Secretary of State for Wales have confirmed that. Only last week, the Chancellor was in Cardiff and restated our position once again. We will electrify the Great Western main line the whole way to Swansea.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Given that UK commuters spend up to six times as much on rail fares as European passengers, has the Secretary of State made any assessment of the impact of the recent rail fare increases on the Welsh economy?

Alun Cairns: The hon. Lady should know that there were limits to the recent increases. We need to contrast that with the £3 billion that is being spent on improving rail services to and within Wales, as well as our efforts to ensure that Wales benefits from the national project of HS2 by making Crewe a central hub so that north Wales benefits too.

Sir Simon Burns (Chelmsford) (Con): Does the Minister accept that this investment will revolutionise connectivity in the valleys and on the main line to Swansea? Will he share with the House what assessments have been made of the impact it will have on job creation and passenger journeys?

Alun Cairns: My right hon. Friend makes a very important point about the economic prospects that will be brought by the significant capital investment that we are bringing forward. It is worth remembering that the last Labour Government left Wales as one of only three countries in Europe, along with Moldova and Albania, without a single mile of electrified track.

5. David T. C. Davies (Monmouth) (Con): What discussions he has had with the Welsh Assembly on the contribution of the M4 to the economy in south Wales. [902943]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): We regularly have discussions on a range of issues, including transport infrastructure. The M4 is one of Wales’s vital arteries. The need for an upgrade was identified decades ago by business leaders as a No. 1 priority.

David T. C. Davies: The Minister will surely be aware that the ongoing delays on the M4 are causing problems for the economy in south Wales. Will he outline what steps he is taking to enable the Welsh Assembly Government to make improvements to this vital piece of transport infrastructure?

Alun Cairns: It is hard to believe that the former right hon. Member for Richmond, Yorks was Secretary of State for Wales when the upgrade was first committed to, only for it to be cancelled by Labour Members. It was reconsidered later by a Plaid Cymru Welsh Government Minister, only to then be cancelled. My right hon. Friend the Chancellor of the Exchequer has made additional resources available, and we just want the Welsh Government to get on with it.

Geraint Davies (Swansea West) (Lab/Co-op): In the light of the serious flooding caused by climate change, will the Minister ensure that the newly proposed M4 relief road will double as a flood defence for the Severn estuary?

Alun Cairns: The route is a matter for the Welsh Government, and we encourage them to consider all options. We want the project to start as soon as possible. Even if it started to the earliest possible timescale outlined by the Welsh Government, it would still not be completed until the end of 2022, which is unacceptable.

Cardiff City Deal

6. Craig Williams (Cardiff North) (Con): What discussions he has had with his ministerial colleagues on proposals for a Cardiff city deal. [902944]
The Secretary of State for Wales (Stephen Crabb): Last week my right hon. Friend the Chancellor of the Exchequer visited Cardiff and announced his desire to deliver a city deal by Budget 2016. We are now working with the Cardiff capital region to deliver on ambitious proposals that will increase economic growth, not only in the city but across the entire south Wales region.

Craig Williams: Last week the Chancellor brought a welcome sense of urgency to the Cardiff city deal process, with the deadline of March and a down payment of £50 million for a compound semiconductor catapult centre. Does the Secretary of State agree that with a semiconductor catapult at the heart of the city deal process, we stand a real chance of securing a long-term transformation of the south Wales economy?

Stephen Crabb: My hon. Friend is right, and I put on record my thanks for his work in championing the Cardiff city deal. The Chancellor’s announcement last week was a massive statement of this Government’s confidence in Welsh business and our ambition for Wales. The £50 million is a down payment on the Cardiff city deal, and it is now time for local partners, Welsh businesses and the Welsh Government to crack on and conclude this transformational project.

Jo Stevens (Cardiff Central) (Lab): We do not want just warm words from the Chancellor about the Cardiff city deal; we want to know whether the UK Government will match the £580 million that has been pledged by the Welsh Government for the Cardiff city deal. Can the Minister answer that?

Stephen Crabb: I am not sure whether the hon. Lady noticed, but during our visit to Cardiff last Thursday we were not just using warm words; we were investing £50 million of UK Government money in a new high-tech centre of innovation at Cardiff University. The Chancellor made it clear in his speech in Cardiff last Thursday that we will support in principle the infrastructure fund that he has made it clear in his speech in Cardiff last Thursday that with the Cardiff capital region to deliver on ambitious proposals that will increase economic growth, not only in the city but across the entire south Wales region.

Northern Powerhouse

7. David Rutley (Macclesfield) (Con): What recent assessment he has made of the economic effect on north Wales of the northern powerhouse; and if he will make a statement. [902945]

10. Graham Evans (Weaver Vale) (Con): What recent assessment he has made of the economic benefit to north Wales of the northern powerhouse. [902948]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): The northern powerhouse, which stretches from north Wales to Newcastle, is reviving the economic and civic strength of our great northern cities. It is central to our vision for rebalancing the economy, and north Wales is already benefiting from large-scale infrastructure investments.

David Rutley: Given the proximity of north Wales to the newly established Cheshire science corridor, the positive impact of infrastructure investment—including High Speed 2—and the 871 square miles of opportunity nearby in Cheshire and Warrington, does my hon. Friend agree that north Wales stands to benefit strongly from the northern powerhouse that is being taken forward by this Conservative Government?

Alun Cairns: My hon. Friend is absolutely right. North-east Wales and north-west England form one single economic entity, and businesses in north Wales see the opportunity that the northern powerhouse can bring. When the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton), and I met businesses last year in north Wales, they were keen to be a central part of that, and, as my hon. Friend said, HS2 offers great opportunities.

Graham Evans: Does my hon. Friend agree that the £10.4 million investment in the reopening of the Halton curve will provide a significant economic boost for north Wales, as well as for Cheshire and my constituency of Weaver Vale, not least because there is a direct link to Liverpool John Lennon airport?

Alun Cairns: I pay tribute to my hon. Friend for his work in securing that investment. He championed this project from the outset, and later this year the direct link from north Wales through Cheshire to Liverpool will be operational. That is a tangible demonstration of the northern powerhouse in action.

12. [902950] Mr David Hanson (Delyn) (Lab): I, too, welcome the Halton curve and the direct link to Liverpool airport, but does the hon. Gentleman recognise that HS2 coming to Crewe is also important, not just for electrification and the link to north Wales, but to speed up contacts to Manchester airport from north Wales?

Alun Cairns: The right hon. Gentleman will be well aware of the rail transport summit that was held in north Wales last year. It talked about how we can best bring forward a bid to modernise the railway infrastructure across north Wales, and we look forward to that bid coming forward. Only last week I spoke to the chair of the north Wales economic ambition board to discuss the progress of that project.

Mr David Jones (Clwyd West) (Con): When I have previously questioned my hon. Friend and his colleague about the potential benefits to north Wales of the northern powerhouse, I have been disappointed to be told of a total lack of engagement on the part of the Welsh Assembly Government. Will my hon. Friend say whether they have changed their stance and are now more plugged in to the process?

Alun Cairns: I am grateful to my right hon. Friend for championing the benefits of the northern powerhouse. What is clear is that business sees the benefits. Local authorities also see the benefits. We encourage the Welsh Government to engage positively, because business does not recognise the administrative boundaries between the two.

Nia Griffith (Llanelli) (Lab): The Government’s so-called northern powerhouse will bring no benefit to north Wales unless we see the much-needed investment in infrastructure that the Government have so far failed to
deliver. When the Chancellor visited Broughton in July, he promised he would look at rail electrification in north Wales. Six months later, has anything happened?

Alun Cairns: Yes, a considerable amount has happened in relation to investment in north Wales. I mentioned the summit that was held last year. We are keen to develop the signalling needed to improve the railway lines. The North Wales Economic Ambition Board is delighted with the support we are giving. We are keen to develop that even further.

Nia Griffith: Let us hope that the Government can get on a bit quicker with the electrification than they are on the Great Western main line. North Wales also needs better rail links to Manchester airport. Arriva Trains Wales has proposed a direct service from Llandudno to the airport. Will the Minister explain why, instead of investing in greater capacity on routes to Manchester airport, his colleagues at the Department for Transport have rejected Arriva’s plan, supposedly in favour of extra trans-Pennine services? If the Secretary of State’s place at the Cabinet table counts for anything, what is he going to do about that?

Alun Cairns: I do not recognise the premise of the hon. Lady’s question. Significant discussions are going on between the Department for Transport, the Welsh Government, rail operators and other partners about remapping and the franchises. We will happily take positive representations on that.

Workless Households

8. Craig Tracey (North Warwickshire) (Con): What assessment he has made of trends in the number of workless households in Wales.

Stephen Crabb: The proportion of disabled people in Wales in work has increased under this Government. There was a time when Labour Members understood and talked the language of welfare reform. Maybe when they have stopped kicking lumps out of each other they will get back to addressing it.

Swansea Tidal Lagoon

9. Derek Thomas (St Ives) (Con): What steps the Government are taking to establish a tidal lagoon in Swansea?

The Secretary of State for Wales (Stephen Crabb): I recognise that the proposed Swansea tidal lagoon project has the potential to establish Wales as a major hub for tidal power, creating thousands of jobs and attracting millions of pounds of investment. Robust due diligence is, of course, essential in the interest of taxpayers, who would incur the cost of any subsidy through their energy bills.

Derek Thomas: Dean Quarry in my constituency is likely to be the source of stone for the tidal lagoon. For over a year, local residents have been concerned about that because it is an important tourist area and marine conservation zone, and we believe there are cheaper areas from which to source the stone. Does the Minister agree that the impact on the environment and the economy is too great and that other sources of stone are available? Will the Government look for places other than Dean Quarry to get the stone?

Stephen Crabb: I am aware of the issue raised by my hon. Friend, who is as ever a powerful and effective voice on behalf of his constituents. Planning applications in relation to Dean Quarry would be dealt with by the Marine Management Organisation and local authorities, which should absolutely take into account local concerns.

Christina Rees (Neath) (Lab): Local businesses across Wales are eagerly anticipating the investment that the tidal lagoon will bring. It would be a travesty if the UK Government were to pull the plug on the lagoon, so can the Minister confirm that they remain committed to the project and to agreeing a strike price for the tidal lagoon?

Stephen Crabb: The hon. Lady is right: this is a big, potentially very exciting and significant project. It is also a project that is looking for a large amount of public subsidy and intervention, and it is absolutely right—not that we would expect Opposition Members to understand this—that when we are dealing with large sums of taxpayers’ money, there needs to be due diligence.

Mr Speaker: Last but not least, I call the Chair of the Environmental Audit Committee.

Huw Irranca-Davies (Ogmore) (Lab): Swansea bay tidal lagoon and the other potential lagoons that may result from it provide amazing opportunities for exports of intellectual property, technology and supply chains...
across south Wales. Will the Secretary of State at least commit to making it happen and doing it as soon as possible?

Stephen Crabb: I repeat the answer I gave to the hon. Gentleman’s colleague. We recognise that this is a potentially very exciting and significant project, in delivering low-carbon renewable energy over a long period. We need to look carefully at the finances to ensure that it delivers value for taxpayers, who will be asked to put a large amount of subsidy into the project.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [902988] Bill Esterson (Sefton Central) (Lab): If he will list his official engagements for Wednesday 13 January.

The Prime Minister (Mr David Cameron): This morning I had meetings with ministerial colleagues and others, and in addition to my duties in this House I shall have further such meetings later today.

Bill Esterson: The Royal College of Midwives has called the Government’s plans to cut nurses’ student grants “appalling” and the Royal College of Nursing says it is “deeply concerned”. Meanwhile, the hon. Member for Lewes (Maria Caulfield), who is a nurse, says she would have struggled to undertake her nurse training, given the proposed changes to the bursary scheme. So why does the Prime Minister still think he is right to scrap grants for student nurses?

The Prime Minister: For the simple reason that we want to see more nurses in training and more nurses in our NHS. We believe there will be an additional 10,000 nurses because of this change. The facts are that two out of three people who want to become nurses today cannot do so because they are constrained by the bursary scheme. Moving to the new system, those who want to become nurses will be able to become nurses.

Q2. [902990] Andrew Griffiths (Burton) (Con): The No. 1 responsibility of any Government is the protection of their people. Does the Prime Minister agree that Britain’s nuclear deterrent and our membership of NATO are key to our defences and that any moves that would put that at risk would jeopardise our national security?

The Prime Minister: My hon. Friend is absolutely right. It has been common ground on both sides of this House that the cornerstone of our defence policy is our membership of NATO and our commitment to an independent nuclear deterrent, which must be replaced and updated. They are necessary to keep us safe, and at a time when we see North Korea testing nuclear weapons and with the instability in the world today we recommit ourselves to NATO and to our independent nuclear deterrent. I think the Labour party has some very serious questions to answer.

Jeremy Corbyn (Islington North) (Lab): This week the Prime Minister rather belatedly acknowledged there is a housing crisis in Britain. He announced a £140 million fund to transform 100 housing estates around the country, which amounts to £1.4 million per housing estate to bulldoze and then rebuild them. [Interruption.] My maths is perfect. This money is a drop in the ocean. It is not even going to pay for the bulldozers, is it?

The Prime Minister: We have doubled the housing budget and we are going to invest over £8 billion in housing, and that comes after 700,000 homes having been built since I became Prime Minister. We have a quarter of a million more affordable homes. Here is a statistic that the right hon. Gentleman will like: in the last Parliament, we built more council houses than in 13 years of a Labour Government.

Jeremy Corbyn: The Prime Minister has not thought this through very carefully. Every estate that he announces he wishes to bulldoze will include tenants and people who have bought their homes under right to buy. Will those people, the leaseholders, be guaranteed homes on the rebuilt estates he proposes?

The Prime Minister: I accept, of course, that this is not as carefully thought through as the right hon. Gentleman’s reshuffle, which I gather is still going on—it has not actually finished yet. We want to go to communities where there are sink estates and housing estates that have held people back and agree with the local councils and local people to make sure that tenants get good homes and that homeowners get rehoused in new houses. That is exactly what we want. Let us look at what we have done on housing. We reformed the planning rules, and Labour Members opposed them; we introduced Help to Buy, and they opposed it; we introduced help to save to help people get their deposit, and they opposed it. They have absolutely nothing to say about people trapped in housing estates who want a better start in their lives.

Jeremy Corbyn: I notice that the Prime Minister did not give any guarantee to leaseholders on estates. I have a question to ask on behalf of a probably larger group on most estates. A tenant by the name of Darrell asks: “Will the Prime Minister guarantee that all existing tenants of the council estates earmarked for redevelopment will be rehoused in new council housing, in their current communities, with the same tenancy conditions as they currently have?”

The Prime Minister: We are not going to be able to deal with these sink estates unless we get the agreement of tenants and unless we show how we are going to support homeowners and communities. Is it not interesting to reflect on who here is the small “c” conservative who is saying to people, “Stay stuck in your sink estate; have nothing better than what Labour gave you after the war.” We are saying, “If you are a tenant, have the right to buy; if you want to buy a home, here is help to save; if you are in a sink estate, we will help you out.” That is the fact of politics today—a Conservative Government who want to give people life chances, and a Labour Opposition who say “Stay stuck in poverty”.

Jeremy Corbyn: The Prime Minister does not seem to understand the very serious concerns that council tenants have when they feel they are going to be forced away from strong communities in which they live and their
children go to school. Perhaps the Prime Minister will be able to help us with another issue. His party's manifesto said:

"Everyone who works hard should be able to own a home of their own."

Will families earning the Prime Minister's so-called national living wage be able to afford one of his discount starter homes?

The Prime Minister: I very much hope they will. As well as starter homes, we have shared ownership homes. When I became Prime Minister, a young person trying to buy a home needed £30,000 for the deposit—

Mr Speaker: Order. I apologise for interrupting. [Interruption.] Order. I say to the hon. Member for Bishop Auckland (Helen Goodman) that her shrill shrieking from a sedentary position is not appropriate behaviour for a would-be stateswoman. I want to hear the Prime Minister's answer.

The Prime Minister: When I became Prime Minister, people needed £30,000 for a deposit on a typical home. Because of the schemes we have introduced, that is now down to £10,000. I want people to own their homes, so let us consider this issue. We are saying to the 1.3 million tenants of housing associations, "We are on your side: you can buy your own home." Why does the right hon. Gentleman still oppose that?

Jeremy Corbyn: I hope that that word “hope” goes a long way, because research by Shelter has found that families on the Prime Minister’s living wage will be unable to afford the average starter home in 98% of local authority areas in England—only 2% may benefit. Rather than building more affordable homes, is the Prime Minister not simply branding more homes affordable, which is not a solution to the housing crisis? Will he confirm that home ownership has actually fallen since he became Prime Minister?

The Prime Minister: There is a challenge in helping people to buy their own homes. That is what Help to Buy was about, which Labour opposed. That is what help to save was about, which Labour opposed.

Is it not interesting that the right hon. Gentleman did not answer the question about the 1.3 million housing association tenants? I want what is best for everyone. Let us put it like this. The right hon. Gentleman owns his home; I own my home. Why should we not let those 1.3 million own their homes? Why not? What is the right hon. Gentleman frightened of?

Jeremy Corbyn: The Prime Minister—[Interruption.] When the noise disappears—[Interruption.]

Mr Speaker: Order. The Leader of the Opposition will be heard.

Jeremy Corbyn: I thank Conservative Back Benchers for their deep concern about the housing crisis in this country. It is noted.

The Prime Minister has given no assurances to tenants, no assurances to leaseholders, and no assurances to low-paid people who want to find somewhere decent to live. May I ask him one final question? It is a practical question that is faced by many people throughout the country who are deeply worried about their own housing situation and how they are going to live in the future, and it comes from Linda, who has been a council tenant for the last 25 years. She says:

“I will eventually look to downsize to a property suitable for our ageing circumstances. Due to the housing bill being debated at present, if we downsize we will have to sign a new tenancy agreement. If we stay, we face having to pay the bedroom tax and debt. If we downsize, we lose our secure home.”

Linda and many like her are facing a real problem. If she were in the Prime Minister’s advice bureau, what advice would he give her?

The Prime Minister: The first thing I would say to Linda is that we are cutting social rents in this Parliament, so she will be paying less in rent. The second thing I would say, if she is concerned about the spare room subsidy, is that of course it is not paid by pensioners, which is a point that the right hon. Gentleman failed to make. Another thing I would say to Linda, and to all those who are in council houses or housing association homes, is “We believe in giving you the chance to buy your own home, and are helping you to do that.”

Is it not interesting what this exchange has shown? We now have a Labour party whose housing policy does not support home ownership, just as its defence policy does not believe in defence, and just as we now have a Labour party that does not believe in work and a Labour leader who does not believe in Britain.

Q5. [902993] Oliver Dowden (Hertsmere) (Con): As someone who grew up in social housing, I welcome the Prime Minister’s commitment to tearing down poor-quality, soulless high-rise estates and replacing them with affordable homes. Will he seize this opportunity to make sure that those new homes are attractive, well-designed places in which people will want to live for generations to come?

The Prime Minister: My hon. Friend is absolutely right. If Labour wanted to have a constructive opinion, they would come along and say, “How can we help knock down these sink estates, rebuild new houses, help people to own their own homes?” That is what we want to do, and that is what we are going to see in this Parliament: one side committed to opportunity, life chances, helping people get on, and another side wanting to keep people trapped in poverty.

Angus Robertson (Moray) (SNP): The economic and intellectual contribution of college and university graduates to the UK is immense. The Smith commission said that the UK and Scottish Government should “explore the possibility of introducing formal schemes to allow international higher education students graduating from Scottish further and higher education institutions to remain in Scotland and contribute to economic activity for a defined period of time.”

Why did the UK Government this week unilaterally rule out a return of a post-study work visa without stakeholder discussions and before key parliamentary reports?

The Prime Minister: We have an excellent scheme that covers, of course, Scotland, England, Wales and Northern Ireland, and it is this: to say to the world’s students that there is no limit on the number of people who can come
and study in British universities as long as they have two things—an English language qualification and a place at a university. That is an incredibly generous and open offer. The second thing we offer is that there is actually no limit on the number of people who can stay after they have graduated, as long as they have a graduate-level job. Again, I think that is an incredibly clear message that all of us—whether we are involved in the Scottish Government, the Northern Ireland Administration, the Welsh Administration or the United Kingdom Administration—should get out and sell around the world. It is a world-beating offer; we want the world’s brightest graduates to come here, study here and then work here—what a great deal!

Angus Robertson: The return of post-study visas is supported by, among others, all of Scotland’s 25 publicly funded colleges, Colleges Scotland, Universities Scotland, the representative body for Scotland’s 19 higher education institutions, many other organisations and businesses, and all parties, including the Scottish Conservative party, so why does the Prime Minister think they are all wrong and he is right?

The Prime Minister: For the reason I have given, which is that the clarity of our offer is world beating. There is a disadvantage to inventing a new post-work study route, where we are effectively saying to people coming to our universities, “It’s okay to stay with a less-than-graduate job.” Frankly, there are lots of people in our own country desperate for those jobs and we should be training them up and skilling them up. We do not need the world’s brightest and best to come here to study and then to do menial labour jobs. That is not what our immigration system is for. What we want is a system where we can advertise to the world—“Come and study here. Come and work here”—and that is the system we have and should keep.

Q6. [902994] Gordon Henderson (Sittingbourne and Sheppey) (Con): Will the Prime Minister join me in welcoming the fact that Aldi is in the process of building a distribution centre in my constituency, bringing the prospect of another 400 jobs to local people? That distribution centre is situated just off the A249, which is one of the busiest trunk roads in the south-east of England. Will my right hon. Friend encourage the Department for Transport to undertake a review of the A249 to ensure that it can cope with the increased traffic generated by the expanding business activity in my constituency?

The Prime Minister: I certainly join my hon. Friend in welcoming the investment in his constituency, where the claimant count has fallen by 39% since 2010. That is obviously welcome news. I will take up the point he makes, because obviously we are only going to continue to attract investment if we make sure our road and rail networks are up to date.

Q3. [902991] Tommy Sheppard (Edinburgh East) (SNP): The Prime Minister will be aware that last week this House discussed the equalisation of the state retirement age between men and women. Does he feel the outrage of a generation of women born in the 1950s who feel robbed and cheated out of their state pension, and will he give an undertaking to look at further improvements to transitional arrangements, given the unanimous decision of this House to ask him to do so?

The Prime Minister: I know that many colleagues have been written to on this issue, and there are some important cases to look at, but what I would say is that we looked very carefully at this at the time and decided that no one should suffer more than an 18-month increase in the time before they were expecting to retire. What I would also say is that what we are putting in place—with the single-tier pension starting at over £150 a week, combined with the triple lock—is a very good settlement for pensioners. It is affordable for the taxpayer and it is generous into the future.

Q7. [902995] Dr Tania Mathias (Twickenham) (Con): By 8 January—after just eight days—parts of London had exceeded the annual limit for nitrogen dioxide pollution. Given this medically serious news, will the Prime Minister ensure that the Department for Transport’s current consideration of airport expansion prioritises air pollution concerns, and will he pledge never to expand Heathrow airport while nitrogen dioxide levels are risking the health of millions of people?

The Prime Minister: My hon. Friend is absolutely right to raise this point. There are problems of air quality and pollution not just in London but elsewhere in our country. That is one reason we decided to delay the decision about airport capacity expansion—because we need to answer the question about air quality before we do so. That is what the Environmental Audit Committee recommended to the Government. It said:

“On air quality, the Government will need to re-examine the Commission’s findings in the light of its finalised air quality strategy.”

So the point she makes is directly being taken on by the Government.

Q4. [902992] Barbara Keeley (Worsley and Eccles South) (Lab): The Prime Minister’s answer to the hon. Member for Edinburgh East (Tommy Sheppard) about transitional arrangements for women born in the 1950s was nothing like good enough. I was going to say that his own Ministers seem to have no idea how to rectify the injustice they have caused, but I do not think he does either. As he is talking to other EU leaders, will he ask why some countries are not implementing the changes until 2044, and will he also look at what transitional arrangements the Netherlands, Italy and Germany put in place to protect the people affected?

The Prime Minister: What other European countries do is a matter for them. We have the ability to make sovereign decisions on this issue, and that is entirely right. We have decided to put in place a pensions system that is affordable for our country in the long term and which sustains a very strong basic state pension right into the future. The single-tier pension is going to make such a difference to so many people in our country. We also have the triple lock, which was never put in place by Labour. We all remember that miserly increase to the pension under Gordon Brown. That can never happen again under our arrangements.
Q8. [902996] **Dr Phillip Lee** (Bracknell) (Con): Since 2010, my constituency has seen the generation of more than 200 new businesses, while the claimant and youth unemployment rates have fallen to below 1%. With the £240 million investment in Bracknell town centre regeneration, full employment in the area is a genuine possibility. Does the Prime Minister agree that it is the Government’s sound stewardship of the economy that has led to this economic success in my constituency?

**The Prime Minister**: I am delighted to hear the news from Bracknell. In Britain today, we have low interest rates; inflation right on the floor; real wages growing, meaning people are feeling better off; people investing inwardly in this country in huge numbers; and business investment going up, because people are confident about the future of our economy—and all that is based on a long-term economic plan of dealing with our debts, getting our deficit down and making this a country where people can start, run and expand a business and therefore create jobs and prosperity for all our people.

Q10. [902998] **Dan Jarvis** (Barnsley Central) (Lab): Over the past four years, according to excess winter death figures from the Office for National Statistics, a staggering 117,000 people have died unnecessarily as a result of the cold. Some 43,000 people tragically died last winter. Does the Prime Minister agree that that is not only appalling but avoidable? Why does he think so many people are dying needlessly in our country, and what will he do to stop it happening?

**The Prime Minister**: The hon. Gentleman is absolutely right to raise this point. The figures on winter deaths, which are published every year, are a standing rebuke to all Governments about what more needs to be done. First, we have maintained the cold weather payments. They are vital and may kick in if the cold weather continues. There are also the winter fuel payments, which we have maintained, and the increase in the pension, which will go up by prices, earnings or 2.5%. We also now have falling energy prices, because of the falling oil price, but I agree they are not falling as fast as I would like, which is why it is right we have this Competition Commission inquiry into the energy industry to ensure that it is a fully competitive industry. But the industry has come a long way in the last few years. When I became Prime Minister, the independent energy companies comprised just 1% of the market, but they now comprise 15%, so the big six are being broken down through competition. All those changes, plus home improvements and making sure people have good insulation, can make a difference.

Q9. [902997] **Seema Kennedy** (South Ribble) (Con): The implementation of the Iran nuclear deal, in which British diplomacy was crucial, is imminent. Will the Prime Minister tell the House what steps are being taken to ensure that Iran abides by its side of the deal?

**The Prime Minister**: My hon. Friend is absolutely right about this. Let me pay tribute to Secretary of State John Kerry for the incredible work that he did, and also to the Foreign Secretary, who was by his side all the way through the negotiations of what was a very tough and difficult deal. The adoption day for the deal was in October. Since then, Iraq—sorry, Iran—has started shipping 12.5 tonnes of enriched uranium to Russia. Now we are getting close to what is called the implementation day for the deal. The key point is that Iran has granted the International Atomic Energy Agency unprecedented access to ensure that it is doing all the things it said it would do in this deal. As I said at the time, it is a good deal, in that it takes Iran away from a nuclear weapon, but we should enter into it with a very heavy heart, a very clear eye and a very hard head in making sure that the country does everything it said it would.

Q11. [902999] **Paul Blomfield** (Sheffield Central) (Lab): When the Government pushed through their changes to undergraduate funding four years ago, they said that providing maintenance grants for the poorest students was key to those students’ participation in higher education. No mention was made in the Conservative manifesto of ending those grants. Is it not therefore completely unacceptable to make that fundamental change tomorrow in Committee by the back door without a vote in this House?

**The Prime Minister**: This issue has been fully debated and discussed in this House, and it is absolutely right because our changes have shown, despite all the warnings from the Labour party, that more people are taking part in higher education and that more people from low income backgrounds are taking part in higher education. I am confident that that will continue to be the case.

Q12. [903000] **Andrew Bridgen** (North West Leicestershire) (Con): Thanks to this Government’s long-term economic plan, unemployment in North West Leicestershire now stands at an all-time low of 522. This Saturday, East Midlands airport will host a jobs fair with 350 more positions available. Will my right hon. Friend join me in wishing all the businesses in North West Leicestershire more success with recruitment and retention than the Leader of the Opposition has had?

**The Prime Minister**: I am delighted to hear that there are only 522 people unemployed in my hon. Friend’s constituency. Let me praise him and the other Members on both sides of the House who have run jobs fairs in their constituencies. These have made a huge difference in terms of people being able to find opportunities. The truth is that, since 2010, 64% of the rise in private sector employment has taken place outside London and the south-east. Indeed, Scotland, the east midlands, the east of England, the south-west and the south-east all have higher employment rates than London. In growing terms, this is a balanced recovery, and we need to keep working at it to make sure that it is.

Q14. [903002] **Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): Last year, the Energy Secretary scrapped support under the renewables obligation for new onshore wind projects. This will impact Nissan’s £3 million investment in its wind farm in my constituency. Does the Prime Minister realise that his attacks on clean energy are detrimental to pro-green businesses such as Nissan? Will he look at this immediately and rectify the matter in the Energy Bill next week?
The Prime Minister: We had extensive exchanges about this in the Liaison Committee yesterday, and I can tell the hon. Lady that we are going to see another 50% increase in onshore wind investment during this Parliament. Also, Britain has the biggest offshore wind market anywhere in the world. The Leader of the Opposition raised the question of solar. Britain has the fourth largest solar installation of any country anywhere in the world. Indeed, my new favourite statistic is that 98% of those solar panels have been installed since I became Prime Minister. This is all good news, and it means that we have a genuine claim to be leading a renewables revolution. However, every single subsidy that is given to these technologies is extra money that we put on to people’s bills, making their energy more expensive. So it is right that we seek a balance between decarbonising our economy and making sure we do it at a low cost to our consumers and the people who pay the bills. That is what our policy is all about.

Q13. [093001] James Cartlidge (South Suffolk) (Con): With the number of workless households in the United Kingdom at an all-time low and with 1.4 million more children being taught in schools ranked good or outstanding since 2010, does my right hon. Friend agree that the mark of a one nation Government is not the amount of money we spend on benefits, but what we do to tackle the root causes of poverty?

The Prime Minister: My hon. Friend is absolutely right about that, and it is what the exchanges earlier on proved. As far as I can see, Labour’s only answer to every single problem is to spend more money, so it ends up with more borrowing, more spending and more debt—all the things that got us into this problem in the first place. Our approach is to look at all the causes of poverty—all the things that are holding people back. Let’s fix the sink estates, let’s reform the failing schools, let’s give people more childcare, and let’s deal with the addiction and mental health problems that people have. In that way, we will demonstrate that this is the Government and this is the party helping people with their life chances, while Labour just want to stick you where you are.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The draft Wales Bill contains provisions that reverse the 2011 settlement, which was overwhelmingly endorsed at the last Welsh referendum. Unless it is amended, the National Assembly will unaniomously—this will include Tory AMs—oppose the Bill during the legislative consent motion process, sparking a constitutional crisis. The veto and consent clauses do not apply in the case of Scotland and Northern Ireland, so why are this Government treating Wales like a second-class nation?

The Prime Minister: What this Government have done is, first, hold a referendum so that the Welsh Assembly has those law-making powers. Secondly, we are the first Government in history to make sure there is a floor under the Welsh level of spending—this is something never done by a Labour Government. And now, in the Wales Bill, we want to make sure that we give Wales those extra powers. That is what the Bill is all about. We are still listening to the suggestions made by the hon. Gentleman and by the Welsh Assembly Government, but this Government have a proud record, not only of devolution for Wales, but in delivery for Wales.

Sir Alan Duncan (Rutland and Melton) (Con): Thirty dollar oil is great for petrol prices, but it is potentially catastrophic in other respects. If it goes on like this, we risk seeing regimes under pressure, dramatic corporate failures and financial default, enormous financial transfers out of our markets to pay for other countries’ deficits, a possible collapse in share prices and dividends for pensions, and a liquidity problem in our banking sector. May I invite the Prime Minister to initiate an urgent review across Whitehall to assess the effects of continuing low oil prices on our economy and beyond, and, in particular, to work out how we can avoid the destruction of our own oil industry in the North sea?

The Prime Minister: My right hon. Friend makes an important point about this very big move in the oil prices. It of course has a highly beneficial effect for all our constituents, who are able to fill up their cars for less than £1 a litre, which is a very big increase in people’s disposable income and wholly welcome. I think that a low oil price basically is good for the British economy as an economy that is a substantial manufacturing and production economy, but of course there are other consequences and he named many of them. We need to look very carefully at how we can help our own oil and gas industry. Of course, as we are coming to the end of Prime Minister’s questions, I should say that he did mention one other calamity that the low oil price brings about, which is that it has led to a complete and utter collapse of the Scottish National party’s policy.

Carolyn Harris (Swansea East) (Lab): Recent press reports suggest that although some—[Interruption.]

Mr Speaker: Order. The hon. Lady must be heard.

Carolyn Harris: Recent press reports suggest that although some on the Government’s Back Benches would agree with me—despite the fact that my background would be what the Prime Minister would consider to be “menial”—in calling for a reduction in the stake from a maximum £100 a minute on fixed-odds betting terminals, the Cabinet Office seems reluctant to review this £1.6 million industry and refuses to bring it under scrutiny. Can the Prime Minister assure the public that his Government will undertake a review of this dangerous, addictive and ever-growing problem?

The Prime Minister: We have looked at the problem and at the industry, and we have made a series of changes, including planning changes, but we will keep that important situation under review.

Craig Whittaker (Calder Valley) (Con): Although the floods over Christmas were bad for many areas in the north of England and in Scotland, Calder Valley residents were hit the hardest, with 2,100 homes and 1,300 businesses flooded, three bridges lost, four schools either flooded or part-flooded, and an old tip with asbestos that slid, keeping a further 20 families out of their homes. Will my right hon. Friend agree to meet me to discuss how we can help with the £20 million infrastructure damage, the shortfall in future flood defence schemes and the rebuilding of Todmorden High School?
The Prime Minister: My hon. Friend and I have discussed Todmorden High School on many occasions, and I think that we should meet again and discuss it again and try to make some progress on the matter. First, let me say that my sympathies, and the sympathies of the whole House, go out to those people and those businesses that were flooded, many of which were in his constituency, at that particular time of year. We will do everything we can to help communities get back on their feet. The very large flood investment programme is in place, and the maintenance programme has been protected in real terms, but there is a number of other infrastructure pieces of work that need to be done. I commend the Highways Agency for being so quick to examine roads and, in some cases, to take over the repairs to local authority roads because it has the capacity to act quickly. That is what we need to do in these situations. As I said last week, this time the Army was in faster, the money was distributed faster, and the Environment Agency worked even harder and even more round the clock, but there are always lessons to learn to demonstrate that we want to get these communities back on their feet as quickly as possible.
Points of Order

12.36 pm

Lady Hermon (North Down) (Ind): On a point of order, Mr Speaker. I wondered whether, overnight, you have had an opportunity to reflect on the point of order that I raised at the end of last night’s debate. The certification process is a new procedure, so it is very, very important that we get it right, particularly as it has such negative and adverse effects for MPs from Northern Ireland and Scotland. I intend no criticism of you, Mr Speaker. However, I hope that you will accept that when the Government table a new clause, which mentions both England and Wales, and then a designation is made in a certificate that it applies exclusively to England, it is inherently ambiguous and contradictory. That is the point that I was making. I should like clarification on how we correct a certificate that is designated apparently incorrectly.

Mr Speaker: I thank the hon. Lady for her point of order. Moreover, I can of course confirm to her and to the House that I am aware of the point of order that she raised with the Chair yesterday evening—the First Deputy Chairman of Ways and Means was present at the time.

Let me say to the hon. Lady, who I know would never be guilty of any insult to, or display of discourtesy towards, the Chair, that she and the House can usefully benefit from an explanation, which, on this occasion—I will emphasise the relevance of this later—I am very happy to provide. It is understandable that she initially surmised that new clause 62 should have been certified as relating to Wales as well as to England, but the reality is, as close examination testifies, that the application to Wales falls into the category of minor or consequential, as, crucially, it makes no change in the law applying in Wales. So, in the view of the Chair, which was informed by the combined advice of the Clerks and the Office of Speaker’s Counsel, it was rightly certified as relating exclusively to England.

I do not in general intend to explain my decisions in this way—that is why I emphasised that I was happy on this occasion to provide an explanation—but as this is the first occasion of a Legislative Grand Committee, and the suggestion, which I absolutely accept was honest and well intentioned, of error on the part of the Chair, is on the record, I have thought it best to put the matter straight.

That said, I should also like to take this opportunity to say to all Members that the whole point of my publishing provisional certificates is to give them ample opportunity to make representations, if they think that an error has been made or they wish simply to express a contrary view, before I am required to make a decision, which must then be regarded—for reasons with which the House will be well familiar—as final and not subject to further appeal. The appropriate channel for timely representations on the draft or provisional certificate is via the Clerk of Legislation in the Public Bill Office. I hope that that is helpful, both to the hon. Lady and, indeed, to the House.

Lady Hermon: Further to that point of order, Mr Speaker.

Mr Speaker: I am not sure there is anything further, but I hope the hon. Lady, who is a distinguished advocate, in the highest esteem, so we will hear from her.

Lady Hermon: It is related, Mr Speaker. I am enormously grateful to you for making that statement and I have noted that it was an exception on this particular occasion.

Bearing in mind what you have said, Mr Speaker, may I note for the record that there are four Sinn Féin Members who represent Northern Ireland constituencies who do not take their seats but who do not take their seats? However, they do receive support for administrative and secretarial assistance. I sit as an independent Member representing North Down and am proud to do so. I receive no additional funding at all for secretarial or administrative assistance. In the light of the very complicated certification process that has now been introduced, which affects me and other representatives from Northern Ireland, could you give some consideration to the provision of additional support for Members such as me when we have to go through the provisional certification list? That would be very helpful.

Mr Speaker: The answer to the hon. Lady is twofold. First, it is not for me to consider the provision of additional support in the sense in which she implies it—that is to say, financially paid-for support. Secondly—I intend no discourtesy to the hon. Lady and I am not being pedantic; I am trying to be precise—there is a very real sense in which she does not go through the certification process, I do. That is the responsibility of the Chair, with which I have been invested by the House.

Thirdly—I am really trying to be helpful to the hon. Lady and to the House in the context of what is, let us face it, a new procedure—although it is not for me to pledge or to hint at any additional support of a kind that she might have had in mind, what she does have is the support of the Clerks and other procedural specialists in this House. The hon. Lady knows well the route to the Table Office and, if I may say so, I think she should take advantage of its expertise. Our bewigged friends have very considerable expertise in these matters. They are not only prepared to advise the hon. Lady and any other Member; they are positively excited by the prospect of doing so. [Interruption.] I say to the shadow Leader of the House that the fact that they are excited by the prospect rather suggests that they will have a smile on their face at the time.

Chris Bryant (Rhondda) (Lab): They have now.

Mr Speaker: And they have now. I hope that will do for today. The hon. Member for North Down (Lady Hermon) and I know each other well, and if she has further difficulties in the future I am always pleased to hear from her and to try to assist her and any other Member in this or other matters.
English National Anthem

Motion for leave to bring in a Bill (Standing Order No. 23)

12.45 pm

Toby Perkins (Chesterfield) (Lab): I beg to move,

That leave be given to bring in a Bill to provide for an English National Anthem for use at sporting events that involve individuals or teams representing England; and for connected purposes.

I am neither a republican nor an atheist, and nor am I English nationalist. I shall say more about that theme shortly, but hon. Members should detect no hostility from me towards God, Her Majesty the Queen, “God Save the Queen” or the United Kingdom. Indeed, it is precisely out of respect for preserving many of those things that I believe that the time has come to consider the question of an English national anthem. I acknowledge the excellent work already done on the issue by the hon. Members for Leeds North West (Greg Mulholland), for Shrewsbury and Atcham (Daniel Kawczynski) and for Romford (Andrew Rosindell), which shows that this is a real cross-party campaign. The Prime Minister has also shown sympathy with the argument for an English national anthem.

The level of interest in the matter confirms that the movement for an anthem for England is one whose time has come. As is often the case, it is for us in Parliament to catch up with public opinion and allow the voice of England to be heard. I spoke to radio stations in all corners of England this morning, such was the interest in the debate about what our anthem should be. There were vox pops on the streets of towns far and wide, and each area reflected the specific differences of our multifaceted nation. I will not say which area thought that the most appropriate choice for an English national anthem would be “Heaven Knows I’m Miserable Now”—that will remain a secret between me and the listeners of BBC Radio Humberside—but that reflects the fact that each local area has its own sense of what Englishness means.

When England play against other home nations on the football or rugby field, I often find it incongruous that while the Welsh and Scots sing an anthem that reflects the identity of their nations, England sings about Britain. That reflects a sense that we see Britain and England as synonymous, and it not only denies us English an opportunity to celebrate the nation that is being represented, but is a cause of resentment among England and England as synonymous, and it not only denies us English an opportunity to celebrate the nation that is being represented, but is a cause of resentment among England fans predominantly took the Union Jack. It was in 1996, at the European championships—possibly because England were drawn to play against Scotland—that the flag of St George came to be seen as the flag of England. The Union Jack has now virtually disappeared from Wembley when England are playing.

In 2010 the Commonwealth Games Council for England conducted a poll of members of the public which decided that the anthem for the 2010 Commonwealth games should be “Jerusalem”. The three options were “God Save the Queen”, “Jerusalem” and “Land of Hope and Glory”, and “Jerusalem” was the clear winner with 52% of the vote. “Land of Hope and Glory” received 32% and “God Save the Queen” just 12%. Just as “Jerusalem” was the favoured choice of those who voted in the Commonwealth games poll, so it seems to be an early favourite among members of the public who have engaged with me. The campaign group England in my Heart is specifically campaigning for “Jerusalem” to be played before England rugby matches.

With that level of support for “Jerusalem” the outcome may seem a foregone conclusion. I do not know whether there is a way of putting people off William Blake’s classic tune, but I suspect that driving round and round Parliament Square with a van blaring it out might be precisely the way to achieve that. One cannot always choose one’s friends in these matters, but I welcome the fact that hon. Members are enthusiastic.
Since I announced my intention to bring this Bill before Parliament there has been widespread coverage of it. Anecdotally, there has been a lot of support. A Daily Mirror poll found 71% in support of a separate English national anthem and phone-ins have shown a lot of support, but we need a more formal attempt to take the pulse of the nation. I want to underline the fact that my Bill will not specify what anthem should be chosen.

My Bill bestows a duty on the Secretary of State for Culture, Media and Sport to hold a consultation across England that will decide what the English national anthem should be, and will call on the Secretary of State at the end of that consultation to write to the Football Association, the Rugby Football Union, England Netball and any other sporting bodies that have athletes or teams of athletes representing England and inform them that the English national anthem should be used in the event that a piece of music is required prior to the contest or at the awarding of medals. Once the Bill has been passed it will be for the Secretary of State to decide what form the consultation should take and what the contenders should be.

Alongside the choices that were listed for the Commonwealth games poll, anthems such as “I vow to thee, my country” and “There’ll always be an England” have been suggested. Others believe that there could be an opportunity for some X Factor-style programme to combine traditional choices alongside some newly commissioned options. The opportunity for this to be a real moment of engagement with the English people about this specific aspect of our future direction is significant.

This idea has had many positive reviews, including supportive columns in the Daily Mirror and the Sunday Express. I was disappointed to read that a friend of Her Majesty the Queen has said that she considered the idea “rude”. Although I have the utmost respect for the intentions of the lady concerned, I fear that her response betrayed the extent to which the question of Englishness has passed her by. Now that two of the nations have chosen no longer to use the British anthem, it is too late for this to be a question of all the component parts of Britain acting in the same way, and it makes England the outlier.

I hope the House will support this important Bill. Although I accept that to some there should be more constant change only when we have a woman on the throne, rather than a man. It is a tune that encapsulates the patriotism that we wish to express when supporting a team. The hon. Member for Chesterfield said that now English crowds take St George’s flag rather than the Union Jack. To me that is a matter of pity, of shame, that we have given up viewing ourselves as one United Kingdom, whether we are supporting England, Scotland, Wales or Northern Ireland. These expressions of individual nationalism are a disuniting factor in our country, a country that we ought to want to make more united.

As the hon. Gentleman mentioned, English crowds have taken to singing “Jerusalem” at various sporting occasions. It is sung at the beginning of test matches in some grounds, though I am glad to say that this does not seem to happen at Lord’s, which is an indication of the proper ordering of things. I am not sure that singing a jolly tune at the beginning of a match is particularly dignified and represents the nation as the nation ought to want to be represented. The crowds have taken to “Jerusalem”, which has a good tone to it. It is a happy song for people to sing, and we should all be in favour of happiness, but does it really make that patriotic pride swell up in us in the way that we would like?

When we think of the words of “Jerusalem”, a highly speculative question is posed. In the words: “And did those feet in ancient time” a question is being asked, but I come from Somerset and I know the answer. It is well known that Christ was taken by Joseph of Arimathea to Glastonbury, so why in “Jerusalem” could anyone want to sing “did”, when we know that the truth is that Christ not only went to Glastonbury but, as in that old Somerset saying to assert the truth of anything, “As Christ was in Priddy”, Christ also went to Priddy, and as a young man Joseph of Arimathea probably did too. Could we possibly want to have an anthem that questioned this undeniable truth of God’s own county, the county particularly selected for visitation by our Lord when he was on Earth?
This proposed Bill seeks to regularise something that in our brilliant British way we have never previously needed to regularise. Our national anthem has come about over time without needing pettifogging regulation, bureaucracy or any of those things that we dislike, so that is a reason for opposing it. The proposal reduces the sense of devotion to our Sovereign that we ought to have, that it is proper to have and that we promise we will have when we swear in or affirm as Members of Parliament. That would be a sad thing to lose. It lacks the courage of Flanders and Swann to go the whole hog and be properly, eccentrically patriotic. It is a sort of second-tier level of national anthem, though when it was proposed that the anthem might be a song normally sung at the Labour party conference, I must confess I was relieved that the one chosen was not “The Red Flag”. Given the current trend in the leadership of the Labour party, though, it would not surprise me if in a year’s time we have a private Member’s Bill to make singing “The Red Flag” compulsory as well. [Interruption.] I am glad to get some support from Labour Members on the Front Bench below the aisle, who probably think that is a heartily good idea.

This would mean moving away to the wrong song—a song that offends Somerset sensibilities. It would be a bad thing to do. We should affirm our loyalty to our sovereign lady in the words of the British national anthem; and as for the hon. Member for Chesterfield, so he should confound his politics and frustrate his knavish tricks.

Question put (Standing Order No. 23) and agreed to.

Ordered,

That Toby Perkins, Tristram Hunt, Greg Mulholland, Daniel Kawczynski, Ruth Smeeth, Sarah Champion, Mr Jamie Reed, Andrew Rosindell, Angela Smith, Bob Stewart, Michael Fabricant and Sir Gerald Howarth present the Bill.

Toby Perkins accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 4 March and to be printed (Bill 118).

Opposition Day

[15TH ALLOTTED DAY]

Trade, Exports, Innovation and Productivity

1.1 pm

Stewart Hosie (Dundee East) (SNP): I beg to move,

That this House regrets the continuing lack of balance in the UK economy and the UK Government’s over-reliance on unsustainable consumer debt to support economic growth; notes in particular the UK’s poor export performance, which resulted in a trade deficit in goods of £123 billion in 2014; further notes the UK’s continuing poor productivity record and the lack of a credible long-term plan to improve it; and is deeply concerned by the UK Government’s change to Innovate UK funding of innovation from grants to loans, which this House believes will result in a deterioration of private sector research and development.

This is a serious debate, and it is appropriate that we have it today given the news published yesterday that UK industrial output has suffered its sharpest fall since 2013, and the further assessment that describes how real-terms earnings in the UK are still substantially lower than they were in 2009 and that even GDP growth over the past decade or so has been lower than that of Japan during its decade of stagflation. It is important that we recognise that the matters we are going to address are not short-term issues. This is not about a quick political hit; it is about trying to get to the root cause of a long-standing and systemic problem in the UK—the failure to address trade, exports, innovation and productivity, in total, over a prolonged period.

We have chosen to debate all these matters because they are linked. The debate is also, rightly, about the imbalance in the UK economy, because that is part of the equation. That imbalance, or, more accurately, those imbalances are recognised by this Government, but they cannot and will not be resolved, first, without the real political will to do so, and secondly, until the other areas that we are discussing are fully and properly addressed. The imbalances in the economy are not only between England and Scotland or London—a city previously described by a Minister as a black hole sucking resources and talents out of everywhere else in the UK—and the rest of the UK, but still, sadly, between manufacturing and services, businesses that export and those that do not, and companies that innovate and those that do not.

The impact of all this is most starkly seen in the balance of trade numbers. For the full year in 2014, the UK ran a balance of trade deficit of £93 billion. For the same year, the deficit in trade and goods was an extraordinary £123 billion—that is £123 billion in the red just in the trade in goods. The impact in GDP terms, as is well known and published by the Government, was negative, and unsurprisingly the summer Budget confirmed that it would remain negative in every single year of the forecast period in this Parliament through to 2020.

Jeremy Quin (Horsham) (Con): The hon. Gentleman has referred to Japan. He will not have missed the fact that Europe has been in recession for much of the period in which our economy has been growing, and that has had an inevitable impact on our balance of trade with our biggest partners.
Stewart Hosie: If the trade deficit was simply a consequence of the deep recession, the hon. Gentleman would be right, but, as I will demonstrate, this has gone on for five, 10, 20 or 30 years, but 50 years. We need to address that deep, underlying systemic issue.

As I said, the contribution to GDP is negative for the entire forecast period, as published in the summer Budget and again in the autumn statement. Worryingly, those figures were marked down—they were actually worse than the corresponding forecast published in the spring Budget before the election. We are not seeing a stabilisation, or a recovery that would allow us some sense of normality, but a continuing decline. That appears, as I hope to demonstrate later, in almost every metric that we look at.

Lucy Frazer (South East Cambridgeshire) (Con): Does the hon. Gentleman accept that the Office for Budget Responsibility expects productivity growth to return to its historical average by the end of 2017?

Stewart Hosie: Yes, I have seen the OBR forecasts, and I will quote some of them later. However, I am taken by what the Chancellor said more recently than the latest OBR forecast, which is that it is no longer a case of “mission accomplished”, almost as if he is getting his excuses in first and preparing to blame other people. Despite the OBR forecasts, things are not all hunky-dory; everything in the garden is not rosy. As I pointed out, when we are looking at GDP growth over a decade worse than that of Japan’s lost decade, it would be wrong to be complacent like some of those in the hon. and learned Lady’s Government.

Mr Dennis Skinner (Bolsover) (Lab): When the Chancellor said to the country at large, and to the Tory press in particular, that the economy was running into the buffers, was he not really demonstrating that the long-term economic plan was just a mirage?

Stewart Hosie: The hon. Gentleman is absolutely right. The long-term economic plan was just a soundbite. It was predicated on the deficit being reduced, the debt being reduced, and borrowing falling to barely £20 billion last year. Every single one of the targets the Government set, they failed to meet. The Chancellor did not meet a single one of the key fiscal targets that he set for himself in the previous Parliament.

The key thing about the impact of trade and exports on GDP is that the figures are negative and have been marked down. I ask the House to consider how different that reality is from the promise made by the Chancellor when he stated that exports would be a significant contributor to GDP growth, primarily to shift the economy away from a reliance on household consumption. As we saw in yesterday’s reports, because industrial output is down and exports are likely to continue to fall, and certainly not to grow in the way that he has promised, we will continue to see a dependence on household consumption and a rise in household debt that is inconsistent with a properly rebalanced economy.

Alex Salmond (Gordon) (SNP): A great deal of private sector industrial investment over the past 30 years has been connected with the oil industry. I am thinking of the threat to jobs and working families in Scotland, in particular. Will my hon. Friend commend a system of exploration credits like those successfully introduced in Norway some years ago to kick-start exploration as a means of addressing this crisis? After 30 years of Governments raking in £300 billion of revenue, should it not be payback time for North sea workers?

Stewart Hosie: It certainly should in the sense that the sector is important not simply for Aberdeen or for Scotland, but for a supply chain throughout the UK. Indeed, the right hon. Member for Rutland and Melton (Sir Alan Duncan) set out, in his question at Prime Minister’s questions, the potential damage the sector continue to suffer. This Government—indeed, all Governments, but particularly these Ministers, because many of them are believers—should do several things: continue to protect people who want to enter the sector by making sure they are properly trained; continue to support the supply chain in the North sea basin; and, to internationalise, look again at supporting the industry as it cuts its own costs and of course at the overall fiscal framework, which is a substantial cost. Essentially, as my right hon. Friend the Member for Gordon (Alex Salmond) said, the Government should look again at all the credits available, whether for exploration or production and whether for geographic areas or specific oil types, to maximise absolutely the longevity, employment and contribution to the economy of a sector that, as he rightly reminds the Government, has raked in more than £300 billion since oil started coming ashore.

Sammy Wilson (East Antrim) (DUP): Does the hon. Gentleman see any inconsistency, in the answer he has just given to his colleague, between looking for ways to increase the output of North sea oil and the Scottish National party’s aim of totally decarbonising energy production in Scotland?

Stewart Hosie: No. The decarbonisation of electricity production is sensible for many reasons, which may well include carbon capture and storage. On a number of occasions during the past five years, and very recently under this Government, we have seen the cancellation of a competition to develop an industrial-sized testbed to show the efficacy of a technology which would make us a world leader.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Will the hon. Gentleman give way?

Stewart Hosie: I will not give way at the moment, because I have been quite generous. I will make a little progress, and then I will be happy to do so.

I was talking about exports. Let us remember what the Chancellor said in his Budget speech in 2012. He acknowledged the UK’s falling share of world exports, but still said that “we want to double our nation’s exports to £1 trillion this decade.”—[Official Report, 21 March 2012; Vol. 542, c. 797.]

Total export sales in 2013 were £521 billion, which was a reasonable start, but that fell to £513 billion in 2014. The numbers are moving in the wrong direction; yet the Chancellor and this Government still expect us to believe that exports could in effect double over this Parliament. The OBR’s most recent forecast suggests that they will miss that target by about £350 billion, so the target set is simply unachievable.
That is not an abstract political or obscure economic point. The jobs of real people depend on a thriving and growing manufacturing export market. The hopes and aspirations of people in Scotland and throughout the UK for a real rebalanced economy depend on the rhetoric and pipedreams of an out-of-touch Chancellor. However, that was not the start and end of the Chancellor and the Government’s rhetoric on exports. They described how they wanted to “make the UK the best place in Europe to start...and grow a business; encourage investment and exports as a route to a more balanced economy”.

The Chancellor said:

“So this is our plan for growth. We want the words ‘Made in Britain’, ‘Created in Britain’, ‘Designed in Britain’ and ‘Invented in Britain’ to drive our nation forward—a Britain carried aloft by technology and investment, all of which I will come on to. The Government and I can have a debate about precisely what they are doing, but his assertion that being part of the UK will allow such things in bigger quantities is tenuous at best and probably not confirmed by the reality.

To return to the Chancellor’s “march of the makers” speech, if those words appeared far-fetched when he first said them, they appear rather shallow and empty in the light of the reality of what is going on. In that regard, during the last Parliament—this is linked to the intervention about investment—another Tory-led Government, in a press release about business investment, a balanced and sustainable economy and all the matters we are discussing, boasted about investment in the UK Green Investment Bank. We supported that institution. We believed that it would deliver support for innovation and growth in a new industry, and indeed it has done so. Incredibly, however, it has been systematically undermined by this Government, while many of the changes they have announced since are undermining the commitment to the green economy generally.

Robert Jenrick (Newark) (Con): One of the levers at the disposal of any Government to increase exports is to push aggressively for new free trade agreements. Does the hon. Gentleman agree that the SNP has been less than fulsome in its support for free trade agreements around the world, particularly the Transatlantic Trade and Investment Partnership, on which the SNP’s position is opaque at best?

Stewart Hosie: It is not opaque, so let me make the position really clear to the hon. Gentleman. We welcome trade agreements. We think that they are a good thing in general. However, we will not countenance a trade agreement that opens the door to the systematic undermining of our essential public services. That is not opaque; that is crystal clear.

We need rather more than words from the Government: we need action to reverse declines, particularly in manufacturing, and to ensure that the last quarter’s fall in manufacturing output—which I mentioned earlier—does not become a pattern. At least in part, that will require—again, this is a response to the intervention—more innovation.

Lucy Frazer: Will the hon. Gentleman give way?

Stewart Hosie: No. I have already given way to the hon. and learned Lady.

Innovation is as much a part of building a larger, more productive and faster growing manufacturing base as it is important in its own right. We know about the positive impact of innovation from many sources, not least the recent PricewaterhouseCoopers global innovation survey. It confirmed what it describes as a “direct link” between companies that focus on innovation and those that successfully grow faster. As I am sure the Minister will know, the UK’s most innovative companies grew on average 50% faster than the least innovative.

We also know that substantial problems need to be overcome. While 32% of UK companies saw innovation as very important to their success, the global figure was 43%, and while 16% of UK companies saw product innovation as a priority in the coming year, that was barely half the global figure. Most worryingly, although the UK—Scotland and the rest of the UK—has in many ways a clear competitive advantage in the university sector, a significantly lower proportion of our businesses planned to collaborate with academics than did their international competitors.

I want to say a little about the approach we have taken in Scotland specifically to deal with that issue. Funding has been approved for five new innovation centres in industrial biotech, oil and gas, aquaculture, big data and construction. That funding has been put in place to build on the original three centres that were launched three years ago, which covered the growing areas of stratified medicine, sensors and imaging, and digital health. There is the provision, essentially, of £78 million to help the development of 1,000 new inventions, products or services. That cash will also—this addresses the international comparison—support 1,200 businesses to work directly with universities.

The UK has Innovate UK and we have looked closely at its delivery plan. The SNP welcomes aspects of it, not least the £1.5 billion global challenge fund. However, the overall policy of changing Innovate UK’s funding model so that, by 2020, £165 million of innovation grants will be delivered as loans sends out all the wrong signals. We are concerned that it may suppress essential innovation even further compared with our international competitors. That fear was confirmed by KPMG’s head of small business accounting, who said that the measure was “a false economy that threatens to stall the growth of small businesses across the UK.”

Mark Tami (Alyn and Deeside) (Lab): Does the hon. Gentleman agree that that measure sends all the wrong
signals to companies that are thinking of investing, because what it really says is that the future is uncertain with this Government?

Stewart Hosie: Indeed it does. The quotes from businesses when it was announced were extremely clear. They are happy to seek bank funding and to use their own resources, but when they are undertaking what may be slightly risky innovation and R and D, they have an expectation of a little help from Government. If that is a grant, the work can proceed and the thinking can go ahead. If it is a loan that requires to be repaid, that might just tip the balance in favour of the risk being too great, which will drive down innovation even further.

The reason innovation is so vital, particularly in manufacturing—and why it is so important to encourage it—is that as it has fallen as a share of R and D investment over the past 20 years, manufacturing exports, jobs and output have also fallen. One can see the speed and length of that decline. Manufacturing has gone from making up 30% of the economy in the 1970s to less than 10% today; from accounting for more than 20% of all jobs in the 1980s to only 8% today; and from making up a quarter of all business investment in the 1990s to barely 15% today.

We see the reduction in global export market share in the OBR’s most recent fiscal forecast, in which it falls throughout the forecast period to the end of this Parliament. What is more worrying is that the figures in the November forecast were marked down in every single year from those in the July forecast. Everything is going in the wrong direction. The complacency from the Government and the limited plan they have are simply no longer enough. That is why we need an unrelenting focus on innovation in manufacturing in relation to trade and exports.

James Cartlidge (South Suffolk) (Con): I welcome this debate and the hon. Gentleman’s focus on rebalancing the economy, which is undoubtedly a huge issue. However, when we talk about rebalancing the economy, we have to remember that because the recession in 2008 was a financial recession, it was inevitably followed by monetary policy hitting the floor, perpetuating higher house prices and all those other things we wanted to avoid, but which were an economic necessity. That being so, does he regret the role his party played in advising Royal Bank of Scotland to purchase ABN AMRO, which ushered in the huge financial crash and brought down our financial giant?

Stewart Hosie: There is a historical disconnect here. The fight over ABN AMRO was between the board of RBS and the board of Barclays. One of them called it wrong and one of them got lucky. I suspect that my input and that of my right hon. and hon. Friends had precisely no bearing whatsoever on Mr Goodwin’s decision to persuade his board to buy ABN AMRO. The suggestion is quite extraordinary.

I have said that we need an unrelenting focus on innovation in manufacturing in relation to trade and exports. Although manufacturing has suffered the largest falls, it still accounts for 44% of all UK exports because the deficit in trading goods is so large. Any Government who are serious about rebalancing the economy and correcting the trade deficit in goods must have a laser-like focus on encouraging innovation in manufacturing, as well as on supporting existing exporting businesses.

This debate is about more than innovation, manufacturing and exports; it is about boosting productivity. That is vital because—this is undisputed—both Scotland and the UK sit only towards the top of the third quartile of advanced countries by GDP per hour worked. We are below many smaller European countries and, importantly, below major competitors such as the US, Germany, France and even Italy. I am pleased that Scottish output is now 4% higher than pre-crisis levels. That is a good thing, but clearly there is substantially more to be done, not least because UK productivity growth is at 1.3% a year, which is barely half the level of the 2% pre-crisis rate.

Scotland has an economic plan based on four principles to boost productivity: investment in education and infrastructure; internationalisation and encouraging exports; innovation, which, as we have discussed, is essential; and—in many ways the most important aspect—inclusive growth. The latter point is vital because we know from the numbers—we have all seen them—that the UK lost 9% of GDP growth between 1990 and 2010 because of rising inequality. We are concerned that that mistake is being repeated by this Government, with their arbitrary surplus fiscal rule, which is requiring them to cut far more than is necessary to run a balanced economy and denuding them of the resources that are needed to tackle inequality and maximise economic growth.

Lucy Frazer: The hon. Gentleman referred with positivity to the figures in Scotland. Is he aware that, according to the BBC two hours ago,

“Scotland’s economy grew slightly over the summer but continued to lag behind the UK as a whole, according to official figures.”?

Stewart Hosie: Absolutely. I was describing the growth since the pre-crisis level. The quarter-on-quarter and year-on-year figures are undeniable. That is why I said that we all have far more to do. I will make criticisms of the UK Government where they are valid, but I certainly will not deny the numbers. I hope that the hon. and learned Lady will welcome the fact that we are 4% ahead of pre-crisis levels, notwithstanding the difficulties we have seen in the North sea. That is a quite remarkable achievement, when the limited powers of the Scottish Government are considered. In terms of the deployment of those powers—[Interruption.] The Minister for Small Business, Industry and Enterprise is chuntering away on the Treasury Bench, as she is wont to do. She will be throwing her arms in the air and harrumphing soon. If she wants to intervene, I am happy to have the debate—maybe not.

Returning to the powers that have been deployed in Scotland, we have a Scottish business pledge, which requires firms, in return for the support of Scottish agencies, to seek to innovate, to seek and take export opportunities, and to pay the living wage. That is part of the solution to tackling inequality and delivering inclusive growth that will enable us to avoid the loss of GDP output that we saw in the 20 years to 2010. I urge the UK Government to take a similar approach.

I do that not least because our concerns about a lack of balance and the need for action to tackle the ongoing productivity challenge are shared by the International
Monetary Fund, which is often prayed in aid by the Government. The IMF has spoken of the need to lessen wealth inequality and the need for increased spending on infrastructure. It has also called for an enhanced focus on decentralisation.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The hon. Gentleman is making important points about inequality, and if we are serious about addressing sustainable equality—the Government do not seem to be—it is important to invest more in people on low incomes, and to reduce the gap between them and people on high incomes. I am particularly interested in his point about productivity. Since 2006, what has the SNP been able to do to reduce the productivity gap in the OECD?

Stewart Hosie: I do not have the figure for 2006 to date, but if I can get hold of that specific number I will happily provide it to the hon. Lady. The whole point of tackling the attainment gap, health, investment, supporting innovation, encouraging exports, and supporting, promoting and helping the delivery of the living wage, is that everything that can be done is being done—as it must be. It is all part of a project of lessening inequality to deliver precisely the inclusive growth that avoids the shortfall in economic growth that we have seen from the UK Government.

I was making a point about some of the demands from the IMF, one of which was an enhanced focus on decentralisation. That is vital if we are effectively to use all tools at our disposal to tackle the economic challenges we face. To give one example, research and development tax credits to support innovation are a function of corporation tax. As corporation tax is not devolved to Scotland, one of the most important tools to help support that research is denied to the Scottish Government in their efforts to build on the work already being put in place. Given the challenges we all face, that is illogical.

Andrew Gwynne (Denton and Reddish) (Lab): The hon. Gentleman is right to highlight the role that devolved institutions can play in helping to boost productivity. May I commend to him the work of the Greater Manchester combined authority, which in its new devolved functions has awarded funding to English Fine Cottons so that it can open a £5.8 million new cotton mill in Dukinfield in my constituency—the first cotton mill to open in Greater Manchester, or “Cottonopolis”, for more than 40 years?

Stewart Hosie: I welcome that intervention and the new cotton mill—I hope it is a huge success. The hon. Gentleman makes an important point: there is no point in devolving powers and responsibilities, whether to Northern Ireland, Scotland, Wales, parts of England, or anywhere else, unless the funding and ability and authority to raise the cash go with it. That is the weakness in some of the asymmetric devolution that the Government have put in place. We believe that the Government should look again at their decision to replace £165 million of innovation grants with loans, and that they should deliver real devolution—not least of corporation tax and its associated credits—so that those tools are available to all the devolved Administrations to maximise R and D support.

Jim Shannon (Strangford) (DUP): Northern Ireland now has record employment and higher levels of international investment than at any other time in our history. Does the hon. Gentleman agree that having a strong devolved aspect to trade, enterprise and investment helps to boost the competitiveness of the UK regions, particularly Northern Ireland?

Stewart Hosie: Yes, absolutely. The more we can devolve, including authority and real power, the more that people on the ground can do—that is self-evident. The talk of record employment is good, and I think there is near record employment almost everywhere. The issue, however, is that real-term wages have fallen and remain five points lower than before the crisis. If we are to drag living standards up, we must do all those other things as well, but—in general terms—the devolution of real power is absolutely right.

On the transfer of power, the Government should recognise that a comprehensive solution to boost productivity is required, which covers investment and education infrastructure, internationalisation, innovation, and the policies to deliver inclusive growth. They should recognise that rebalancing the economy needs a focus, not just on London versus the rest of the UK, but on the growth benefits from those firms and the whole economy, and we should export, innovate, and support more of them to do so. That focus should be heavily weighted to manufacturing because the fall in R and D, jobs, exports and output from that sector cannot be allowed to continue:

Above all, although we believe and agree with setting ambitious targets, unrealistic and unachievable export targets that fly in the face of reality will simply weaken the Government’s credibility, in exactly the same way that failing to meet debt, deficit and borrowing targets did in the last Parliament. To set a target of doubling exports without the means being put in place to deliver that is bad economics and bad politics.

Let me turn briefly to what the Government have said in this Parliament. In July they published, “Fixing the foundations: Creating a more prosperous nation”, which was supposed to cover many of the areas that we are discussing today. It is very thin. Their approach to raising productivity is covered by two bullet points, a paragraph, and a little chart. The section on long-term investment merely confirms that long-term investment, going back as far as the 1960s, has bounced along the bottom of the OECD average—the 10th to 90th percentile range for those who care about these things. It hit that average in one year around 1990, but has fallen off the bottom of that for many years since.

Investment is primarily in transport. I welcome transport investment, as well as the increase in capital investment in the summer Budget. Let us be under no illusions, however, because that change came about only after the Government were discovered cutting capital spending for every year of the forecast period in the spring Budget. They have the audacity in the “Fixing the foundations” report to talk about:

“Reliable and low-carbon energy, at a price we can afford”,

while systematically undermining the sector and the Green Investment Bank. On innovation and industry, which is at the heart of the solution to a long-term problem, we have three small paragraphs.
The deficit was published only six months ago—

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I am grateful for the opportunity to debate this, that and the other and talking down our economy. I put it on the record that the First Minister for Scotland has tweeted her support in the Chamber, and Scottish National party Members welcome what has been said. In terms of the debate, however, and notwithstanding that we hope he is happy, may we say that we fundamentally disagree with his politics?

Anna Soubry: I took that as read! I put it on the record that the First Minister for Scotland has tweeted her support. Frankly, I am not surprised. In this day and age, I think most people will just shrug their shoulders and say, “Yeah, whatever. Am I bothered?” Of course we are not. We celebrate what is, and should be, a happy day for my right hon. Friend. Friend; I could not agree more. There was lots of moaning and complaining, but no solutions, no ideas and no fresh ways of thinking—not one. It was all doom and gloom, and talking down our economy.

George Kerevan (East Lothian) (SNP): In the Minister’s history lesson on the long-term economic plan, to which plan is she referring? Is she referring to the plan from the first two years, when the Chancellor desperately tried to reduce public spending, or the one that followed the first two years when he listened to those on the Opposition Benches and loosened up on public spending, with the result that the economy then started to grow?

Anna Soubry: I am sorry the hon. Gentleman did not hear me, so I will repeat what I said. I am referring to the long-term economic plan that delivered a deficit down by more than half, 2.2 million more people in work and 900,000 more businesses, and the long-term economic plan that made this country the fastest-growing economy in the advanced world. That is what I am referring to, and I do so with pride.

Scotland has been a part of that success story. Since 2010, we have 178,000 more people in work and over 60,000 more businesses in Scotland—economic growth that has all occurred north of the border. This has been a recovery based on private sector growth, employment and living within our means. Both the SNP and the Labour party are wedded to abandoning fiscal responsibility and putting our economic security at risk. Government
Members know the job is not done. We know we must oppose Opposition Members who would return to the bad old ways and days of spending beyond our means.

We know that to lock in our future economic security and prosperity, we need our businesses to increase their exports, boost productivity and continue to innovate to stay ahead. We believe in cutting red tape, as my hon. Friend the Member for Bedford (Richard Fuller) told us. We believe in all the good strong parts of a free economy, an economy that does not believe in over-regulating people but allows businesses to get on and do business—the thing that they know best. That does not mean to say I am an ideologue who is absolutely wedded to a free market without any constraint. Of course not. I am absolutely a caring, compassionate Conservative. I do not believe in monopolies. I do believe in responsibility among all who do business, which is why I am so proud that the Government are bringing forward the living wage. That is a true benefit to workers across our country, especially the lowest paid. I am very proud of all we have achieved on that.

David Rutley (Macclesfield) (Con) rose—

Alison Thewliss (Glasgow Central) (SNP) rose—

Anna Soubry: I will give way to my hon. Friend and then to the hon. Lady.

David Rutley: Does the Minister agree that Government Members are equally committed to encouraging first-time entrepreneurs, first-time employers and first-time exporters to be able to do things that perhaps their parents have never done before, and that in that way we are also encouraging social mobility?

Anna Soubry: Absolutely. My hon. Friend makes a very good point. New small businesses and start-ups that scale up are absolutely at the heart of everything we seek to achieve, because we understand their value. It takes great courage for somebody to start their own business. We do what we can to assist them, for example through start-up loans. By devolving right down to a local level, through local enterprise partnerships, business growth hubs and the other measures we have put in place, we are ensuring that help, assistance and advice are available to them as they start up and begin to grow their business. In particular, we are doing the right thing by small businesses by reducing the regulatory burden. We achieved a lot in the past five years in government. We have more to achieve. It will be tough, but we are absolutely determined to do that.

My hon. Friend makes another important point. Starting up one’s own business is a great way for somebody to shake off their past—and the things in their background perhaps in danger of holding them back—and advance in the way that we want people to do. That is what brought people like me into politics: a desire to make the lives of everybody, especially those from less-advantaged families and backgrounds, better. I believe that our economic policy will continue to achieve exactly that.

I said I would give way to the hon. Lady.

Alison Thewliss: I thank the Minister for giving way; I am glad she has not quite forgotten about me. Does she agree that there is actually no comfort in the new minimum wage for workers under the age of 25, as they will not qualify for it? They will still languish on about £3.87 an hour, which is not good enough.

Anna Soubry: What is very interesting is the number of companies introducing the new living wage, irrespective of the age of their employees. I absolutely welcome that. For every good thing we do, however, there is always somebody who knocks us and wants something more. There is nothing wrong with wanting more, but people should give credit where credit is due. This is a huge achievement, and I am proud the Conservative party has done it.

I have to say that I really struggle to take lessons on the economy from the Scottish National party. It is a party that built its whole idea of independence, which mercifully the good people of Scotland rejected, on the idea that oil was going to be the lubricant—the foundation—of their independent economy. Goodness me! Oil is now $35 a barrel, and it is accepted that if the SNP had been successful, the cost would have been somewhere in the region of £5,000 for every single household. Scotland would have been in the most atrocious economic place if it had voted for independence—thank goodness the good people of Scotland took the wise decision that we were undoubtedly better together. It is therefore really difficult for me to take lessons from this rag, tag and bobtail SNP, which encompasses everything from tartan Tories to tartan Trots. It is going to be very interesting, as the Smith report—

Debbie Abrahams rose—

Anna Soubry: I will give way in a moment: I’m on a roll.

As the Smith report is implemented and the Scotland Bill comes into force, the SNP will finally have the powers it seeks—it will be the most devolved Government in the world—and it will be interesting to see—

Stewart Hosie rose—

Anna Soubry: In a moment.

Then the SNP will have responsibility, and we will see whether it will be able to deliver. I would bet good money that it will not be able to.

Debbie Abrahams: The Minister is making an interesting speech, but I must challenge her on this flailing economy. The Government were meant to have eradicated the debt by 2015 and they have only halved it. They are borrowing £73.5 billion this year, so the Minister is obviously putting a positive spin on this economic plan. Let us see how long it lasts—the Government have been giving warning signs that it might not. To pick up on what the hon. Member for Dundee East (Stewart Hosie) said, the IMF has said that if we invest more in the 20% on the lowest incomes, we will boost economic growth—something that the Government have singularly failed to do. Why have they not done that?

Anna Soubry: The IMF has been wholesome in its praise of our economic plan and the successes we have had. Much as I may like the hon. Lady on a personal level, I really struggle to take lessons from her. The last Labour Government doubled debt, whereas we have “only” halved the deficit. I am rather proud of “only” halving the deficit, while we see from her words that the
poor old Labour party cannot learn from the mistakes of the past. Goodness knows the route it is now embarking on under its current leadership, but it looks set to be in opposition for a long time.

Mark Tami: Will the Minister just answer one question: has debt gone up under this Government?

Anna Soubry: Our debt has gone up; I am not—

[Interjection.] All right; it is not about scoring cheap political points, as the hon. Gentleman knows—obviously I would never engage in such a thing—but he cannot deny that 2 million more people are in work. That is part of our proud record. He should be praising that. The Labour party would do well to do that when we do the right thing. Over 2 million more people in work—why can the hon. Gentleman not give credit where credit is due?

Stewart Hosie: It only took the Minister 12 minutes to revert to type. “Rag, tag and bobtail” if she likes, but that is as nothing compared with how the Scottish people describe her party. However, let me clear up just one little fact about the oil price, which I thought she might raise. Yes, we said it would be $110 a barrel. That is absolutely correct, but can we be absolutely clear that the UK Government’s Department of Energy and Climate Change had the barrel price at between $114 and $127, and at the very least admit that the UK Government got it wrong?

Anna Soubry: But the point is that the hon. Gentleman and his party were basing the whole of Scotland’s economic future on oil. How mad was that?

Several hon. Members rose—

Anna Soubry: I will give way in a moment; I just want to say something about trade and exports, because it is important. Otherwise, I will be speaking for far too long and Madam Deputy Speaker will admonish me, and rightly so.

In considering trade and exports, we should recall the importance of the United Kingdom’s large domestic market and the benefits it brings to all parts of the UK. The rest of the UK is by far and away Scotland’s biggest economic partner. Sixty-three per cent of all Scottish exports go to the rest of the UK. The biggest threat to Scottish exports is the SNP, which would put up barriers between Scotland and the rest of the UK. Trade and exports are a key element of continuing to grow the UK’s economy, which is why this Government are committed to making it easier for companies to export. We provide support to companies wanting to export, through UK Trade & Investment, and work with other Governments to reduce barriers to trade. Our trade deficit narrowed by £0.3 billion in the three months to November, and the number of companies exporting both in the UK and Scotland is up since 2010, but we know we have a lot further to go.

Delivering on all the EU’s trade negotiations could add £20 billion to the UK economy annually. We know that trade agreements work. In the four years since the EU-Korea free trade agreement came into force, the value of UK exports has more than doubled. We have seen a 1,000% increase in the value of jet engine sales. The UK sold just 2,315 cars to Korea in the final year before the FTA was agreed. Last year, that number reached 13,337, and it is not just the big companies that benefit. One Scottish business was able to sell 100,000 jars of jam in Korea last year, after the FTA slashed import duties. That is why this Government are committed to delivering freer global trade, concluding major trade deals with the United States, Japan and many other trading partners.

That, as hon. Members might imagine, brings me to the Transatlantic Trade and Investment Partnership. Last year I responded to the debate in the House about TTIP. I am not going to repeat all the things I said, but it really is disingenuous of those on the SNP Benches—and, indeed, on the Labour Benches—to oppose TTIP on the utterly false premise that it would threaten our public services, in particular the NHS. It is not true. There are so many letters, including—I think a number of hon. Members were in that debate, so they will remember—the letter from the EU, which was written in December 2014, to the Chair of the Select Committee on Health, who had asked specific questions about whether TTIP posed any threat to our national health service. Every time the answer was an overwhelming no. Everybody who could have said, “There is no threat from TTIP to any of our public services, especially the NHS”, has said it, over and over again. It is grossly unfortunate that Opposition Members and Opposition parties peddle these untruths about TTIP. It is simply not right or fair to mislead people as they are.

Debbie Abrahams: There does seem to be some ambiguity, because despite the letter to the Select Committee, we have evidence saying completely the opposite. In view of that ambiguity, why does the Minister not say that the NHS will be exempt from TTIP and rule it out completely?

Anna Soubry: I do not know how many times I have said it, but I am going to send all the information to the hon. Lady. It will say all these things and make it absolutely clear that TTIP is not a threat to our public services and our NHS. In fact, on the contrary, it will deliver billions of pounds of wealth to our economy because it will free up trade between the EU and the USA. I think Opposition Members have got to be honest about it. I think the real problem is their prejudice against the USA. They should fess up and be honest about it, because they are creating bogeys that do not exist.

Callum McCaig (Aberdeen South) (SNP): If I may return to the oil price and the sheer joy that Members in the Chamber expressed at the collapse in the oil price—I look at the hon. Member for Rugby (Mark Pawsey), who is sitting directly behind the Minister, and the joy and almost delight that were on his face. In the real world, in the constituency I represent, that means jobs are being lost. The Minister has expressed her delight at Scotland staying in the Union, so can she explain to me what the Union is doing to help Scotland at its moment of need?

Anna Soubry: It is not for me to speak on behalf of others, but I can assure the hon. Gentleman that there was no joy on the Government Benches at the fall in the oil price. The joy, I would like to think, was at the point I made, and made rather well. The hon. Gentleman is in a party that put all its faith in the oil price as the
salvation of Scotland’s economy and it was absolutely wrong. I hope the hon. Gentleman will forgive me for not knowing the constituency he represents, but I suspect it is in the north-east of Scotland. He makes a good point, and this is the only good point, about the concerns we all have about the future of the oil and gas industry.

I am well aware of the importance of the oil industry to north-east Scotland. I am also well aware of the redundancies announced yesterday by BP, and I agree with the hon. Member for Aberdeen North. I am also well aware of the point, and this is the only good point, about the concerns it is in the north-east of Scotland. He makes a good point, and this is the only good point, about the concerns we all have about the future of the oil and gas industry.

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Stewart Hosie rose—

Anna Soubry: I will give way to the hon. Gentleman, but then I want to make some progress.

Stewart Hosie: I thank the Minister for what she has just said, which was helpful. However, she has twice made the incorrect and false assertion that we based any forecast only on oil, which was never true. The Minister has accused others of misleading the public over the approach to TTIP; I hope she does not want to mislead the public over her assertion that the economy is based solely on one industry.

Anna Soubry: I am afraid I do not agree.

David Mowat (Warrington South) (Con): It is a fair challenge to remind the Government how important the oil industry is to our country. That is why on Monday we will debate the Energy Bill, which enacts the findings of the Wood review. The review was much required and greatly sought by the industry, and I very much hope, as I am sure does the Minister, that Labour Members will support it.

Anna Soubry: I am afraid I do not agree.

David Mowat: It is a fair challenge to remind the Government how important the oil industry is to our country. That is why on Monday we will debate the Energy Bill, which enacts the findings of the Wood review. The review was much required and greatly sought by the industry, and I very much hope, as I am sure does the Minister, that Labour Members will support it.

Anna Soubry: I cannot add to my hon. Friend’s extremely good and well-made point.

Let me now move on to deal with the important issue of productivity. Delivering a return to productivity growth is one of the key economic challenges for this Parliament and the route to raising living standards for everyone in the UK. We have lagged behind other major economies—let us be honest about it—for decades, and productivity in Scotland is still 2.5% below the UK average. That is why we are determined to fix it, although I shall not pretend that there are any short-term measures. This is going to take some time and a lot of hard work.

In last year’s summer Budget, the Chancellor set out the Government’s ambitious plan, “Fixing the foundations: creating a more prosperous nation”. That ensures that we do everything possible to deliver higher productivity in the UK. Skills and education are, of course, key to improving productivity, and we have invested in skills, delivering 2 million apprenticeships in the last Parliament, with 3 million to be delivered in this Parliament.

Our education reforms are already raising standards. Unfortunately, under the SNP, standards of numeracy and literacy in Scotland have been falling, and fewer of Scotland’s most deprived children attend a university compared with any other part of the UK—just 10.3% of the poorest 20% of Scots attend university, compared with 18.1% in England, 16.3% in Wales and 16.3% in Northern Ireland. We have also protected science spending, with £4.7 billion per year in resource and £6.9 billion in infrastructure to 2021. We continue to invest in our catapult centres.

We are delivering one of the largest and most ambitious infrastructure programmes in recent memory, with projects such as HS2, which I have no doubt everybody should back because it will bring huge benefit to our country, especially to my constituency, as we hope to have the east midlands hub in Toton. In addition there is Crossrail, a huge project across the capital, and the largest investment in our roads since the 1970s. We are beginning to see signs of improvement. Output per hour grew by 0.5% in the third quarter of 2015 compared with the previous quarter, and was 1.3% higher than for the same period in 2014. UK productivity has exceeded its previous peak by 0.7%.

Alongside trade, innovation is another pillar on which our economy is built. Innovation is an important lever for increasing productivity. The excellent work of my colleague, the Minister for Universities and Science, has ensured that science spending is protected in real terms, with record investment across the UK—£4.7 billion per year in resource funding, rising with inflation, and record investment in our country’s scientific infrastructure, at £6.9 billion to 2021. The Government will protect all that in cash terms, with total spending on business-led innovation coming through Innovate UK.

We recognise that access to finance remains an important challenge for innovative enterprises, which is why we are committed to introducing new types of finance products to support companies to innovate. New products such as loans will replace some existing Innovate UK grants, and will reach £165 million by 2019-20. In 2014 alone, more than £2 billion was raised in venture capital in the UK—up 50% on the previous year. I see no reason why the UK cannot be Europe’s number one destination for innovation finance.

Sammy Wilson: I understand why the Government might want to change the way in which some research and development is financed, but does the Minister accept that, given the long lead-in time for many R and D projects, loans are not appropriate and will lead to innovation and research either going outside the UK or stopping altogether?

Anna Soubry: We are taking time to bring them in. It is, of course, a mix. In some instances, providing loans is absolutely the right thing to do, whereas in others we might well provide a grant. Flexibility is the right approach, and this allows us to put in the necessary money, even in these difficult times. I think we are doing the right thing about that.

Debbie Abrahams: The Federation of Small Businesses report on productivity identifies late payments to small businesses as one of the key issues. Will the Minister commit to addressing cash retention in the construction industry—a key issue that is due to come before us again in the Enterprise Bill?

Anna Soubry: I realise that there is a good argument in favour, but we are conducting a consultation. As the hon. Lady knows, my door is open. I would be more
than happy to discuss it with her because I know about the powerful arguments in favour, but there are also strong arguments against it. The consultation might allow us to make some progress.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP) rose—

Anna Soubry: I must make some more progress on my speech, but I will give way to the hon. Gentleman first.

Roger Mullin: I thank the Minister. Is she aware that yesterday the Medical Research Council issued a briefing paper about the move from grants to loans? It said that “the Biomedical Catalyst may not continue”.

Anna Soubry: I have not seen that paper and I am not going to pretend that I have. I always view it as important not to comment on things that have not been read or on issues that might have been taken out of context. Perhaps I will drop the hon. Gentleman a letter, when I have had the opportunity to read the paper.

Richard Fuller: The Minister makes a good point about innovation. One change that the Treasury has made is to enable ISAs to be used to provide peer-to-peer lending. Will she therefore have some conversations with her colleagues in the Treasury about making it possible within ISAs to make equity investments to small private companies?

Anna Soubry: That is a very good point, and the straight answer is simply yes. If my hon. Friend would like to continue the conversation after this debate, I would be more than happy to do so.

This Government continue to encourage business investment in research and development through tax incentives. Take-up of this scheme continues to grow, with 18,200 companies claiming £1.75 billion of relief from £14.3 billion of innovative investment. In Scotland, there were 1,045 claims, giving a total relief of £55 million. That means more investment in R and D, more high-value jobs and greater productivity.

The Government continue to invest in our catapult network, and the first seven catapults are now operating from their established facilities with total public and private investment exceeding £1.6 billion over their first five years of operation. These include Offshore Renewable Energy in Glasgow and the Advanced Forming research centre in Strathclyde, which is part of the high-value manufacturing catapult. As we have taken the difficult decisions to fix Britain’s finances, we can afford to continue to invest in science and innovation, investing in Scotland’s future and helping to ensure Scotland punches above its weight.

That is the point. If we have a good, solid and sound economy that is growing, we will be able to do all this type of work. We will be able to spend taxpayers’ money to support our great British businesses and particularly the ones that are so innovative in their approach and in the work they do.

To conclude, Madam Deputy Speaker—

Jessica Morden (Newport East) (Lab) rose—

Anna Soubry: Oh, go on, then.

Jessica Morden: Before the Minister concludes, may I ask her to address the issues that are currently affecting the steel industry? During the steel summit back in October, UK Steel presented a strong case for the urgent action it needed the Government to take. Some recognised the Government good will in relation to energy prices and energy costs, but I must impress on the Minister that this is a very difficult time for steel, particularly in the south Wales area I represent. Yes, the Government have acted on energy costs, but what are they doing about the other issues that were raised at the summit?

Anna Soubry: We are absolutely delivering, and not just on energy costs. I am hugely proud of the way in which we have changed the procurement rules. The hon. Lady knows that we are determined to continue to do everything we can to keep what the Prime Minister has called a vital industry in production. We do not want to see the blast furnaces close at Port Talbot any more than we want to see them close at Scunthorpe. I note that the hon. Member for Redcar (Anna Turley), as ever, is present. No doubt she will want to intervene at this point, but I must move quickly on; perhaps she will join in the debate later. Let me say to her that if we could have done anything to secure SSI, we would have, because we recognise the importance of the steel industry to the British economy. She can have that assurance. Indeed, the same is true at Dalzell and at Clydebridge. I pay tribute to the Scottish Government: I have been pleased to work with the Deputy First Minister in trying to ensure that we do all we can to keep those two plants open in Scotland.

Trade, exports, innovation and productivity are vital components of the Government’s strategy. That is why we have developed a clear plan of action, and why Scotland, and indeed all parts of the United Kingdom, benefit from our continued commitment to those key priorities. Scotland has been a part of the economic and jobs success story of the last six years as our economic plan for the whole United Kingdom continues to deliver economic security and prosperity for all our people. The biggest threat to businesses, growth and jobs would be a Scotland isolated and cut off from the United Kingdom, led by a party that wants to return to the failed policies of more spending and more borrowing that led us to economic oblivion last time.

Let us stick to the plan that has rescued our economy from the brink and turned it into the fastest-growing economy in the advanced world, and is now tackling the long-term structural issues head-on to ensure that there is a more secure future not just for our children but, notably, for our grandchildren. I will not support the motion, and I urge other Members not to support it either.

Bill Esterson (Sefton Central) (Lab): Let me begin by conveying apologies from the shadow Business Secretary, my hon. Friend the Member for Wallasey (Ms Eagle), who is in Brussels today meeting members of the European Commission and the European Parliament to discuss, in fact, many of the issues that we are discussing here today.

2.12 pm
In her speech, the Minister indulged in something of a history lesson about what happened in 2010. I fought that election as a candidate for the first time, and I well remember making the case that in 2010 we faced half the levels of unemployment, repossessions and business failures that we had faced during the comparable Tory recessions of the 1980s and 1990s. The Labour Government had a record of protecting jobs, businesses and people’s homes. The economy was recovering in May 2010, when the coalition took office, but that recovery was choked off by the Chancellor’s emergency Budget in June. I am afraid that ever since then, as other Members have pointed out and as we know from the figures that were discussed earlier, the recovery has been the slowest on record. That is the true record of this Government when it comes to the economy. The Conservatives blew the growth that was steadily happening when they came to power as part of a coalition.

**Kwasi Kwarteng (Spelthorne) (Con):** The hon. Gentleman is making some quite bold statements, but how do those statements tally with the fact that Britain is now the fastest-growing country in the OECD?

**Bill Esterson:** Of course, after the slowest recovery on record, growth is going to be the fastest in the world at some point, isn’t it? That comes as no surprise.

**Jeremy Quin:** Will the hon. Gentleman give way?

**Bill Esterson:** I am not going to give way too many times, because mine is the second Opposition party in this debate.

As was pointed out by my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), the Government have failed in their own terms to eradicate the deficit. The Chancellor promised that it would be gone by last year, but the Government have borrowed more in five and a bit years, and had borrowed more before the election, than Labour did in its 13 years in office. So, in their own terms, they have failed.

If the Minister wants Opposition Members—from whichever party—and members of the public to be reassured that she is not just producing warm words on TTIP, she can exempt it from public services and we will then be sorted.

**Robert Jenrick:** I thank the hon. Gentleman for giving way. He is very generous. Will he acknowledge that the United Kingdom has signed 110 other bilateral investment treaties with other countries around the world, none of which excludes public services, and all of which include the investor-state dispute settlement mechanisms? I do not believe that it is the policy of either the Labour party or the SNP for Britain to withdraw from any of those important bilateral investment treaties.

**Bill Esterson:** And, as I have said, the Minister and the Government could relieve the concerns of many people in the country, not just in the Chamber, by undertaking to exempt TTIP from public services.

When it comes to boosting productivity and growing our economy, the interests of workers and the ambitions of businesses are not at odds with one other. Workers do well when there are successful businesses to give them secure employment; businesses do well when they can draw on a skilled workforce, and when they are selling products and services in a high-wage economy. We have many fine businesses which are making some of the best products in the world, delivering some of the best services, and developing many of the best new ideas. Those successful businesses have highly committed and skilled workers who are competing with the very best, but too many of our 5.2 million businesses face headwinds that make business more difficult than it should be, and too often lead to closures and job losses that are entirely avoidable.

We can learn from the success that exists in this country, in science, in digital, in engineering and in our universities, and we can learn from other countries as well. Success leaves clues. As for the countries that are outperforming us, one striking reason for that is the relationship between Government, business and workforce. What often works in successful countries, and in successful companies, is a three-way partnership for growth and productivity. That means secure, skilled, well-paid workers, businesses working with the infrastructure and the workforce that they need in order to expand, and a Government who build the stable foundations on which the partnership between business and workers can grow.

The Business Secretary is unwilling even to utter the words “industrial strategy”, but that is what is needed. An industrial strategy is nothing more than a Government’s willingness to enter into a partnership with business and workers, matching their ambitions by looking beyond election cycles and investing in the infrastructure and training that they need in order to flourish. Businesses are clear about what they need from the Government. They want the Government to take a long-term approach to capitalising on new technology, and to nurture sectors that will boost exports, create jobs, and generate sustainable growth.

From green and renewable energy to high-end manufacturing and digital technology, the United Kingdom is not short of opportunities. It is not short of innovative entrepreneurs who want to put it at the global forefront of those emerging sectors. Under this Government, however, the UK spends less on research as a share of GDP than France, Germany, the United States and China. It has embarked on real-terms cuts to Innovate UK; it has axed the Business Growth Service, including the Manufacturing Advisory Service and the growth accelerator programme; and it is stifling game-changing innovation by converting grants for bold start-up companies to loans.

Those are not the actions of a Government who are committed to playing their part in the creation of opportunities for the next generation of entrepreneurs. The growth accelerator programme alone assisted more than 18,000 businesses. A great deal of the £100 million in finance that the programme helped SMEs to raise went into the development of innovative new products and services: products and services that create jobs and boost productivity. If the Government had wanted a partnership with business, they would not have completely shut down the long-term dividends to the economy that those schemes were already beginning to deliver, for the sake of scrapping together short-term cuts for the Chancellor. The decision to axe these schemes is not just a knee-jerk reaction to departmental cuts; it speaks volumes about the Government’s real lack of long-term vision and commitment to businesses. Productivity cannot improve and sustainable growth cannot be secured as long as this Government’s message to entrepreneurs and innovators is “You’re on your own.”
Businesses want a trained workforce and a steady supply of skills to expand their operations. In a recent survey by the EEF, the manufacturers’ organisation, half of manufacturers pointed to a skilled workforce as the single most important factor in boosting growth and productivity. ManpowerGroup UK says that more than 30% of the largest construction companies have had to turn down work due to a shortage of skilled labour. For all the Chancellor’s talk of skills, more than two thirds of businesses say they are badly in need of more high-skilled staff. The engines of growth in the UK—construction, manufacturing, science, engineering and technology—all face chronic and growing skills shortages. Once again, there is a gulf between the Government’s rhetoric and action; their £360 million in cuts from the adult skills budget would dampen the ambitions of people hoping to learn the skills they need to enter the workforce and take skilled jobs.

While we on the Opposition Benches agree with the principle of an apprenticeship levy to increase funding to tackle the skills shortage, we will be carefully examining the details. It is vital that the policy is used to drive up the quality, as well the quantity, of apprenticeships. It is important that it meets the ambitions of learners, as well as the needs of employers. It is also important that it does not become, as Seamus Nevin of the Institute of Directors, puts it, a “payroll tax” that hits medium-sized businesses. The payroll threshold laid out by the Government could mean that the cost spills over from larger companies, so the details need to be watched carefully as they emerge, to ensure smaller companies are exempted.

Businesses want decent infrastructure, strategic road networks, improved broadband and cheaper energy supplies. These businesses will create jobs, boost productivity and generate growth, but Government’s role in that partnership is to build the physical infrastructure they need to operate in. A recent CBI survey of businesses showed that nearly two thirds are worried about the slow progress of infrastructure projects, and they are right to be concerned. The gulf between the Government’s rhetoric and the projects they have actually delivered is widening. The quality of our infrastructure is now the second worst in the G7. Capital spending has more than halved as a proportion of GDP since 2010.

The Government seem to be missing two simple facts. We have world-beating innovators and businesses that want to expand and create jobs. They cannot do that without roads, broadband and good rail and air links. That is the Government’s responsibility, and they are failing to deliver. If the Chancellor still claims to be leading a “march of the makers,” I am afraid the evidence over the last five and a half years shows he is leading in the wrong direction entirely.

Goods exported last July reached their lowest levels since September 2010. In the three months to November 2015 the trade deficit stood at £7.7 billion. The truth is the trade deficit is a problem that this Government and the previous coalition Government have said a number of times they would address.

Anna Turley (Redcar) (Lab/Co-op): Will my hon. Friend join me in welcoming the fact that in the north-east the balance of trade is positive, and a large contributory factor in that was the steel industry on Teesside? Does he share my disappointment—in fact, my anger and frustration—that the Government failed to do anything to step in to save steelmaking on Teesside? Looking forward, will he also help to put pressure on the Government to ensure that China does not get market economy status, which could put the final nail in the coffin of the national steel industry in this country?

Bill Esterson: This is the first opportunity I have had to congratulate my hon. Friend and her colleagues from the steelmaking areas on the fine work they have done in representing, and attempting to save, the steel industry. I will talk about the steel industry in more detail later, but I completely agree with the point that she makes. The Chancellor said he wants to double exports to £1 trillion by 2020. Office for National Statistics forecasts show that he is set to miss this by more than £350 billion—in other words, he will be 70% short of his target. In 2011 the Prime Minister said that he intended to increase the number of UK exporters by 100,000 by 2020, and in its annual business survey the ONS found that the number of UK exporters actually fell by 8,600 last year.

The risk to long-term growth and productivity of failing to increase exports is stark. Failure to boost exports means slower long-term growth, depressed wage growth and an even more depressed rise in living standards. As David Kern, chief economist at the British Chambers of Commerce, said last year, “unless radical measures are taken to strengthen our export performance, our trade deficit will continue to be a threat to the country’s long-term economic performance”.

But just as serious is the threat posed by a Government divided over whether or not to pull the plug on UK businesses’ main trading partner. Trade with the EU was worth £227 billion to the UK economy last year. It is a lifeline for many businesses, and for many workers. The risk we face is from a Government that fail to unite in wanting to honour a partnership with those businesses and workers who rely on EU trade for their livelihood. Instead they are divided over whether to kick the legs from under UK business, not least in respect of relationships that account for almost half of UK trade and which are especially important for many SMEs.

The problem of UK exports is compounded by our lagging productivity. ONS statistics show that, as of 2014, productivity as output per hour worked in the UK was 21% lower than the average for the rest of the G7 countries. According to the ONS last year, “the absence of productivity growth in the seven years since 2007 is unprecedented in the post-war period.” Productivity has been revised down next year, the year after and the year after that, and the gap between UK productivity and that of the rest of the G7 is now the widest since 1991.

A long-term strategy to boost productivity, trade and innovation is a partnership. That partnership cannot ignore the workforce; on the contrary, they can be one of our most powerful assets. A partnership between workers, businesses and Government to boost productivity is a long-term vision that requires a commitment to long-term investment from Government—one that stretches over many Parliaments and one that requires a large degree of political, as well as industrial, consensus.
If we truly want to boost the UK’s productivity, manufacturing is a good place to focus our attention for a number of reasons, not least because the productivity benefits of industry reach far beyond itself, to benefit growth, skills and productivity in the UK as a whole. Manufacturers improve efficiency at a pace and intensity that outstrip almost any other sector. In fact, they currently inject three times the amount of their output share of the economy into improving machinery. An EEF survey conducted in 2015 showed that 80% of its members intend to invest in machinery with the aim of increasing productivity. That technology, again, filters out. The investment and innovation of one manufacturer becomes a tool to boost productivity across a host of sectors and in the wider economy as a whole. Investment in processes and systems improves efficiency and accelerates the diffusion of technology.

Generating sustainable growth, raising skill levels, and dispersing opportunity to every corner of the country: prioritising manufacturing should be the cornerstone of a strategy for increasing productivity. But this Government’s track record shows that they either do not understand this or else they are simply not willing to do what is necessary to support the industry. As my hon. Friend the Member for Redcar (Anna Turley) said, the tragic situation that unfolded in the steel industry is a case in point. The UK steel industry ran a trade surplus in all but three of the last 17 years. Steel exports were worth £6 billion to the UK in 2014, not to mention the 20,000 families the industry supported. Serious challenges coalesced: a glut of global supply, energy costs, a strong pound. These were difficult challenges, but surmountable for a Government.

Anna Soubry: Does the hon. Gentleman accept that the fundamental problem was that the price of steel has almost halved and no Government can change that?

Bill Esterson: Of course the Minister is right that the price has halved, but other countries in the EU chose to intervene while we said we would not. I am afraid the Government’s record on this has been woeful.

Anna Soubry: Will the hon. Gentleman send me details of other EU Governments who have intervened to save their steel industries? If so, I will pass them on, because they must be in breach of the state aid rules.

Bill Esterson: We have debated this so many times. The Minister knows that some countries choose to operate the state aid rules far more beneficially than we do. It is about time the Government chose to do the same.

The industry needed the Government to play their role in what should have been a partnership. The situation demanded that the Government see the long-term strategic value of steel production and do what other EU Governments did: move swiftly to protect their industries. Instead, they have lacked a strategy and shown themselves unwilling to make strategic interventions to support the industry with practical steps well within their capabilities, such as tackling business rates through the supply chain, dealing with electricity costs and ensuring better procurement practice to favour British steel. They failed to step up to the plate as a partner of industry, and in doing so turned a temporary, toxic mix of challenges into a permanent gap in our industrial make-up.

We have to take that lesson seriously. UK productivity will continue to lag as long as Governments sit on the sidelines and wash their hands of responsibility for safeguarding key industries. The aspiration is one that everyone in the House will agree with: an economy with high-skilled, well-paid jobs in which businesses can grow, export and invest to boost productivity. Agreeing on the aim is one thing, but how we go about it is another. It requires a long-term partnership championing the workforce and business; investment, not cuts; an industrial strategy, not laissez-faire dogma; and an economy that creates wealth, instead of relying on consumer borrowing. We need a strategy in which workers, business and the Government work together for Britain. The Government’s role is not that of an observer but to make sure our exporters get the help they need; to take action to boost productivity; to tackle the skills emergency; to safeguard key industries; and to build the infrastructure that growing businesses need.

The Minister and the Government have failed on each point. They cannot deliver and they will not be an active part of that partnership because they do not believe in intervening. Their empty rhetoric will get our economy nowhere. Only a long-term industrial strategy will deliver the high-value economy we all want. We need a strategy of partnership that is both pro-business and pro-worker.

2.32 pm

Geoffrey Clifton-Brown (The Cotswolds) (Con): I am delighted to be called so early in this important debate. I was particularly keen to catch your eye, Madam Deputy Speaker, because we have so few debates on exports, but I believe that if we are to grow our economy sustainably, we must increase our exports.

Given the importance of this debate, it is a great pity that our politics produces such negativity from all the Opposition parties. That is in total contrast to the Minister for Small Business, Industry and Enterprise, my right hon. Friend the Member for Broxtowe (Anna Soubry), who is positive and outward looking and produces good policies that the Government have been pursuing, both in the last Parliament and this one. I am passionate about exports. With my hon. Friend the Member for Newark (Robert Jenrick), I have the honour to chair the all-party trade and investment group dealing with exports. I want to see this country exporting more.

I just want to champion some of the Government’s achievements, which, unlike the Opposition parties, help exporters considerably. They have committed to cutting £10 billion of red tape in order to back British business and put resources into more productive use—and that is on top of the £10 billion we cut in the last Parliament. We have cut corporation tax to 20%—one of the lowest rates in the G7—and have an aspiration to cut it further. We are boosting skills and productivity by improving the quality of apprenticeships in England and increasing their number by 3 million in this Parliament, on top of the 3 million in the last Parliament. As my right hon. Friend the Minister has said, we are investing, up to 2021, £6.9 billion in UK research infrastructure and, in particular, protecting the science budget of £4.9 billion per annum. All that will help innovative companies in this country, as will building stronger links with emerging markets, especially China and India. I was therefore delighted to see the leaders of those
countries—the most populous nations in the world—visit this country in the last year. And what successful visits they were.

My right hon. Friend the Business Secretary, launching the Government’s productivity plan, “Fixing the foundations: Creating a more prosperous nation”, said:

“Britain is home to some of the world’s most innovative and dynamic businesses, staffed by incredibly talented, hardworking individuals... And higher productivity means higher incomes. When productivity rises, standards of living rise too. So today I’m proud to publish ‘Fixing the foundations’. It’s our plan for productivity, and our blueprint for creating a more prosperous nation.”

Hon. Members on both sides of the House have commented on productivity, and it is true that we lag behind some of our major competitors. Many economists have puzzled over this, but I think the reason is simple. In the list of achievements I gave just now, I omitted the fact, which must be hugely welcome to all Members, that a record number of people are in work thanks to our flexible labour laws. In this country, 32 million people are in work—more than ever before—and that number is rising. I believe that, because more people are employed, some companies might not have invested as much as they might have done in labour-saving capital equipment, as has happened on the continent, where their labour laws are much more difficult and therefore they have higher unemployment. Greece, for example, has 50% youth unemployment. It is no wonder those countries have such problems, yet here, I am grateful to say, youth unemployment is dropping. It is a terrific achievement for this country.

Let us look at where trade is going around the world. In 2014, the UK’s exports of goods and services totalled £513 billion and its imports totalled £548 billion. The EU accounted for 45% of exports and 53% of imports, meaning the balance of trade with the EU is against us. In other words, we are importing more than we are exporting. There is no reason, therefore, not to look elsewhere in the world to see where we can export more. I commend that approach to the Minister. It is against a background of UKTI’s policy of increasing trade by 100,000. There is no reason why we could not do much more.

UKTI has been transformed in the last few years. I was delighted to take one of my successful medium-sized companies to see the trade Minister, the right hon. Lord Maude, the other day to examine how we might get UKTI to do even more to encourage medium-sized businesses. The one in my constituency employs 45 people, exports to 40 countries around the world, makes it products in China and exports them directly to Australia, without their ever touching this country, and yet it remits its profits to this country and pays UK corporation tax. That is precisely the sort of medium-sized company we ought to encourage to export more.

That company told me there was too much emphasis on people in UKTI and not enough on the tradeshow access programme. Trade shows are a particularly important part of manufacturing businesses’ exporting programme. We need to encourage, via greater incentives from UKTI, such companies to go to these trade shows, particularly where they have a record of success. At the end of my speech, I will make five or six suggestions to the Minister on how to encourage exporting, but one of them is to extend TAP from three to four years. As this company pointed out, the first year is about exploration and the second is about getting to know the customers, and only in the third year, if it is lucky, does a company begin to make a profit. It therefore needs an extension from three to four years. It is in its third year and about to be cut off just as it is becoming profitable, so it would be useful if we could give it a bit of extra help.

Jeremy Quin: I am delighted that my hon. Friend saw my constituency predecessor, Lord Maude, recently. We have a number of manufacturing firms in Horsham. Does my hon. Friend agree that such firms are now getting a better service from the Foreign Office and from our ambassadors abroad to help British exports? That should be put on record and welcomed.

Geoffrey Clifton-Brown: I am sorry to say that I only partially agree with my hon. Friend. I am not going to name the embassy in question, but a representative of the company I have been describing went to one of the nearer embassies to this country and was distinctly unimpressed by the trade representatives there. He described them as spotty youths who were just out of university. He felt that we needed people in our embassies and in UKTI who have a good track record in the private sector, and that we should incentivise such people. If they have had a good record in the private sector, it is likely that they would be successful in UKTI in helping companies to export.

There are approximately 1 million small and medium-sized companies in this country. UKTI helped 48,000 companies to export last year, but I suggest to the Minister that there is still much to be done. Far too many companies still do not understand what it means to export and do not understand the advantages of exporting. The figures are well known. Once a company has exported for the first time, its productivity goes up by 7%. So not only will its profits go up—one hopes that it will do profitable export business—but its productivity will go up as well because that activity sharpens the whole operation through dealing with an extra dimension. We could do much more, in collaboration with UKTI, with UK Export Finance and with the local enterprise partnerships. We should make them all come together much more closely.

Another suggestion I have for the Minister is that Innovation UK and UKTI could get much closer together so that some of our best seed-generated companies, including high-tech companies, could be encouraged to export right at the beginning of their existence rather than waiting until they are established. They should be encouraged to think about exporting as one of the first things they do.

George Kerevan: I concur with the hon. Gentleman about the importance of UKTI. Unfortunately, in the autumn statement, the Chancellor slashed UKTI’s budget. So outraged was the organisation that its chief executive resigned. Clearly, this Government are not helping UKTI to help exports.

Geoffrey Clifton-Brown: I think we all have to encourage UKTI to operate within the financial climate that exists. I have to say that I would put the money into UKTI in
order to expand exports, but I would make sure that it was operating as well as it possibly could. Another suggestion that I have for the Minister is that UKTI should be benchmarked against the best export agencies in the world to see how it is doing. We should never be complacent in this life, and benchmarking is one way of getting that information.

Despite what the company in my constituency said when we went to see Lord Maude, I think that what my hon. Friend the Member for Horsham (Jeremy Quin) has just said is right. Our ambassadors are some of the best trained in the world, and we have one of the most comprehensive networks of embassies. After all, it was the Conservatives, in this Parliament and the last one, who started opening embassies where the previous Government had closed them. We have the network, but in some places we need to sharpen up the expertise. However, we have a good foundation on which to build.

We have the British brand and the British language and we exercise our soft power through the BBC World Service and the British Council. We are very well established in many of the major markets in Brazil, Russia, India and China—the BRIC markets—and in other smaller markets where we need to concentrate our efforts. We need to concentrate on the high-growth markets, as opposed to on Europe, which has lower growth. I am delighted that our exports to China are growing in such big quantities, albeit from a very low base. UKTI is putting significant resources into China, and it is paying dividends. The visit by China’s Premier, Xi Jinping, last year will only help to cement those efforts.

I do not want to make too long a speech, but I want to outline some things that we could do to help companies to export. I have some specific ideas for fiscal incentives to give to small and medium-sized businesses. We could give them fiscal help with export-related activity. That could be a better way of alerting many companies to the possibilities. Companies are very astute about ways of saving tax, and we need to find the best ways of encouraging all small and medium-sized businesses to export. It would also be helpful to inform them that finding out more about their potential export markets need not involve huge costs.

A further suggestion, which I have already mentioned, is that we should extend the TAP programme from three to four years where success has already been demonstrated. If a company cannot achieve success within three years, it is unlikely to do so, but if it has already demonstrated success, as that company in my constituency has done—[Interruption.] I wish that my right hon. Friend the Minister on the Front Bench would listen. Please! If the Government extended the TAP programme from three to four years where success had been demonstrated, it would be helpful.

My third suggestion is that we should buddy a successful exporting SME with one that is exporting for the first time. That would be really helpful, because there is a real fear of the unknown for a small company with only a few employees. It has to deal with the VAT, the national insurance, the marketing and the manufacturing, and that can be quite frightening for a small company. It can be quite off-putting. Buddying such a company with one that is in the same market—although not one that is directly competing—would be helpful.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): In regard to the plea that the hon. Gentleman made a few moments ago, if he cannot get his own Minister to listen to him, what hope do we have of doing so?

Geoffrey Clifton-Brown: I think I will ignore that intervention. I could have come up with something a little better myself.

My fourth suggestion is to give local enterprise partnerships a stronger exporting role. I believe that we in Gloucestershire run one of the better LEPs, but it is still not sufficiently focused on exporting. It has nine divisions, and every one of them should be utterly focused on exporting. I would also propose a much stronger connection between UKTI and Innovate UK, as I have mentioned. Innovate UK is developing the technology forward strategy and helping companies to expand their ideas. It often helps them to incubate ideas from the best universities. This is an area in which the greatest companies can grow from little acorns, and we should encourage export activity there.

I would also reinvigorate UKTI by encouraging it to employ more people from the private sector, particularly those with a record of exporting in their own company. Those people should be properly paid and incentivised; otherwise, the private sector will always continue to employ the very best people. We have made good progress in the last Parliament and in this one, but there is much more to be done. Our all-party parliamentary group on trade and investment will help the Government whenever possible by putting people in touch with UKTI and with their LEPs. As we go round the world, every Member of Parliament should be alert to the possibilities of export markets and to which companies in their constituency might be able to export to those markets. We should then put the companies in touch with those possibilities. In that way, we could all become trade and export ambassadors, which would help the exporting effort of this country considerably.

2.48 pm

Callum McCaig (Aberdeen South) (SNP): It is a pleasure to take part in the debate, and to follow the hon. Member for The Cotswolds (Geoffrey Clifton-Brown), who has made some sensible suggestions. His proposal for buddying businesses is one that all the agencies involved should take on board. I was not expecting to speak quite so early in the debate. This topic is clearly of interest to some Members, but the memo about it does not seem to have been passed to the official Opposition. Some Labour Members are here, providing an honourable exception, but it is surprising to see so few here, given the importance of these fundamental tenets of the economy not only to the economy itself but to the services that they provide the money to pay for. If we do not get the economy right, we do not have the services.

I am really pleased to take part in this debate, and I am going to focus on one area where the UK, and in particular Scotland, has strong natural and competitive advantages: energy. I thank the Minister for a positive response to my question about oil and gas. It would be more helpful if we focused on what could be done to help the situation, rather than getting into some of the politics around it. I accept fully that we are in a political environment here, but we need to reflect on what message this place is sending to the folk in Aberdeen who are
being laid off’ when we are having knockabout about the oil price—it is not helpful. Having said that, I respect, accept and am thankful for the positive comments made.

It would seem that the Government have turned over a new leaf in 2016 in their approach to oil and gas. Today, I have had positive conversations with the Energy Minister, who also gave a positive response to the questions from my hon. Friend the Member for Livingston (Hannah Bardell) about incentives for oil and gas at Energy and Climate Change questions last week. We are in an incredibly difficult position with the oil price, and jobs are being lost, but there is still a bright future. The industry is doing what it can to reduce costs—unfortunately, in many cases that will require job losses—but it is also innovating, and I will come on to discuss that. Help from the Government is, however, required in order to bridge over what we hope will be a temporary downturn. Most people expect the oil price to rise at some stage, but it is not clear when or by how much.

Aberdeen is a city of innovators—there is no doubt about that. Some of my SNP colleagues may be surprised to learn that the city in Scotland that filed most patents in 2014 was Aberdeen. It filed more than Edinburgh, whose population is twice the size of Aberdeen’s, and more than Glasgow, whose population is almost three times as large. These patents were primarily in oil and gas, but they were also in life sciences, biosciences and food and drink, and so the city is thriving. It is, however, unquestionably an oil and gas and energy hub, and the job losses announced by BP yesterday, coming on the back of 150 announced by Petrofac the day before, are genuinely heartbreaking for those involved. As I have said, the industry is taking the steps it can to innovate. Innovation is one of the hallmarks of the oil and gas industry, and it was heartening to see the level of innovation and of renewed collaboration that is taking place in the industry, as it works to deal with the lower oil price.

Some of the issues the oil and gas industry faces pre-existed the oil price fall but they have been exacerbated by it. There are three sides to the coin in terms of the costs and changes in income that oil and gas companies face. The first is the oil price, and none of us can do anything about that. The second is the costs that the industry is exposed to, and it is doing what it can there. The third is taxation, and I am pleased that it would seem Ministers have an open mind on that. I plead with them to look at oil and gas taxation in the round to see what can be done to help.

The important issue of the apprenticeship levy has been raised. We wholeheartedly support the levy, provided it has the investment coming to Scotland. There have been questions asked, again by my hon. Friend the Member for Livingston, about the potential double imposition of an apprenticeship levy-type scheme on oil and gas companies, which already pay significantly into training schemes through a number of industry levies.

As part of maintaining and progressing Aberdeen’s position as an innovative hub, local authorities—Aberdeen City Council and the Aberdeenshire councils—are exploring a city deal. They are looking at significant investment in infrastructure, which is obviously an important part of this debate and a key way of securing economic growth, and very much at how they can continue to make the best of the expertise in innovation that the city of Aberdeen is proud to host. There are proposals within the city deal to create an innovation hub around the two universities, bringing together industry and universities in a way that has already been discussed today.

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Even in these times of difficulty, there are many ways in which innovation in the oil industry can provide a massive support to the UK economy. Enhanced oil recovery is one such way, as is looking at being one of the first movers on decommissioning. We would not want to see that happening prematurely, but if it is inevitably going to happen, we have the ability, as we have one of the more mature oil and gas basins in the world, to take our expertise and export it globally. We cannot afford to miss that opportunity.

Let me move on to exports, the north-east of Scotland and the oil and gas supply chain, which is about much more than Aberdeen, as it goes the length and breadth of the UK. That situation is good and it is getting better; Aberdeen relies much less on the North sea, in terms of supply companies based there, for its income. I wish, however, to draw the House’s attention to something announced at the tail-end of last year. In principle, I support this, and I am not criticising it, but it needs to be taken in the round, with a more supportive approach being taken to oil and gas. I refer to the announcement that there would be an export credit agreement of $500 million for a couple of UK-based companies for exports to Petrobras, the Brazilian state-owned oil major. That is good in and of itself. It helps support exports from the UK—from Aberdeen—but when we are looking at these things, we need to be careful. If we are providing exports to something like the oil and gas industry elsewhere without providing the same at home, we may inadvertently end up requiring greater imports of oil and gas in the future. We do need to get the incentives for exploration right. Again, I do not mean to criticise, but we have to have both sides there; we have to have support not only for exports, but for the domestic industry.

Aberdeen, and Scotland more widely, have huge natural advantages on green energy, and the Paris deal cements the opportunity we have in that regard. There is a sad irony here, in that the deal comes at the same time as the UK Government have taken the hatchet to a number of green energy policies, undermining the opportunity to truly embrace what will be one of the biggest global growing markets of this century. In her much-heralded “reset” speech, the Secretary of State for Energy and Climate Change said:

“At the same time, we are building new interconnectors to make it easier to import cheaper electricity from Europe.”

I support the building of interconnectors, as does my party, because an integrated European market for electricity will be a good thing, but the ambition shown there and the logic for making this move is the wrong way round. We should not be doing this to import electricity; we should be doing it to export the green electricity that can be produced from the wind and the waves—the sea
and the tides—in Scotland. That is what we should be doing. That is the opportunity interconnectors provide; the opportunity is not about importing cheap electricity, but about building an industry that we can be proud of, in order to develop the skills that we need.

The renewables sector is an important part of rebalancing the economy, in geographical terms as much as anything else. The criticism often made of renewables, particularly of onshore wind, is that they do not provide that many jobs. The reality is that onshore wind does provide a lot of jobs, doing so in places where without the wind industry it is likely that there would be no jobs at all. We cannot overstate the importance of a small number of highly paid jobs in an area where they did not exist.

Sammy Wilson: Does the hon. Gentleman also accept that many of the studies in Scotland have shown that the onshore wind industry and the way that it despoils the landscape have taken away many tourist jobs?

Callum McCaig: I have heard that asserted year in, year out, but, as far as I understand it, the tourist sector in Scotland is doing very well. It continues to do well and it is a major sector of growth in the Scottish economy, so I do not quite understand those assertions. I have read that there is anecdotal evidence—it is no more than that—of somebody saying, “I came to Scotland. I drove up the A9 and didn’t like the wind turbines, so I am never coming back.” Well, somebody else is there to take their place, and there always will be, as Scotland offers world-class tourism that is not in any way “despoiled”—in the words of the hon. Gentleman—by wind turbines.

It is not overly negative to say that genuine critiques can be made. On green energy policy, for example, various things have been done, but the most damaging to the United Kingdom’s reputation and to the financial and investor confidence that is required to secure investment in the UK was the decision at the 11th hour—actually it was even later than that—to pull the plug on carbon capture and storage. Two projects—Peterhead and White Rose in Yorkshire—took part in a CCS competition. Big companies invested significant time and resources on the basis of the supposed good word of the United Kingdom Government. Before they had even had the opportunity to submit their bids, the plug was pulled and the damage was done. We cannot underestimate the impact that that and all the other incremental attacks on green energy policy have had. We are missing a major trick here. As I have said, this is a huge opportunity to grow our economy and our skill base and to do it in differing parts of the United Kingdom. To send out such damaging messages really brings into question the commitment of the UK Government not just to green energy, all the talk at Paris and the global climate change deal, but to the economy and investment more widely.

Finally, let me touch on the Green Investment Bank, which was mentioned by my hon. Friend the Member for Dundee East (Stewart Hosie). It was supported by this party and also by the entire Chamber when it was debated—clearly, that was before I was elected to this place. The bank is a shining example of how we should address market failure. It is how we can ensure that investment is directed to the right areas, and that support is given to nascent industries to help them get off the ground. We have repeatedly criticised what is proposed. Again I say that we will oppose the privatisation of the Green Investment Bank if we do not get cast-iron assurances that its green remit will be protected.

After Paris, the rules of the game have changed, and the UK and Scotland have a chance to seize the benefits. Scotland is ready, but I fear that, as part of Tory Britain, we are being left behind.

3.3 pm

Amanda Milling (Cannock Chase) (Con): I am grateful for the opportunity to speak in this afternoon’s debate.

I agree with the Minister for Small Business, Industry and Enterprise and my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown): Opposition Members have painted a pretty gloomy picture this afternoon.

The UK economy has improved significantly since Labour’s great recession, and is now, thanks to rising employment, growing faster than that of any other G7 nation. I hope that all Members welcome that rise in employment. Economic growth is not, however, the result of improved productivity. As my right hon. Friend the Member for Dundee East (Stewart Hosie) said, clearly, that was before I was elected to this Chamber when it was debated. I agree that the productivity gap, which was mentioned by my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown): Opposition Members have painted a pretty gloomy picture this afternoon.

The productivity plan outlines 15 key areas that need to be addressed and are based on two pillars—encouraging long-term investment and promoting a dynamic economy. It includes measures to promote and encourage trade and exports, on which I wish to focus my remarks this afternoon.

The “Exporting is GREAT” campaign will, I hope, inspire and support thousands of new businesses to export. Firms that export are more productive, more innovative and less likely to go out of business. It is for that reason that I shall jointly host an export event in Cannock next week with UK Trade & Investment and Cannock Chase chamber of commerce. This will be an opportunity for local small and medium-sized businesses to understand what global opportunities exist; the benefits of exporting; and what practical help is available.

The export experiences of ATP Group are an excellent example of the power and opportunities available in the export market. I invite my right hon. Friend the Minister of State to visit ATP with me. Based in Cannock Wood, it is Europe’s largest independent re-manufacturer of automatic transmissions and vehicle electronics. Essentially, it rebuilds car parts—for instance, gearboxes—to the specifications of the original product, using re-claimed, re-engineered and new parts. Its clients include Ford, Land Rover, and Volvo, to name but a few. Exports make up two thirds of its business, and it is exporting to around 35 countries. During the past year alone its international trade has increased by more than 57%.
ATP has shown that one of the best ways to address productivity and increase exports is by investing in skills development, new technology, and research and development to support specific customer requirements.

Anna Soubry: I would be absolutely delighted to visit ATP. It sounds like an excellent success story, with many lessons to teach other companies, so, yes, I gladly accept the invitation.

Amanda Milling: I am thrilled that my right hon. Friend will join me in visiting ATP. I know that the company will be incredibly pleased. I shall send it a message this afternoon.

The Government have set out an ambition plan to narrow the trade deficit, and are taking the issue of exports very seriously, with an ambitious £1 trillion export target to be met by 2020, and the aim of seeing 100,000 more companies exporting their goods and services.

George Kerevan: I take what the hon. Lady says about ATP in her constituency, but the UK is clearly a net importer of automotive products. Our largest engineering industry is a net importer from Europe. The plan has not worked.

Amanda Milling: The point I was trying to make is that we want to increase exports. I will highlight a few points relating to that.

The productivity plan outlines several measures that will help to meet that target, including building stronger links with emerging markets, especially China, India and Brazil. The plan also sets out a range of funds and initiatives designed to promote and encourage exporting. Let me echo the point that my hon. Friend the Member for The Cotswolds made about extending the tradeshows access programme.

Based on ATP’s experience of exporting, I want to raise a number of other issues and challenges faced by exporters that I would like the Minister to consider. They fall into three key categories—uncertainty, red tape and competitiveness—each of which presents real obstacles and barriers to exporting.

Uncertainty comes about partly because of currency markets, but the particular issue I want to focus on is that of Her Majesty’s Revenue and Customs impounding shipments for random checks. That can make it really difficult, both from an importing and exporting perspective, when a “just in time” ordering mentality is commonplace. Are there ways in which we can balance the understandable need to monitor shipments and at the same time provide more certainty to firms that are importing and exporting?

Businesses, both in the UK and abroad, regularly refer to the issue of red tape. I welcome the Government’s commitment to cut £10 billion of red tape, to back British business and put resources to more productive use. Customs warehousing is a facility for importers to delay duty and import VAT payments until the goods leave the customs warehousing facility or enter another customs procedure. According to ATP, it is an excellent service for importing parts, but the red tape associated with it is cumbersome. As such, ATP no longer uses the facility, as the amount of paperwork outweighs the benefits. That means that an excellent facility is underutilised. Will the Minister therefore review the facility and consider ways in which the paperwork could be reduced and simplified so that it can be used by SMEs, which have less capacity to deal with red tape than larger organisations?

The Minister for Universities and Science (Joseph Johnson): My hon. Friend makes an important point about bureaucracy at our borders and the role of border control. I reassure her that the Government are reviewing that with their one government at the border programme. At present, 92% of consignments at customs are cleared within five seconds, but her constituents are clearly encountering difficulties. I will talk on her behalf to the Minister for Trade and Investment and look into the specific problems she faces.

Amanda Milling: I am grateful for the Minister’s update on the review and look forward to receiving more information over time. I will also feed back his comments to ATP, which is not using the facility at the moment but might want to start using it again.

On competitiveness, the costs and risks of exporting can be off-putting. If we are really serious about encouraging exports, surely we should be considering ways to incentivise businesses to do so, potentially through tax breaks. One tax that can be a burden to exporters is air passenger duty, which, in reality, is a tax on exports. ATP, for instance, spends thousands of pounds a year on air taxes alone. Every time it signs deals, it has to travel abroad and the costs over a year are significant.

We have to realise that ATP, like many businesses, is competing in a global market. Therefore, onerous air passenger duty makes it less competitive on contract delivery compared with other companies bidding for the same contract. With some companies actively trying to avoid the tax by booking tickets abroad, the Treasury is already missing out.

Given that APD is going to be a devolved matter and the Scottish Government have announced that they will cut it by 50%, with a view to abolishing it altogether, the need for us to consider our position is probably more urgent than ever. Will the Minister consider ways in which we could provide tax breaks on air passenger duty for those who are exporting? I appreciate that, at face value, that will cut tax revenues, but I believe that that will be overcome by the economic gains of more of our businesses exporting their goods and services.

In conclusion, given the need to address the productivity gap, and given the role that exporters play in closing it, it is important that we do everything we can to encourage businesses to consider exporting. That is why I would like the Government to consider ways in which we can address the three overriding obstacles of uncertainty, red tape and competitiveness.

I do not support the motion, because it does not reflect the current picture and the Government’s commitment to productivity and exporting.
Unlike the hon. Lady, though, I do support the motion, because, to be frank, I agree with every single word of it. It gets to the heart of the worrying structural imbalances in our economy, including our reliance on consumer spending based on debt, at the expense of investment; our reliance on domestic consumption, at the expense of potential and growing international markets; the priority given to short-term value extraction, at the expense of long-term value creation; and our reliance on the service economy, at the expense of manufacturing, which can inject real innovation and productivity gains across the country, thereby raising living standards for all of us and all of our constituents.

In addition to the points raised by the Opposition motion, I would also like to mention the geographical imbalance in our economy. As a north-eastern MP, I am here in London for half the week and back in God’s own country for the remainder of it. The economies of London and the south-east are overheating, which is in turn putting pressure on infrastructure and housing supply in the capital, at the expense of sustainable economic growth elsewhere in the United Kingdom.

I welcome the motion’s focus on productivity. The BIS Committee’s first inquiry of this Parliament was on the Government’s productivity plan and we shall produce our report, I hope, shortly. I also welcome the motion’s reference to the change of research funding from grants to loans. As has been said, that is of deep concern because it could undermine our country’s competitiveness. Capital is global, and firms will see where they will get the best return. They could leverage in public sector investment as a result of their own private sector investment. This country could lose out on foreign direct investment. It is incredibly important that when we attract foreign direct investment into this country—to be frank, this and previous Governments have been very successful at that—we make sure that we remain at the cutting edge of doing so. The measure puts that at considerable risk.

Jeremy Quin: The hon. Gentleman will recognise that that is all part of a package, as is 20% corporation tax, which will be reduced further. I am sure he welcomes that.

Mr Wright: A good, competitive tax rate is vital. Global firms consider a dashboard of different metrics—including tax rates, regulation, flexibility in labour laws and capital allowances—in a holistic manner in order to decide where they are going to put their capital investment, the returns on which they might not get back for 10, 20 or 30 years. It is important not only that we have stability, but that we make sure that, if a particular firm is putting in investment, we address what the Government are doing. Other countries recognise that and ensure that there is a partnership, but I am worried that we do not have that.

Neil Carmichael (Stroud) (Con) rose—

Mr Wright: I will give way to a fellow Select Committee Chairman.

Neil Carmichael: It is an honour to participate in this debate. The hon. Gentleman’s Select Committee and mine are doing a joint inquiry on productivity and it will focus on skills. Does he agree that, given the fact that more than 50% of foreign direct investment comes via the European Union, there is a really strong case to remain in the EU to encourage even more FDI in the future?

Mr Wright: That is incredibly important. Firms make investment decisions not just because of the UK domestic market, but because they see the UK as a springboard into the largest consumer marketplace—500 million consumers—on earth. Japanese firms such as Nissan and Hitachi are not just here for the domestic market; they are here because we are a springboard into the whole European market. We risk that at our peril.

Trade performance is a good barometer of economic health at both the macro and micro levels. At a macro level, a buoyant trade performance contributes to economic growth and helps to provide a surplus on the country’s current account. As the hon. Member for Dundee East (Stewart Hosie) mentioned, the motion cites a “trade deficit in goods of £123 billion in 2014”.

However, in that year, the current account deficit widened to 5.1% of national income, which was its largest in post-war history. For much of the past 30 or 40 years, the trade deficit has been offset by investment income from overseas. However, and most ominously, net primary income derived from assets abroad has fallen from 3.3% of GDP to 0.1% in 2014. The Minister should outline the Government’s view about that because they have been quiet about this crucial economic issue.

At a micro level, exporting is positive, especially for firms, and it is good for the wider economy and society, too. Evidence suggests that an exporting business tends to be successful, sustainable and socially aware. Such a company tends to employ more workers and to offer better wages than an equivalent non-exporting company. Companies that export have been shown to be more productive and to invest more in research and development. There is a strong link between exporting and innovation. More often than not, a business with a desire to export overseas has the discipline, ambition and entrepreneurial flourish to develop new products and services that will better serve new export markets. Such companies will be sensitive and responsive to customer wishes, which is always the hallmark of a successful business. There can be a virtuous circle for exporting businesses whereby they become exposed to new demands, fresh ideas and increased competition, which in turn makes them more productive and outward looking, and better disposed towards thinking about new products and improved profitability.

On average, according to the British Chambers of Commerce, businesses that export grow 20% more than those that do not. We need to encourage such activity much more because far too few excellent British firms providing great goods and services that could be offered throughout the world export. Only one in five British firms do so, whereas the average figure for the EU is one in four.

The motion refers to the UK’s “poor export performance”, but with the greatest respect to the Scottish National party, I would go further. I think that our trade performance over the past 30 years or so has been dire and woeful. It has declined markedly over that period with no genuine prospect of improvement. The UK accounted for one in 10 of the world’s exports in 1950, but now the figure is less than 3%. Of course, with the development of emerging economies, it was inevitable
that there would be a relative decline in the market share of UK goods and services, but not at the rate that we have unfortunately experienced. Given the forecast that world trade will expand by $250 trillion by 2050, there should be a co-ordinated effort—in the House, across the country and in government—to ensure that we capture as much as possible of the growth in the world economy for British firms.

David Rutley: The hon. Gentleman is making important points in his impassioned speech. He is right that there is a challenge for more business to step up to the plate and move into exporting, but does he agree that the situation shows that we need a real cultural change involving not only the Government, but businesses examining what they have done in previous years and moving further forward?

Mr Wright: The hon. Gentleman has a fantastic track record of talking about trade and investment, and how we ensure that we boost our sales of exports throughout the world. I will deal with his important point about what we can do in a moment.

In November 2015, the UK’s trade gap was £3.2 billion, while the trade deficit in goods was £10.6 billion. In 2014, UK goods exports fell by 4.1%, which represented the lowest growth rate since the recession in 2009. We were the only G7 economy to experience a negative growth in exports, although it is not all doom and gloom because the north-east still has the only consistent trade surplus in goods. However, as the hon. Member for Dundee East said, there is precious little evidence of a “march of the makers” with modern manufacturing at the heart of a rebalanced economy and providing export-led growth. That is reinforced by yesterday’s Office for National Statistics publication showing that the UK manufacturing sector is now back in recession. I fear that we are sleepwalking back to the long-standing British model, which has been prevalent over the past 40 years or so, of debt-fuelled customer consumption based on an assumption of ever-rising house prices. That did not work in the past—it never has—and it cannot be a model for sustainable and competitive economic growth.

As we have heard several times during the debate, the Government have set a target of £1 trillion of exports by 2020. I genuinely want them to achieve that because it would be good for firms and the country, and would bring about economic growth and broadening prosperity for everyone. However, it is now more or less a given that the Government will fall spectacularly short of their target. Few expect it to be achieved, including the Secretary of State when he gave evidence to the Select Committee. The Office for Budget Responsibility’s “Economic and fiscal outlook” that was published at the same time as the autumn statement forecast the cash value of exports in 2020 to be £647 billion, which is 23% lower than its March 2012 forecast and 35% lower than the Government’s ambition. It is not acceptable for the House, the Government or the country simply to shrug our shoulders and say, “Do you know what? It was a tough target and it’s unachievable, but at least we had a go.” We must be more ambitious than that, but the evidence suggests that the Government have not even had a go. A strong export performance matters, which was why the BIS Committee launched an inquiry into exports and the role of UK Trade & Investment.

I think that I speak for all members of the Committee, several of whom are in the Chamber, when I say that we all want the £1 trillion target to be achieved, but given the enormous shortfall that is forecast, we need a vigorous focus on changing course and embarking on policies that will bring about an improved performance, yet I have not seen the Government demonstrating that there will be such a step change. Will the Minister outline what is being done differently to ensure that we get as close to the £1 trillion target as possible? What active steps are the Government taking to ensure that 100,000 more companies are exporting by 2020?

To respond to the intervention made by the hon. Member for Macclesfield (David Rutley), while the Government do not control this, they can put in place a framework and facilitate the environment. We need to think about what firms are doing. They might have a good domestic market in which they feel comfortable, but how do we ensure that they can put their toe in the water of exports? Businesses will be concerned about whether they know the regulations and laws of a particular country and if they will get paid, so they might think that exporting is too much hassle and that they will stick to the domestic market. However, we need to encourage them to export, and that brings me on to the role of UKTI.

Sammy Wilson: The hon. Gentleman accepts that the target is challenging, but if the Government know, given the OBR forecast, that it might well be missed by 35%, we have early-warning signs four years in advance showing that something needs to be done, so action should be taken.

Mr Wright: The hon. Gentleman is right. Given that we will fall spectacularly short of the target, how will the Government revise their policy on trade and exports to ensure that we do not miss it by 35%, but get as close to £1 trillion as possible? Is UKTI sufficiently proactive about working with British firms to identify and navigate foreign markets? It has been affected by turbulence, with cuts in funding and disruption at the top of its management. Do the Government think that it is fit for purpose?

Anna Soubry: To answer that directly, I think there is much reform that can be achieved. Does the hon. Gentleman agree that the hon. Member for East Lothian (George Kerevan) was wrong when he said that the former CEO of UKTI had resigned because of the budget cuts, and that Mr Jermy moved to the Foreign and Commonwealth Office to take up a new appointment as the international counter-extremism co-ordinator? Does the hon. Gentleman agree that the new head of UKTI was appointed before there was any change in the funding? Will he confirm that the amount that UKTI received from BIS in 2014-15 was £264.1 million and for 2015-16 is £338 million?

Mr Wright: It is important that the right hon. Lady clarifies the reasons for the personnel changes. The hon. Member for The Cotswolds (Geoffrey Clifton-Brown), who is no longer in the Chamber, spoke about benchmarking UKTI against other comparable trade
organisations around the world to see whether we are getting value for money for the taxpayer and whether sufficient money is being provided. The Select Committee’s inquiry can look at that.

This is not an academic exercise. In the past a trade deficit was so significant that it could bring down a Government. I am far too young to remember the 1970 election. I was not born then, but I have read about it in history. Some of those present may have been in the Chamber talking about it. That is an example of how important trade performance used to be. In the modern age, and in news reporting for the 21st century, it seems to have lost that impact. We should return to highlighting the importance of trade deficits for the general prosperity of this country. Poor performance in overseas markets acts as a drag on competitiveness, productivity and rising living standards for all. The Government should focus more attention on that and demonstrate how they will change track to achieve their targets. The whole House would be behind the Government if the Minister could demonstrate that tonight.

3.30 pm

Richard Fuller (Bedford) (Con): It is always a great pleasure to follow the Chair of the Select Committee on which I am proud to serve, the hon. Member for Hartlepool (Mr Wright), who gave an interesting speech with a fair balance of criticism and positive views. It was in contrast to the speech from the Opposition Front-Bench spokesman, the hon. Member for Selton Central (Bill Esterson), which in both content and delivery reminded me of the Brezhnev era with its catalogue of unremitting misery. I shall spare the blushes of the Chair of the Business, Innovation and Skills Committee and just say that unremitting misery is clearly what one gets with socialism, which is why this country has decisively and continuously rejected it.

I shall add to the positive views we have heard by making some comments of my own. I do this with some humility. We are debating some extremely important matters. The Chair of the Select Committee must be embarrassed that he has only two Labour colleagues in the Chamber, including the Whip, who is supposed to get people into the Chamber to take part in debates. Let us hope that as the debate progresses, we see a little more commitment from the Labour party to the entrepreneurs, the small businesses and the wealth creators in our country.

As the hon. Member for Dundee East (Stewart Hosie) rightly pointed out when opening the debate, we have to understand Government policy and the matters we are debating today in the context of long-standing issues. We should recognise that in the global economy we are going through a period of substantial overcapacity in production and the transition of some major economies from a production to a consumption sector. That will have an impact on the ability of companies everywhere in the world to export. We have reached a point where—we may disagree on this—the British Government and the British economy have to start living within our means, which has been summed up by the Chancellor as seeking stability and security.

On trade, innovation and productivity, entrepreneurs and business people think about that every day. Low down their list of possible solutions to the issues facing them will be the words, “I had better go and ask my Member of Parliament.” The innovations that we make and the trade and exports that we do will be done by those individuals. I am a strong believer in free market capitalism and in entrepreneurship, and I want a Government and a Business Secretary who believe in that. One of the benefits of the election was a change in the leadership of the Department for Business, Innovation and Skills to someone who understands the motivations of the person who does not talk in billions and perhaps does not talk in millions, but is taking the first step and the first risk by investing their own money to start their business. Whether they are in Scotland, Bedford or other parts of the world, that is extremely important.

A number of hon. Members have talked about the persistent current account imbalance in the UK. We should bear in mind two things about that. First, if the issue has been there for so long and we have not all fallen apart, something about it must be hidden or going okay. Secondly—lies, damned lies and statistics—we must remember that trade statistics do not include value added. One of the important changes in global trade over the past 30 years has been a shift in the value added in various sectors. The statistics on that may paint a different picture.

Stewart Hosie: The hon. Gentleman is making a thoughtful speech, as ever, and much of what he says is interesting and potentially accurate. However, I am sure that even he would agree that it is worrying when the contribution to GDP growth from exports is continually marked down in forecast after forecast. While there may well be good, hidden things, the general trend is working against growth in the economy.

Richard Fuller: I was just about to agree entirely with what the hon. Gentleman was saying because I thought he was talking about forecasting accuracy—a topic on which, of course, the SNP has a very good track record. The issue of marking down does point to the frailty of setting targets. It is a fair criticism of all Governments that they find it very easy to set targets and then very difficult to meet some of them.

Let me talk about what the Government are doing. First, a number of hon. Members have referred to the very broad nature of the Government’s productivity plan. I see that as being more about how we implement things than the variety of outcomes they will have in terms of the overall impact on productivity.

Secondly, the Government’s policy on the living wage will provide a substantial increase in productivity, specifically labour productivity. The living wage is, in essence, a 38% pay increase for the lowest-paid workers in our country. I am sure that the Government and the OBR have factored into their statistics the implications for comparability with other pay rates within the economy. A Conservative Government pushing to increase the wages of some of our hardest-working but lowest-paid workers will have, in a market economy, a positive impact on improving labour productivity.

Hannah Bardell (Livingston) (SNP): It is important to clarify that, as has been discussed previously in this House, the increase in the national minimum wage by the UK Government is not the same as the living wage that has been set by a number of independent bodies. Conservative Members must recognise that.
Richard Fuller: The hon. Lady is of course factually correct, but unfortunately that is like having a beautiful sunny day where someone consistently wants to put a cloud on the chart. This is a major and very significant change in the British economy. We should all be looking to the businesses that now have to pay the increase in wages to ensure that they are able to do so without it leading to unemployment. If we could co-ordinate our efforts around that, then, as she rightly says, we can think about the other level that we should move to. Let us join together, support what the Government have done, make sure that our businesses can deal with it, and then look to the next stage. I think there is common agreement across this House that the disparities have gone too far and now we are doing something about it.

The squeeze in the public sector is identifying new ways to improve productivity. We do not talk enough about that positive impact on the economy. Personally, I would be happy if the Secretary of State had accepted a larger reduction in the Department’s budget in doing his bit to get the deficit down, but I do understand that perhaps he is holding something back for later. Another positive on productivity is that the Government are focusing on the sharing economy, which our Committee is also considering.

On innovation, I am very pleased that the Minister said she would talk to the Treasury about looking at new ways in which tax policy can support equity investment in private companies, particularly involving individual savings accounts, as proposed in the excellent “High Growth Small Business” report launched by the hon. Member for Hartlepool.

May I tell the Department that I took to the previous Secretary of State the idea of a Bedford business fund? The idea is that people who care about a community—in this case, my constituency of Bedford—could put money into a fund to support the growth of businesses there. We do not have the advantages of Milton Keynes, Cambridge or Northampton, which have large businesses or science parks; we have to grow our own small businesses to create prosperity in our community. The idea of having a business fund in which people can invest tax-efficiently to grow businesses in their community could not just be followed in Bedford, but replicated across the country. I ask the Business Secretary to look at that again.

Building on the success of the Bedford business fund and having, happily, been re-elected in May, I am taking forward the idea of a Bedford community business school. In conjunction with Bedford College, there will be a series of courses over four weeks. Anyone in the community who is interested in starting a business can learn about public relations and marketing, and about accountancy and getting finance from business. Again, community business schools are a good idea that could be replicated across the country.

I want to make some points about the Department. I have already spoken about the potential for further reductions in its budget. I know that the Minister is a little more fond than I am of spending taxpayers’ money, but she is a true Tory and will look for efficiencies wherever she can. One thing we hear constantly from business is: “The Government do a lot of stuff, but where do I start.” Decluttering and providing some focus for what the Department does would be helpful.

May I make one specific suggestion? I understand that with the Treasury, through Her Majesty’s Revenue and Customs, people will be able to log on and see their own tax accounts. Why is it not possible with the Department for Business, Innovation and Skills for a company, with a company tax identification number, to be able to log on to a website and see in one place all possible ideas that are suitable for the business, tailored to the specific interests of the company? Through the tax identification number, the Department will know whether it is a large or a small company and what sector it works in. With today’s technology, the Department should therefore be able to provide, up front and quickly, the Government measures that are available to support them. On deregulation, the issue for many companies is not how much money is saved, but how much time is saved.

Anna Soubry: I find it amusing that my hon. Friend is now encouraging me to spend taxpayers’ money on such a service. It sounds like a great idea, but does he agree that the private sector could do it even better, particularly for small businesses? In effect, the website would be a one-stop shop where they could access all the various forms of support available to them. We do not need to use taxpayers’ money to achieve that.

Richard Fuller: The Minister is somewhat ingenious in suggesting that I want taxpayers’ money to be spent on such a website. The issue is not about the money, but about the access to the Department’s information, which is of course privileged information within the Government. If the Minister is today committing herself to force the Department to deal with private sector companies wishing to create such an access portal and giving them free rein to do so, I am sure private capital will flood in. However, that will require a commitment and it will require access, which is her decision, not mine.

Anna Soubry: I will think about the idea, because it has many attractions, although there may be data protection considerations. Why do we not agree to meet to have such a discussion and see what we can achieve?

Richard Fuller: I am looking forward to the Minister coming back to the House with a recommendation, and I will of course be happy to meet her when she has that recommendation. [Interruption.] People may say that is unfair, but the truth is that this is a very positive initiative. The one thing we know about the Minister is that when she sees a problem to be tackled, she goes for it, and heaven help anyone who stands in her way. I am highlighting the fact that this is an opportunity for her. She is the right person to go for it, and I will of course encourage and support her all the way.

The most important thing highlighted by the motion—unfortunately, I do not support it—is that SNP Members are bringing forward ideas on some of the most important issues affecting the wellbeing of our country. Even though Members of Parliament may be low on the list of people entrepreneurs want to call to get answers, SNP Members, as well as others who have spoken, have done a service to the House and I commend them for it.

3.44 pm

George Kerevan (East Lothian) (SNP): The last six years have seen an amazing deterioration in Britain’s external trading position. The purpose of this debate is
simply to get on the record how bad it is and to encourage the Government to do something about it.

The Government’s default position is to say, “Well, there’s been a global recession” and, “Our biggest trading partner is in the EU so we were bound to lose some traction in the markets.” The point is that in the six years since the Government came to power, world exports have increased by 30%. The world market for sales has grown extensively. If we have lost market traction in that situation, what will we do if the global economy starts to contract overall?

Normally, when there is a recession in domestic demand, a country’s industry is forced to export. Strangely enough, therefore, the core eurozone countries that suffered the worst from the euro crisis have done well in exporting. They had nowhere else to go, so they had to export. Spain and Italy have doubled their exports since 2010. Ireland, which had a catastrophic fiscal implosion, is selling more in exports than ever before in its history.

The point that we are trying to make to the Government is that their insouciance and their pretence that everything is all right in the international sector belies the fact that in the six-year period when they should have been concentrating on turning around British exports, increasing them and grabbing a bigger market share, they have failed totally. They keep putting it off. They keep thinking, “Well, we’ll have another paper plan and it will get better.”

If we look at the numbers, which have been repeated in a number of speeches, in 2014—the last year for which we have the full figures—the UK current account deficit came to 5.1% of GDP. The hon. Member for Bedford (Richard Fuller) asked whether that mattered, but if a country runs a current account deficit, it has to fill it somehow. It has to either borrow foreign currency from other countries or sell its assets into the ownership of other countries. It is no surprise, therefore, that large chunks of British industry and the British property market are owned abroad. The Government’s obsession with trying to cure their own fiscal deficit has only resulted in the deficit being transferred to somebody else.

Everybody knows that when a country’s current account deficit hits something like 5% or more of its GDP, the warning signs flash up in marketplaces all over the world. It is unsustainable. If a country runs that for two, three or four years, a quarter of its GDP will be in hock. We cannot continue to do that. In normal circumstances, the UK has typically run a current account deficit, but at a tiny fraction of its GDP. In 2014, the UK’s current account deficit had the worst performance in peacetime. That is the problem that the Government simply refuse to recognise.

Far from our economy being rebalanced towards manufacturing in order to export more, the numbers on that are just as bad. Let us take the total production data for the UK and strip out the most important components. UK manufacturing output is now less in value than it was in 2000. During the last 16 years, Germany has managed to increase its manufacturing output by that definition by 22%. It would be reasonable to say that we are almost back to a second wave of deindustrialisation. A lot of that has happened since 2010, although it goes back a little further. In fact, UK manufacturing output is barely ahead of where it was in 1990, so we have had a generation of marking time.

Over the last six years there was no national emergency and something could have been done, but the Chancellor did not focus on rebalancing the economy as he said he would. In 2012, he belatedly came up with a target—he is good at making targets—to double exports by the end of the decade. That was a ridiculous promise then, as it is now. If Government Members would just say, “Okay, let’s lay that target aside and concentrate on the practical nuts and bolts of expanding our exports”, we might move forward, but as long as the Chancellor comes up with these fancy proposals and does not deliver, Opposition Members can reasonably say, “You are not serious.”

Jeremy Quin: What nuts and bolts does the hon. Gentleman think are missing from the Government’s package at the moment? He is long on rhetoric about the shape of our export performance. I can understand that—but the Government have done a huge amount to support those exporters, and we have been languishing in the depths of a European-wide recession.

George Kerevan: I take the hon. Gentleman’s general point. I do not gainsay a number of the micro-decisions that the Government have taken, but we are not seeing the wood for the trees. Let us understand why we cannot get more investment into the manufacturing industry, and why the whole tenor of the economy is anti-export. It goes to the heart of how the Chancellor has conceived his job. He tells us that we have growth, but where has that growth come from in the past six years? It has come from pumping up domestic consumption, not from investment or selling abroad. Where does that extra consumption come from? Does it come from wages? There has been some wage growth in the past few years, but in the most recent statistics, pay growth has slumped to its lowest rate in two years. The growth is coming not from pay but from borrowing.

Let us consider the latest consumer borrowing figures. We do not have to go back a long way—we’ll look at what is happening now. Consumer borrowing on credit cards and overdrafts is expanding at its fastest rate since the financial crisis. Unsecured consumer credit was up by 8.3% in November—consumers borrowed an extra £1.5 billion of unsecured credit in November alone in the run-up to Christmas. While we are facing a potential rise in interest rates, we have merely returned to unsustainable consumer debt in order to carry growth forward into 2016. Yes, there has been growth, but it has come from borrowing. All that the Government have done is to transfer a fiscal deficit from the public sector to private individuals who are even less able to bear it.

David Rutley: I understand the point that the hon. Gentleman is trying to make, but it is too strong to say that Government policy is anti-export. That is not the case. The Government have been trying to navigate their way through a difficult economic situation, as I am sure the hon. Member for Dundee East (Stewart Hosie) would agree. Being anti-export is not the intention, and the hon. Gentleman is overstating his case.

George Kerevan: I am glad that we have moved on from me being wrong to me merely overstating the case—we are making progress. I repeat: in the depth of the crisis such as this, we will move on from a crisis with that debt by moving towards export-led growth. That is what some of the countries that suffered worst in the recession and from the crisis with the euro have done.
We have not even begun to do that, and if we do only one thing today and persuade Government Members that that is the case, we might have made progress.

**Kwasi Kwarteng:** The hon. Gentleman makes some interesting points. Does he recognise that those countries have had far more severe fiscal consolidations that we have had in Britain?

**George Kerevan:** I do—that was my point. However, Italy, Spain and Ireland have still managed to double their exports, which is the one thing that the Chancellor said he wanted to do but has not yet even begun.

Why has the Chancellor not been able to rebalance the economy? What has gone wrong? In truth, although previous Chancellors began this, under this Chancellor Britain has a taxation system that favours investment in physical property, rather than long-term investment in manufacturing. It has continued to have a banking and financial system that prioritises gambling—to use an extreme word—money, and foreign exchange markets, rather than supporting manufacturing and innovation.

Let me give Members an example that goes to the heart of the matter. Britain's premier engineering company is Rolls-Royce, a company we would need to rely on as our flagship if we were to rebalance the economy towards manufacturing and exports. Let us look at the tragic history of Rolls-Royce in the past two years. Just over a year ago, Rolls-Royce sold off its gas turbine business to Siemens for £1 billion. Gas turbines, by the way, are the third largest export sector in UK manufacturing. What did Rolls-Royce do with the £1 billion? Did it invest it in a new wave of innovation? Did it invest it in new technology? Did it do more research? No. The nature of the fiscal taxation system, reinforced by cuts to corporation tax, meant it was easier for Rolls-Royce management to use that £1 billion to buy back its shares.

I am not in favour of raising corporation tax—I think fiscal incentives are good for industry—but the Chancellor continued to cut corporation tax when he knew that most of the money from many companies would actually go on share buy-backs. Rolls-Royce, by dint of buying back its own shares, pushed its share price to something like £10 in the early part of last year. Where is the share price now? It is half that. Our premier engineering company is now in a disastrous commercial state. In fact, the halving of the share price means that the shareholder value of the £1 billion it received from selling off its key turbine business to Siemens has been wiped out.

Meanwhile, the market has caught up with Rolls-Royce. Its key sales of engines for large, wide-bodied jets have started to dry up. The market has moved on to new jet engines for narrower-bodied jets. The Americans are cleaning up because they had the product ready to go into that market. Rolls-Royce is now in serious trouble. In fact, there is now talk in the City of it being taken over.

**Anna Soubry:** Does the hon. Gentleman agree it is very important that in this House we do not talk down one of the most outstanding British success stories? Given that he has already given the House incorrect information about the moving on of the head of UK Trade & Investment, will he please agree that it is very important that the information he continues to put on the record is accurate? It has not been so far. Will he agree to withdraw his comments about Dominic Jermy and his moving on to the Foreign and Commonwealth Office?

**George Kerevan:** I will continue with what I was saying. I am not talking down anyone. I am trying to get the Government to admit there is something seriously wrong.

**Anna Soubry:** Will the hon. Gentleman give way?

**George Kerevan:** No, I will continue.

**Anna Soubry:** On a point of order, Madam Deputy Speaker. Is it not important for all Members, when they make a mistake, to correct that mistake so the record can show when they have given an inaccurate account to this House, especially about someone who does not have the ability to speak in this place? If somebody else gives a contrary view based on sound information, is it not beholden on the Member to accept it? We all make mistakes. An hon. Member who has made a mistake should just accept it.

**Madam Deputy Speaker (Natascha Engel):** I think the right hon. Lady knows it is entirely up to the hon. Member who made the statement whether he wishes to withdraw it or correct the record. She has herself now twice corrected the record, so we shall move on.

**George Kerevan:** Thank you, Madam Deputy Speaker. I am always willing to bow to the Chair. If ever I am found to have made erroneous remarks in this Chamber, I will always withdraw them. We can come back to that.

The Minister intervened because she wishes to continue to say that those of us who raise serious points about our poor economic performance are talking down British industry. Far from it. I am passionate about British industry. I want industry to grow. It is the fact that the Government are not doing their job that is the problem. I have a profound respect for Rolls-Royce, its history and what it has contributed to this country. During world war two, Rolls-Royce's main aero engineering factory was in Glasgow. The engines that powered the Spitfires that saved western Europe and democracy in 1940 were produced in Glasgow by Rolls-Royce. I am second to none in my admiration for the company and its engineering history, but I am worried that we are now talking about it being taken over by American aerospace companies because of the situation it is in. I am now worried that the Government may have to consider taking over parts of Rolls-Royce—this has been a matter of press comment in recent weeks—in particular its nuclear engineering division. If anything went wrong and, God forbid, Rolls-Royce were taken over by a foreign company, the Government would be talking about nationalising bits of the company. That is quite a serious pass to have come to.

**Stephen Kinnock (Aberavon) (Lab):** The hon. Gentleman is making an interesting and important point about foreign takeovers, particularly hostile takeovers. One of the important ones recently was Pfizer's attempt to take over AstraZeneca. I am sure he agrees that that case
concluded in absolutely the right way, by protecting one of the great British assets and enabling it to continue its long-term strategies of investment in innovation and technology. Does he agree that this issue should perhaps be seen as a case for reform of the Companies Act 2006, so that we see far more long-termism built into the UK’s corporate culture and a move towards investing in innovation, R and D, and skills? If we do not do that, we will never change to a more sustainable business model.

George Kerevan: I could not agree with the hon. Gentleman more. One of the things that has led to the short-termism over the last 20 to 30 years is precisely the fact that companies are not in a position to think long term themselves, because the way that the City of London and the casino economy work means that their shares are always in play. We need company reform to allow investment to take place without it being subject to shares being shorted and without share buyback activity by Rolls-Royce or other companies when the money should be going into real investment.

Neil Carmichael: This is an interesting issue, and the hon. Gentleman is making an important point about long-term investment. Of course, it is already on the agenda, not least in the Bank of England, where Andy Haldane, the chief economist, has raised the issue of long-term investment, contract law and the need to effectively encourage firms to think not just about shareholding, but about long-term investment. Does the hon. Gentleman agree that that is the kind of thing we need to encourage smaller firms to become bigger firms, especially given the nature of the Mittelstand-type firms that we need to see in the manufacturing sector?

George Kerevan: I could not agree more that what is clearly missing from the UK industrial structure is those medium-sized Mittelstand companies that export and create a value chain, and instead we have a dumbbell shape, with a small number of very large companies and a large number of small companies. One of the reasons we have been unable to do that is because as companies grow to a certain level, they have consistently needed to sell out, usually to foreign ownership, in order to raise capital.

That brings me to another issue—I shall not be long, Madam Deputy Speaker—which the hon. Member for Bedford raised when he referred to the current account deficit. We have normally been able to fill the current account deficit, even though on a smaller basis, thanks to the financial remits coming in from assets owned by foreign concerns and stop its rocky banks from imploding. What I think the Chancellor has now developed into an art form the attempt to find ways to get money in to cover the current account deficit, and it is partly connected with his new cunning plan for China.

Kwasi Kwarteng: The hon. Gentleman makes a good point about inward investment and foreign capital acquiring assets. Is he proposing some change to the capital controls? Does he have any suggestions about how to meet the problem that he has identified?

George Kerevan: I might start by ensuring that we actually know who the beneficial owner is when anybody buys property in the UK. That might resolve part of the problem—we could find that some of the money coming in previously no longer continues because people do not want to reveal its source.

The Chancellor’s latest wheeze is to open the door to Chinese cash. China has no track record of building nuclear power plants, yet the Chancellor has offered massive subsidies over the next 20 years in the hope of encouraging Chinese state companies to invest in our nuclear power industry. So much for encouraging British manufacturing! I believe that the Chancellor’s cunning plan has little to do with energy security, and everything to do with getting China to cover Britain’s disastrous current account deficit. With Chinese money coming in, foreign currency will stay here and cover the deficit. Unfortunately, China is already eating into its capital reserves in a desperate bid to shore up its own currency and stop its rocky banks from imploding. What I think we are likely to see in the next five or six years is running out of the foreign currency to fill the trade gap, which will have big implications for interest rates and our trade surplus.

What we really need is an industrial policy, which my hon. Friends have mentioned, to revive domestic manufacturing. Instead, the Chancellor has slashed the budget for the Department for Business, Innovation and Skills by 17% in the autumn statement. I chide the Minister on the fact that the budget for UK Trade & Investment is being cut over the next four years by £42 million. Yes, it is going up marginally this year, and if the Minister is selective in choosing which years to
look to for the budget, she can pretend that there has been an increase. Over the four-year period, however, UKTI funding announced by the Chancellor in the autumn statement will go down by £42 million.

How can this Government pretend to support exports and promise to double them when they are cutting the budget of the very agency we rely on to liaise with our companies to assist our exports? The Chancellor promised to double exports, and he has form in making similar promises about eliminating the annual deficit—but he did not keep them. This Chancellor has no clothes; if he had, he would have had to import them.

Several hon. Members rose—

Madam Deputy Speaker (Natasha Engel): Order. We have plenty of time, so I shall not apply a time limit, but 13 more Members are seeking to catch my eye. That works out at about 10 to 12 minutes per speaker. I would be grateful if Members could keep within those informal limits.

4.9 pm

Kwasi Kwarteng (Spelthorne) (Con): I am happy to announce, Madam Deputy Speaker, that I shall not speak for 24 minutes, unlike the hon. Member for East Lothian (George Kerevan). I am, however, very pleased to follow the hon. Gentleman, who made a very interesting speech. You will be glad to know, Madam Deputy Speaker, that I did not agree with everything he said. I thought that some aspects of his speech were wrong. Although his points were made in the right spirit, some of his conclusions were wrong.

Let me begin by registering my own interest in the debate. My constituency is a hub of local business and private enterprise. Indeed, Staines was the No. 1 area for business start-ups last year, and we wish to continue that tradition and record of achievement.

During this interesting and important debate, a number of Members have spoken about the need for an industrial policy or strategy, without, in my view, spelling out the details of what such a strategy would be. Yes, it is true that we could be doing better with exports, and it is certainly true that we could be increasing, or trying to increase, our productivity; but the general remarks that Members have made have not been fleshed out with concrete proposals. I make one exception: my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) did come up with some concrete suggestions and interesting points about the Government's role in UK Trade & Investment, and about the function of UKTI.

What I want to focus on, however, is the general economic context. The hon. Member for East Lothian said that, across the eurozone, the current account figures had improved. He suggested that that was largely a consequence of increased exports, but those of us who followed what went on in the eurozone will know that those countries had drastic fiscal consolidations, in the course of which they killed off domestic demand. They tipped their economies into recession, and, as everyone knows, if an economy is in recession, imports will fall considerably.
(Mr Wright) referred to the trade deficits of the 1960s which he had learned from his reading brought Governments down. Every day in the 1960s people looked at the trade figures; that was the big number. The model of the economy today, however, is completely different from that of 1967 or 1970, yet many of our debates are couched in the language, and reflect the concerns, of a bygone era. It has been almost 50 years since the 1967 devaluation and it is crazy for us to conduct this debate as if nothing has happened in the last 50 years.

We should consider the British economy—how wealth is created and distributed, the role of exports, the role of manufacturing. It is true that manufacturing has diminished, for instance, but I would argue that that is in large part a function of the evolving nature of the British economy. The economic history of Britain shows we have gone through lots of different phases. The phase of industry in which we manufactured huge amounts has gone, sadly.

The hon. Member for Selton Central (Bill Esterson) mentioned the steel industry and said how terrible it was that the Government had not subsidised and protected it. Wolfgang Eder is head of Worldsteel. Current capacity in Europe is about 200 million tonnes, and he says that for it to be sustainable it should be halved. There is overcapacity among European steelmakers. The idea that we can somehow subsidise things endlessly on an unproductive basis is simply wrong.

Stephen Kinnock: Nobody is asking for subsidies. The UK steel industry is asking for a level playing field. We are seeing the massive dumping of heavily subsidised Chinese steel—70% of Chinese steelmakers are state-owned—dragging down the price of steel and crippling the British steel industry. This is not about subsidies but about smart regulation, proactive Government intervention and taking action and answering questions afterwards. I am seeking reassurances that the Government will not support China’s application for market economy status, because that would completely undermine any anti-dumping efforts. This is about proactive regulation and intervention, not subsidies.

Kwasi Kwarteng: I accept the hon. Gentleman’s intervention, and he makes a good point about China’s export practices, but I was making the general point that the steel industry believes there is overcapacity in Europe. This is not a British but a European problem. No Government action in the world will push water uphill or militate against that broad trend.

I digress from my main point. This has been a helpful and interesting debate, but my main concern is that we are not taking into account the different nature of the British economy. In terms of the phraseology, the context of the debate, and the words in the motion, we are reflecting circumstances that have not existed for two generations.

Hannah Bardell: On the steel and indeed other manufacturing industries, does the hon. Gentleman not recognise there is a place for protecting high-end, highly skilled manufacturing, particularly in the steel industry, for which there is a clear market?

Kwasi Kwarteng: There is always a case for Government supporting industry by setting the table, by setting the context—making sure the economic management is good and the regulation tolerable. I am reminded of the phrase of Adam Smith—I mention him not simply because he was Scottish but because he made some good points—about easy taxes and a tolerable administration of justice. These are the things Governments can affect. It is difficult, however, for Governments directly to subsidise individual industries exposed to the vagaries of international markets and massive price fluctuations.

This has been a valuable debate with some very good speeches, but I suggest we think more about how the British economy has evolved, instead of using terms that date from the 1960s and before, when the structure of British industry was very different.

4.23 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): I am delighted to follow the hon. Member for Spelthorne (Kwasi Kwarteng), particularly because he said this debate was about a bygone age. In talking about innovation, I intend to bring things a wee bit further up to date by talking about the situation not only today, tomorrow or in four years’ time, but in 10 or 20 years’ time. In doing so, I hope that a ray of light will fall upon the Government Benches and that the scales will fall and tip in favour of innovation.

The Government have underplayed innovation. It is about imagination, vision and determination—words often applied to leaders and leadership. We all agree that innovation is a good thing. I have heard many times people describe the digital economy as one of the key tenets of innovation. Members have talked about the opportunities throughout the nations of the UK for small and medium-sized enterprises to help us grow and develop the economy and about the contribution they already make across rural and urban areas. New technology is available to assist businesses here and now, including the opportunities offered by superfast computing. That involves wiring together many high-speed computers to perform in just minutes actions that would normally take days or even weeks, and companies can get hold of that technology. An example of its use would be rendering an animation for industry. That kind of technology is available now but its availability is limited because companies need to be able to connect to it.

The new levels of hand-held technology available to business and industry today can transform not only business and the economy but public services, allowing us to invest more in providing better services for people. When I was a boy, I used to watch a television programme on the BBC called “Tomorrow’s World”. It was about the things that were going to happen tomorrow, but things are moving faster now. The developments that we are talking about are already here. An example is driverless car technology, which could transform the way in which we use our roads. It could transform aspects of industry and of rural connectivity. Suddenly we have an opportunity to connect people in a different way, but that innovation is not being discussed enough by this Government or by Members of this House in general. These things are available to us here and now.

Let us imagine one side benefit of looking at these issues properly. There is an opportunity for driverless technology to be used across the nations of the UK. An individual road traffic fatality costs £1 million or more—
leaving aside the tragic loss of human life—but we could avoid that kind of thing by deploying new technology. We might then start to see the benefits of embracing such technology.

Members might also have heard about the internet of things. It is a real thing. We are now connecting appliances, apparatus and machinery over great distances to enable them to operate automatically. Also, 3D printers are now able to do mind-boggling things that would not have been considered possible just a few years ago. We have the opportunity to revolutionise our cities through the proper embracing of smart city technology. We have a golden opportunity vastly to reduce emissions to help our position on carbon use.

New technologies can spur growth and create great benefits for the economy. They can revolutionise and democratisate things for us, including teaching and learning, allowing greater access to the subjects that are currently available only to the few. They can grow high-quality jobs and provide opportunities for people who are still locked out. These include opportunities for our young people, for young girls and for women to get into industries that they have traditionally been unable to get into—such as science, engineering, technology and IT. As my hon. Friend the Member for Dundee East (Stewart Hosie) said earlier, these new technologies can provide opportunities for inclusive growth. In 2013, the digital economy was worth £11 billion in Scotland alone. That is a substantial business.

Entrepreneurs are already leveraging digital technologies to create successful businesses and significant economic impacts, but that number could be increased. This is especially true given that small businesses grow two or three times faster and create new jobs when they embrace new digital technologies. The hon. Member for Bedford (Richard Fuller), who is not in his place just now, talked about encouraging growth in small businesses. We can encourage such growth in rural areas and places that are difficult to get to by helping them to embrace digital technologies. With the aid of technology, small businesses can also go global from day one, reaching overseas markets and talented potential employees.

Those opportunities are there to be embraced, but let us consider some of the barriers that are being created by the UK Government. We heard again from my hon. Friend the Member for Dundee East about the head of KPMG saying that we are talking no longer about grants for innovation, but about loans. That is a barrier to success, although I will not repeat the many arguments that have been well made in this House on that already.

Barriers also arise from the technology that is available to people across the nations of the UK at the moment. I welcome a commitment to universal broadband, as that is a good thing and it should be embraced fully. What is being proposed by the UK Government at the moment, however, is at best—I am being very kind here—a bare minimum for the future. A speed of 10 megabits per second is technology from a bygone age now and it is not good enough for communities in the future, as we see particularly when we look in detail at the plans. A lot of the bridging is going to be done by satellite technology, which is good where there is nothing else, but it is affected by the weather; it has a high latency potential, it suffers from poor uploads; and, in general, people can get up to—that is the key term—only 6 megabits per second with it. That is what is being proposed for rural areas. The costs of satellite broadband also present a considerable barrier, as people are looking at £30 to £100 a month for these contracts in order to take advantage of it.

Mr Gregory Campbell (East Londonderry) (DUP): The hon. Gentleman is discussing businesses in rural areas. Does he agree that many small and medium-sized enterprises throughout the UK that have relocated from town and city centres to rural areas on a cost basis now find themselves disadvantaged, precisely on the broadband access grounds he talks about? That needs to be addressed by the Government.

Drew Hendry: I am very grateful for the hon. Gentleman's intervention, as he hits on a key point. There is a vibrant, intelligent, work-ready employee base in rural areas, and people there are ready to take advantage of opportunities presented by employers. He rightly describes, however, what people may suddenly find when they move to a rural area, and I have some personal experience of this. When I was working in Windsor, lots of things were available to me by way of technology, but when I then moved to the highlands, I suddenly thought, “Ah, I might have made a mistake here.” I am glad to say that I did not make a mistake and we worked through it, although at some expense. Broadband access is a real barrier to people being able to set up businesses in rural areas. If the UK Government want to take a view for the future, they have to consider bringing people across all parts of the regions of the nations of the UK and make sure that people in rural areas have the same opportunities to engage in business as those in urban areas.

Alan Brown (Kilmarnock and Loudoun) (SNP): Does my hon. Friend agree that we need not only a much higher specification for the universal broadband commitment, but provision of a better service level by broadband suppliers so that a customer gets what they know they are signing up to and so that once they have signed up they continue to get it? Customers sometimes suffer a drop-off when other people connect without even being aware of it or how they go about dealing with it. Robust service level agreement provisions must be put in place, too.

Drew Hendry: I thank my hon. Friend for that intervention, and I completely agree that the service level is important. I am pleased that the UK Government seem to have accepted that, and I believe they will be making sure that contracts are able to be changed or cancelled if the service does not live up to what was promised. I am also pleased that they have accepted my suggestion that that should also apply to mobile phone contracts, and let me give due notice now to the Minister that I will be chasing up on that shortly. I am grateful that they have accepted my point that mobile phone contracts should as quickly as possible come under the same terms.

I wish briefly to discuss mobile signals, because one opportunity for all the nations of the UK is for universal coverage to be undertaken properly in terms of forthcoming technology, specifically 5G. The 5G spectrum is due to be launched in around 2020. Now this is very important. We will hear Ministers and others say, “Oh, but it’s coming in the future. We can’t deal with it now because
it is not yet real.” The same was said about the 4G spectrum when it was launched, and the same was also said about the 3G and 2G spectrums when they were launched, and yet the failures continue. It has been a failure for business and for people on 4G, 3G and 2G across the piece. There are still parts of the UK that do not have any mobile signal at all. Mobile telephone companies could have been challenged on that during the licensing regime. The UK Treasury has made billions of pounds out of these licences. It is not beyond the wit of the Government to look at those things and ensure that, in future, when the contracts come up and when they are applying the licences, they insist that there is full coverage not only for urban areas, but for rural areas as well. Not dealing with those issues leads to an enduring digital divide.

There is also a bigger threat to these isles from cyber-security failures than there is from nuclear threat, and yet we are not encouraging enough people, particularly young people, to get into the industry to ensure that we are in a position to put our defences in place. The living wage, which has been mentioned in this Chamber a few times today, actively disadvantages young people. It is an absolute scandal that we treat our young people with such contempt and that we do not encourage them to be part of the overall journey to economic success. Such encouragement should be given to all our people regardless of where they live in this country. They should feel involved and part of the culture. We need to stimulate, guide and help them to get involved in new technology and in other industries such as engineering and science. We need to ensure that they are involved in life sciences so that they can get jobs that will be more worth while to them and their families in the future. We need that competitive edge and to be able to innovate into the future. Such encouragement is particularly pertinent for young girls and women who, in the 21st century, still do not have the same opportunity to get into those industries. We need to work hard across the piece to innovate and to ensure that we challenge that behaviour.

In Scotland, the curriculum for excellence is encouraging young people from primary school through to secondary school to look at outcomes of education in the round. I am pleased to be part of the Highland Science Skills Academy, which is directly challenging the norm. It is working with private companies, Government agencies such as Highlands and Islands Enterprise, The Highland Council, the NHS and other bodies to encourage young people, particularly girls and young women, to understand and to be able to interact with these skills. It is that kind of innovation that we must put in place to ensure that we are embracing the digital economy and allowing people to take part in it.

I will finish on this point. People are embracing the digital economy, and they are using the technology now. They are grasping the opportunities in their business and they must have support. The world is moving ahead. There is a choice: we can follow or we can lead. I always remember the words, “Where are all those people going because I need to lead them?” I do not know where I heard them, but they remind me of the UK Government.

4.38 pm

David Rutley (Macclesfield) (Con): It is an honour to participate in this debate and to follow the great speeches of my hon. Friends the Member for Spelthorne (Kwasi Kwarteng) and for Bedford (Richard Fuller), who is a great friend. It is also an honour to follow the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry), who gave a thoughtful speech on innovation, and that is a fact. I had better inform the House that two very important exports from Macclesfield are helping his local economy. Two players from Macclesfield Town football club are now playing for Inverness Caledonian Thistle and helping them in the Scottish premier league—good luck to them.

This has been a very thoughtful and at times serious debate, with passionate speeches by Members on both sides of the House. I congratulate the hon. Member for Dundee East (Stewart Hosie), whom I served briefly on the Treasury Committee. He is a very thoughtful Member and is right to raise the subject. We have benefited from the debate. I also welcome the contribution of my right hon. Friend the Minister for Small Business, Industry and Enterprise, who brought to the debate her characteristic robustness and energy, which are absolutely needed for the work required.

Our long-term economic plan for Britain is right and fair. It provides opportunities for this country’s businesses and individuals for the years ahead. Ministers are not only ensuring that we continue to get our public finances in order, but protecting frontline services through the way in which funding is allocated. We are, of course, taking no chances with our national security or, for that matter, our national economic security. We have a clear plan not only to make sure that Britain once again lives within its means, but to deliver an economy that generates more means within which to live. Those two sides of the same coin are very important.

In the summer Budget debate, I noted the importance of rebalancing our books after Labour’s spendthrift years; of rebalancing incentives in favour of work; and of rebalancing economic geography towards a northern powerhouse. It is interesting that the Conservative Government in London are as committed to decentralising power away from Downing Street as the Scottish National party is to centralising power to Bute House, whether it relates to the police, fire services or further education.

Drew Hendry: Does the hon. Gentleman agree that the Scottish Government have done a fantastic thing this week by supplying £500,000 to encourage local communities to partake in participatory budgeting, thereby allowing them to make their own decisions? That is a real example of decentralisation. Similarly, the first thing the SNP Government did was remove ring-fencing for councils, to allow them to make their own decisions.

David Rutley: I am pleased to hear that the SNP is rectifying its trend towards centralisation and I give it credit for doing so.

Alison Thewliss: The hon. Gentleman might be interested in my experience of serving on the Strathclyde joint fire board. When we tried to raise local issues on the board, we were told it was not the time or the place to do so.

David Rutley: SNP Members may justify their position, but what we are committed to doing for this country is to decentralise. It is vital that we do that, because it will give further power to local communities to come up
with their own solutions on a broader scale. I think that there are lessons for Scotland to learn from that—that is my opinion.

It is fundamental that we do that, because it will encourage economic growth and ensure higher rates of productivity and exporting, and, indeed, success in innovation, which the hon. Member for Inverness, Nairn, Badenoch and Strathspey was so keen to stress. If we do that, it will help us move on from those reckless years of boom and bust delivered by the Labour party.

To unlock that local dynamism, we are advancing important initiatives, including local economic partnerships, city regions and—that has been vital in the Macclesfield area—strategic deals between city and county, such as that involving Alderley Park, to turn the tide in favour of civic renewal and increase the rates of growth and economic activity across the country.

That will build on what we have already done to achieve record levels of employment in this country, to reform welfare and make sure that work pays, and to incentivise tens of thousands of households to transform their lives. That is what we want to do—we want to help people to transform their lives and get on their own two feet.

The Government are committed to getting the balance right and to getting the job done. That is why we have set challenging targets on exports and raising productivity. We are doing all we can to promote entrepreneurialism and to lower the barriers that for too long have stood in the way of people who want to set up their own businesses and move on with their lives.

As I have said several times in this Chamber, I believe that economic success and growth rest on the four Es: entrepreneurs, employers, exporters and, of course, employees. They all need to be given the opportunity to succeed in the important work they do. In order to have the enterprising economy that we need, we have to help in particular those who are seeking to fulfil those activities and roles for the first time. We are making progress in that area. For example, the new enterprise allowance has enabled thousands of people who were previously unemployed to get on to the rewarding path of self-employment and enterprise. I am especially pleased that the Department has taken forward an initiative with Julie Deane, the founder of the Cambridge Satchel Company, to review how we can help the self-employed. The move to self-employment is an undeniable trend in our labour market and Conservative Members are committed to helping the self-employed.

My hon. Friend—my great friend—the Member for Bedford highlighted key community initiatives such as the business school in Bedford. We were lucky enough to be at business school together, where we learned much. Great lessons can be learned in the community and, through our Make it Macclesfield organisation, we are privileged to have Enterprising Macclesfield, a community-led initiative that involves local businesses working together to help more businesses to succeed and flourish, and to get the advice that they need to move forward. If we are to crack down on the blockages that have led to social immobility in this country for too long, we need to help people to establish themselves in first-time employment, or to become first-time employers or, importantly, first-time exporters.

The hon. Member for Hartlepool (Mr Wright), the Chair of the BIS Committee, who is no longer in the Chamber, highlighted the deep cultural change that is required to get more businesses exporting. We are committed to addressing this deep-seated situation, which is why we have set such high targets. It is not always easy to get someone to do something for the first time, and those of us who have been involved in marketing know—I have first-hand experience—that that can be one of the hardest tasks. As we have heard, only one in five businesses exports anything, but the figure for Germany is one in four. We are behind countries such as Belgium and the Netherlands, so it is not just that we are being held back by Brussels bureaucracy, although that is the case too often. There are wider, deep-seated issues that we have to address. We therefore need to ensure that we get behind businesses and help them to learn how to crack new markets. We need to demystify the exports process, and that is a role not just for the Government, but for business.

There is no question but that we are playing our part by setting ambitious targets and taking the challenge of exports seriously. I welcome Lord Maude’s appointment to his key ministerial role because he has a great track record of taking forward a change agenda and getting the job done, which is exactly what we need for exports. The Treasury and BIS have taken great steps to de-risk the exports process. Last year, through UKTI’s exports work, more than 48,000 business were supported. The new first-time exporters initiative, which offers training and advice to businesses that really need it, will be vital in moving that work forward.

Export finance for smaller businesses has been improved and it is critical that we make it easier for businesses to pitch for high-value opportunities. UKTI should be providing not only information, but opportunities that businesses can hook into to ensure that UK plc has more success in export markets. I am pleased to note that UKTI has a new chief executive, Dr Catherine Raines, who is a neighbour of mine—I said that Macclesfield exports many good things. The focus on exports is improving significantly, and the “Exporting is GREAT” website identifies the good work that is done each day and provides the signposts that businesses need to succeed.

There is more that we need to do, however. People ask what we should do to help on exports, but the Prime Minister and the Chancellor are leading the way, not least through their trade missions to China. I am sure that my hon. Friend the Member for Gloucester (Richard Graham), the chair of the all-party group on China, welcomes—he will probably mention this in his speech—the phenomenal things that we are doing to make contacts, to help to add value and to win market share in countries that are sometimes difficult to get into. From a local perspective, I am very pleased to see the Chinese invest in Airport City Manchester. They have experience in that. When I went to China a couple of years ago, I found out that they had built 45 airports in the previous five years. They know what they are talking about and we can link in with not only their funding, but their experience.

Richard Graham (Gloucester) (Con): It may be useful for hon. Members, including those from the SNP, to be aware that many of those new airports in China were
designed by a great British company, Arup, led by the head of its airport and aviation sector, who is a Scotsman based in Edinburgh.

David Rutley: I am pleased to hear it—good things come from Scotland, as well as from Macclesfield. When I was in China I met representatives from Arup, which is doing phenomenal work. Again, we are in a global economy and the interactions that we have with the Chinese are vital.

Trade shows cannot be just about having a shop-window. They are an opportunity to initiate contacts, enabling businesses to find a way to seal the deal. UKTI’s role has to be even more proactive in this arena and help roll out the red carpet for businesses that are taking those risky decisions to move into new markets. We cannot focus solely on traditional export markets such as north America and Europe, which has been all too comfortable for businesses in the UK since the second world war. I was massively disappointed a couple of years ago when I held a UKTI conference, which was incredibly well supported in north-east Cheshire. UKTI did a tremendous job, but I said, “Let’s bring along representatives from China and from India to support this.” UKTI would not do that. I asked why not, and it said, “Because the businesses are so focused on the US and Germany.”

We have to shake things up. Government have a role to play and business has a role to play as well so that we have the right focus on emerging markets, as well as on traditional markets. We need a bit more of the buccaneering spirit that the Minister for Small Business, Industry and Enterprise has demonstrated in the Chamber today and throughout her ministerial career.

Like a falling tree, we might ask, “If help for businesses is available and only a few businesses hear about it, is it effective enough?” Communications do matter, not just Government-to-business communication, but business-to-business communication. We need a better way of communicating to businesses if we are to step up a gear and become better at exporting goods, just as we have shown the world that we can lead the way in exporting financial services. In services we have the leading role. That should point the way forward for the opportunity to export goods. Let us make sure that Ministers in BIS and across Government make an extra effort to get those banks that have been successful at exporting their services to help their customers in the UK become better exporters of goods. There is a leading role for those banks to play.

When we say that we need to do more, it is not just about what the Government do; it should include businesses as well. I know the Government have been doing a huge amount of work to encourage exports. We are leading the horses to water. I see prime-time TV ads promoting the benefits of exports. Those horses now need to drink and businesses need to take a lead in exporting.

We are a great trading nation, but we need to do more to reach our current export potential. By focusing on the needs of first-time exporters and spreading the lessons of our trading history across more businesses for a vibrant and not purely existing future, we can spread opportunity across the country and revitalise the old British trading spirit—can-do policies for a can-do generation in a can-do United Kingdom.

Hannah Bardell (Livingston) (SNP): It is a huge pleasure to speak in a debate that is of such great importance to SNP Members and to our SNP Government. I am sorry that the numbers on the Labour Benches are so deficient, but I pay tribute to those who have been present since the beginning, those good souls who have stuck with us. It is always difficult at this stage of a debate to produce new ideas. I shall focus on productivity, innovation and investment in the context of inclusiveness and equality, which have not been mentioned much from the Government Benches. My hon. Friend the Member for Dundee East (Stewart Hosie) spoke passionately of the work that the SNP Government have done in this arena and of the importance of productivity and inclusive growth in closing the trade deficit, and I would like to expand on that. I will also highlight the importance of equality, diversity and inclusiveness in any nation’s drive to be productive and innovative and to encourage investment.

Nobel laureate Professor Joseph Stiglitz, who is part of Scotland’s fiscal commission working group under its chairman, Crawford Beveridge, has said that “countries which are more unequal do not...grow as well and are less stable...A concentration of income restricts economic growth by limiting the potential of people to contribute productively. At the same time inequality may restrict government investment in infrastructure, education, and technology.” He points out that since 1975 the income gap has grown faster in the UK than in any other developed country, stating: “Such patterns of inequality will continue to have a negative impact on growth and prosperity over the long-term.”

If we want to make the UK and its nations an attractive place to invest in and to export from, we must have a stable and equal society. Yet all too often the policies pursued by this Government point in the opposite direction. In contrast, the Scottish Government, with much more limited powers, are developing a more egalitarian economic model. Professor Stiglitz has praised this model, saying: “Tackling inequality is the foremost challenge that many governments face. Scotland’s Economic Strategy leads the way in identifying the challenges and provides a strong vision for change.”

Meantime, the Conservative Government are pursuing policies that attack our fundamental freedoms and civil liberties and risk widening the gap between rich and poor and the gender pay gap while, worst of all, marginalising the most in need. Those policies come in the form of the repeal of the Human Rights Act 1998, the anti-worker Trade Union Bill, and welfare cuts that take us back to a Dickensian era. Ultimately, the Government are balancing their books on the backs of the poor. If they are serious about boosting productivity, innovation and investment, they should not pursue policies that damage the very fabric of the society they seek to build and develop.

Huw Merriman (Bexhill and Battle) (Con): Could the hon. Lady assist me by telling me how creating 2 million new jobs can be marginalising those most in need?

Hannah Bardell: While we welcome the creation of any jobs, productivity is not just about paid employment—it is also about how people can contribute to society and what those from all sections of society can contribute, whatever their ability, race or gender.
Investment in what has become known as our human capital and the engagement and happiness of our people should all be part of a rounded strategy. We must ensure that across the nations of the UK we can positively engage with our people, whatever their race, gender, sexuality or ability, in ensuring that they get the opportunity of good-quality, long-term sustainable employment and, with that, boost our productivity levels. We must operate in a society where inclusiveness and diversity are central.

I recently met members of the Scottish Centre for Voluntary Organisations who spoke of the work they are doing on how we look at employability and productivity. The SCVO has undertaken extensive work on taking a rounder view of the contribution that people can make to Scotland’s economy. It is exploring the notion that being productive is not just about being in full-time, well-paid employment but about what kind of contribution people across the social spectrum can make as volunteers, activists or carers, to name but a few examples.

I do not think we would find any disagreement across the House, or indeed in society, about the fact that not everyone can always be in full-time paid employment. Many women, in particular, will take a break from their careers to have children; men may take a break to share parental care; and many men, although generally more women, may have to take time out later in their careers to care for elderly parents or relatives. These breaks may result in a change of career direction, the setting up of one’s own business, or long-term care of a child or elderly parent. Whatever the case, these roles all play an important, and indeed productive, part in an inclusive society.

I reference the experience in my own family. When my sister-in-law returned to work after having her first child, she could not get the flexibility in her work that she would have liked. She set up her own photography business and decided to go full time with it. I am sure she would have liked. She set up her own photography business and decided to go full time with it. I am sure she would have liked. She set up her own photography business and decided to go full time with it.

For some women, these breaks or diversions in their working life can often have detrimental impacts on pay and progression. We have debated and discussed much in this House the reasons and remedies for the gender pay gap. In the UK, the gender employment gap is currently 10 percentage points, but I am pleased to say that the gender employment gap in Scotland has narrowed from 10.6 to 6.3 percentage points since 2007. That is evidence that a greater sense of equality, inclusiveness and egalitarian values are helping in many areas of Scottish society.

How we innovate—not only in technology, but in our workforce—is of critical importance if we are to drive up productivity. We must work hand in glove with businesses and create the circumstances in which they can flourish, innovate and develop. No Government or policy maker has a monopoly on wisdom or a silver bullet, but listening and engaging must be at the forefront of our minds as we set policy and create legislation.

Many Members have spoken about the oil and gas industry and the challenges that it currently faces. Before I came into politics, my last professional job was in the oil and gas sector in Aberdeen. As I have often done recently, I think today of my friends and former colleagues whose jobs are under threat or those who have already lost their jobs. I urge Members on both sides of the House to put aside politics, where appropriate, and look at constructive ways in which we can help the industry.

I learned a great deal in one of my roles working in an oil and gas company. It was partnered with a Scottish technological company, which was a spin-off from Heriot-Watt University. Its technology provided the intelligence for an autonomous underwater inspection vehicle, while the company I worked for provided the hardware and investment. To give the House a brief flavour of the technology’s potential use, there was a significant gas leak offshore while I was in that role. If that technology had been advanced enough, it could have been used to stop the leak much sooner. It was stopped only when it was finally safe for humans to go in and fix the issue manually.

It is some time since I left that role, but I recall that the Scottish tech company was acquired by an American firm shortly after my departure. Such tales are all too familiar across the UK. I am sure all involved felt that it was a positive move, but I would like to think our historical reputation in Scotland as a great nation of innovators means that our developing tech firms will not see acquisition by American firms as a trademark of success. I am sure we all hope that we can retain and develop as much home talent as possible. After all, in the words of American writer Arthur Herman, Scotland “invented the modern world”. From the television to the telephone, penicillin and even the overdraft, we are a proud nation of innovators. Every day, in labs, workshops, offices and classrooms, the imaginations of our young people, academics and entrepreneurs are innovating and designing products that may be tomorrow’s solution to some of our greatest challenges, so why can we not bridge the gap between ideas, academic excellence, innovation and productivity?

The world rankings for universities were released yesterday. With Scotland hosting three of the world’s leading universities and the UK overall hosting 18 of the world’s top 100 universities, we punch above our weight as a family of nations. Yet at a recent CBI round table discussion I attended, the issue of the day—why productivity was lagging—had many scratching their heads, given how well the UK does in academia. I suggest that financing, access to funds and this Government’s failure to listen on funding for innovation has something to do with the challenges that the UK faces.

We have discussed manufacturing and the need not only to continue to drive it, but to modernise. For the steel industry in particular, the Scottish Government have invested and done all they can to protect jobs in that sector. We hope that the UK Government will continue to push the EU on energy tariffs.

Carolyn Fairbairn, the director general of the CBI, has said that “the shift from grants to loans for Innovate UK could dampen bold and game changing innovation, particularly amongst smaller businesses.”

In Scotland, we have the example of CodeClan, which is supported by the Scottish Government. It encourages young people or people retraining to come into the area of coding.
In Scotland, output per hour has grown 4% since 2007, compared with zero growth in UK productivity during the same period. The result is that Scottish productivity has caught up significantly with UK levels, rising from 92% of the UK average in 2007 to 98% in 2013. These trends are encouraging, and the Scottish Government are committed to improving them further, with measures such as the living wage, the Scottish business pledge and more encouragement for businesses to focus on improving productivity.

We have many great examples of companies innovating and deploying their expertise in the UK or exporting across the globe, but we must sustain investment to encourage more to do so. Among such companies are Craneware in Edinburgh, which specialises in software for healthcare billing, and Waste Switch Ltd in my constituency, which is engineering and designing innovative waste management systems across the UK. We could all cite a raft of fantastic local and national success stories, but we must work together to ensure that we create the right policies and an environment in which businesses and people can innovate, export and boost productivity.

In her book, “Difference Works”, Caroline Turner argues that “retention, productivity and profitability can be boosted through inclusion.”

Arianna Huffington, the founder of The Huffington Post, wrote compellingly in her book, “Thrive”, about the third metric and stated that redefining success was about:

“Creating a life of well-being, wisdom and wonder.”

I was particularly struck by her comments about the race to the bottom and the burn-out that are driven by male-dominated cultures, particularly in corporate business, which are about who can be in earliest and leave latest. It reminded me a little of this place.

If we are to succeed across the nations of the UK, we must put inclusive growth at the heart of our drive to innovate, be productive and narrow the widening export gap. Today, more than 100 disabled people will lobby Parliament about their concerns over the Welfare Reform and Work Bill, although I probably will not get there. Those people represent a very important section of society because I have been in the Chamber all day. Those people people represent a very important section of society that contains unique perspectives, skills and talents. They may have a range of physical or other disabilities, but they are equal members of our society who can, and no doubt want, to play an active, engaged and productive role.

I feel passionately that whatever a person’s gender, race, sexuality or ability, they represent hope and opportunity in some form. Although some may not fit into this Government’s view of what productive work means or be able to tick a specific box, it does not mean that they cannot play an active and productive role. We must, across all party boundaries, work together to ensure that we have an inclusive society that gives everyone the opportunity to contribute and be productive.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next speaker, I note that time is getting a bit tight. I will not put a time limit on, but if Members restrict themselves to 10 minutes, I will be able to get everybody in.

5.6 pm

Jeremy Quin (Horsham) (Con): It is a pleasure to follow the hon. Member for Livingston (Hannah Bardell), with her list of Scottish innovations. I had no idea that the overdraft was developed in Scotland, but one learns something new every day. I do not know what that great Scottish innovative thinker, Adam Smith, would have thought of her speech, but it was interesting none the less.

It was interesting to hear the tour d’horizon of the proposer, the hon. Member for Dundee East (Stewart Hosie), setting out what he thought was the root of the problems identified in the motion. In response to my intervention, he said that our problems were 50 years in coming. To go through the problems of the last 50 years might be pushing it in a 10-minute speech or in the much shorter contribution that I intend to make, Madam Deputy Speaker, but it is worth touching on some of those issues.

Over the past 50 years, we have seen the decline of empire, on which my hon. Friend the Member for Spelthorne (Kwasi Kwarteng) is an expert. We have seen our entry into the European Union and the rise of China, India, South Korea and eastern Europe, to name but a few. Of course, those huge macro changes have had an enormous impact on our manufacturing base, the shape of our economy and the pattern of our imports and exports. At the same time, there has been a revolution in the service sector across the world and in technology—two things in which this country is at the absolute forefront.

In proposing the motion, the hon. Member for Dundee East said he would not deny the numbers, and I know he would not. He dwelt, understandably on the circumstances, on the manufacturing figures for the last quarter. They are not a happy set of figures, and no Conservative Member would suggest they were. Equally undeniable is the fact that over the last year our economy grew by nearly 3%, making us the fastest growing economy in the G7. This year, the OECD forecasts that our growth will equal that of America at 2.5%—again, the fastest rate of growth in the G7.

To build on that success and to grow exports and innovation, we need thriving small companies and, of course, investment. That is why I have no doubt that Members on both sides of the House will be delighted by the record of smaller business creation under this Government, particularly the 300,000 that were created in 2014 alone. I am sure that those on both sides of the House would also be delighted to recognise that, with the general election safely out of the way last summer and a new Government established, investment by business grew 7% in the third quarter of 2015, compared with the same quarter in the year before.

Equally, as a result of that general election we have one of the lowest rates of corporation tax in the OECD at 20%. That is down from 28% under the Labour Government, and it is falling still further. In response to the hon. Member for Hartlepool (Mr Wright), I recognise that that is only part of a package, but it is important in bringing foreign direct investment to our country, and the Government should be congratulated on that. Another part of that package is the benefit of being—according to the World Bank—the sixth best place to do business in the world.
The motion addresses the rebalancing of the economy, and no one would underestimate the importance of manufacturing, or our disappointment with the recent figures to which the hon. Member for Dundee East referred. However, we can go to business districts in London, Manchester and Glasgow, and in just those areas we will find more tech start-ups than in the whole of some of our EU partner countries. The UK is rated second in the world for global innovation for a reason.

I commend and congratulate the Secretary of State on his paper, “Fixing the foundations”, which back in July tackled head on many of the issues raised in this debate. We have heard today that the paper was too short, but I do not think that British businesses want “War and Peace”; they want simple, workmanlike solutions, and that is what they are getting from the Government. I welcome the £7 billion of committed investment over the next five years in research infrastructure, the protected science budget, and the £14 billion benefit from R and D credits that is being provided to 14,000 companies. As the hon. Member for Dundee East was gracious enough to acknowledge, the £1.5 billion global challenge fund will also bring benefits. Those measures, combined with a Government who have a clear sense of economic purpose, imbued confidence.

One example of that confidence is found in my Horsham constituency, and I am delighted to announce the deal made last week between Novartis and the county council, and the creation of a new science park in the heart of our town.

On exports, the Government’s focus on the emerging markets is reaping dividends. Companies in my constituency say that a new generation of ambassadors is pushing our export drive. They have had that direct experience, and they are grateful for it.

The hon. Member for Hartlepool and my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) referred to UKTI and said that we are not yet all the way there. I think that is recognised across the House, and I look forward to the report on UKTI that the Business, Innovation and Skills Committee will produce. I know that Ministers on the Treasury Bench, and the Chancellor of the Exchequer, have been doing their utmost to ensure that UKTI is working its hardest for our exporters. The level of that support is witnessed in what the Prime Minister and Chancellor have been doing on their visits abroad, and in the visits of the Prime Minister of India and the Chinese Premier. Above all, it is witnessed in the credibility that is being provided to 14,000 companies.

The hon. Member for Hartlepool and my hon. Friend the Member for Sefton Central (Bill Esterson) referred to our productivity, and it will not have escaped his attention, or that of other Opposition Members, that what the Government have done to tame the excesses of the City, and the sad consequences of what has been going on in the North sea and with oil prices recently—the hon. Member for Aberdeen South (Callum McCaig) spoke eloquently about that—has of course impacted on two of our highest value sectors, and that in turn has impacted on our productivity statistics. Given those two existential impacts, I hope that the whole House will congratulate the Government on the conditions that they continue to create to allow UK plc in general, and particularly its many new small businesses, to be productive, to export, and to flourish.

5.14 pm

Sammy Wilson (East Antrim) (DUP): In any debate of this nature, there is always a tendency of Opposition Members to emphasise the negatives. In her headbutt-the- Opposition-and-kick-them-when-they’re-down speech—I do not mean that as an insult; I am congratulating her, and I quite enjoyed it—the Minister emphasised that we should not talk the economy down. That is true. She highlighted, as many other hon. Members have, the very positive things that have happened: high growth, the creation of a lot of jobs and inflation under control. We should not knock the economy, but equally, I have to say, we should not be complacent about its performance. Some of the headline figures have been good, showing that the Government have achieved some success in their plan for the economy. Nevertheless, there are very worrying underlying trends, and the Opposition and the hon. Member for Dundee East (Stewart Hosie) are right to identify them.

First, we have a problem with our balance of payments. The hon. Member for Bedford (Richard Fuller) asked whether we should worry. Well, of course we should worry. If more money is being taken out of the economy as the result of a balance of payments deficit, that will be deflationary. As was pointed out, the difference has to be paid. The sale of assets or borrowing money from abroad has long-term consequences. If we are not exporting as much as we should, one measure that has been shown to improve the productivity performance of firms is exposure to foreign markets. Productivity and exports are therefore linked and we need to be concerned about them.

The fact that we have a huge deficit with the rest of the European Union answers those who say that, if we decided to leave, the EU would close the door on us. It could not afford to close the door on such a lucrative market as the United Kingdom. That is an important point to bear in mind in the wider debate about EU renegotiation.

Our export performance has been poor. Our productivity performance has been poor. Indeed, it has been described as abysmal. We have been meeting only a tenth of the long-term 2% trend in recent years. That in turn affects our competitiveness and the Government’s ability to bring in tax revenues, so productivity has an important role to play. The fact that we are one from the bottom of the seven major industrial nations in the world should cause us concern.

Another underlying trend we should worry about is the decline in our manufacturing. It is not enough to say the economy evolves and we are moving towards service industries, or that there is less of a distinction between service and manufacturing industries. Manufacturing is important. The Government, in their plan, accept that manufacturing is important. Yet we find that manufacturing output has actually fallen.
Measured against the Government’s own criteria, this is another factor we cannot be complacent about.

Finally, as has been well documented in today’s debate, there is a dependence on consumer demand for growth. Even the Chancellor seems to have either ignored this or tried to play it down. Why should we be concerned about Government debt, which is 80% of GDP, yet have no concern about consumer debt, which is 145% of gross disposable income, is beyond me. If public sector debt is not a good basis for growth then private sector debt is not a good basis for growth either, unless of course we can say it is going into the kinds of areas that are productive and yield a high return. We cannot afford to be complacent, and it is wrong of Conservative Members to attack those who raise the issue today by saying they are somehow or other being disloyal or hurting the economy. We have to try to get these things in perspective, and although there have been successes, which I hope I have at least acknowledged, there is no cause for complacency.

Let me look at the issues that need to be addressed, the first of which is productivity. The Government’s seven-point plan in “Fixing the foundations” highlights a whole raft of issues. There will be an important role for the private sector in some of them—investment by the private sector and training workers—and the apprenticeship scheme is putting more and more emphasis on the private sector, but many of the measures listed will require public investment. We need to make a distinction when we talk about borrowing and Government spending. If public investment can yield a return, why is borrowing for that purpose a bad thing? Borrowing is not a bad thing for firms or households to do if it provides a return, so why should that kind of borrowing somehow be lumped with all general Government borrowing, so that the Government can say, “Look, we can’t afford to do it”? If it brings a return, it is important. Whether the Minister has admitted it or not, “Fixing the foundations” indicates that substantial public investment will be required to build up the infrastructure needed to increase productivity.

Increasing exports is the second issue. Ministers in the House of Lords have “pledged to mobilise the whole of government behind exporting, working alongside a more effective UKTI and better export finance.”—[Official Report, House of Lords, 21 July 2015; Vol. 763, WA15.]

I wonder whether the Government have really lived up to that rhetoric. Yes, there are difficulties with Europe, but Europe is not the only market. Indeed, let us look at the growth in world trade. Why do we have such a small proportion of that additional trade? Firms would tell us the growth in world trade. Why do we have such a small proportion of that additional trade? Firms would tell us the growth in world trade. Why do we have such a small proportion of that additional trade? Firms would tell us why that is. Of course, it is highly likely the Government have sometimes found embassies to be less than helpful. How can we take those initial steps? Many firms will say that they need to go out to a market two or three times before they start making contacts, which is expensive, especially for small and medium enterprises. What help can be given with that?

The last issue is boosting manufacturing industry. A number of contributions today have highlighted the issue of energy costs. The steel industry is only one example, and in Northern Ireland recently we have lost a lot of jobs from huge employers who cited energy costs as one of the main reasons. There appears to be a schizophrenic attitude, even from the Government. Although they are removing subsidies from the most expensive form of electricity generation, even today at Question Time the Prime Minister, while on the one hand saying it was more expensive to produce green energy, boasted about the amount of green energy in the pipeline that would be introduced in future. If that is the aim, let us be honest: we will find that we make it difficult for some kinds of manufacturers. It is significant that onshoring in the US has occurred as energy prices have come down. That is a lesson for us.

I shall try to abide by your ruling, Madam Deputy Speaker. I have had my 10 minutes. I trust that the Government will take this debate seriously. I accept that there is a role for regional government to play in Northern Ireland. We are reducing corporation tax, for example, and we believe that the devolution of air passenger duty for long-haul routes has been important in extending our ability to attract inward investment and bring inward investors into Northern Ireland by reducing the cost of travel. We have undertaken some other measures, but only the central Government can deal with the national measures that are beyond our control.

5.25 pm

Richard Graham (Gloucester) (Con): It is a pleasure to follow the hon. Member for East Antrim ( Sammy Wilson), with his enthusiasm for what can be done to help boost exports and growth in Northern Ireland. In declaring an interest as the Prime Minister’s trade envoy for the Association of Southeast Asian Nations in Indonesia, I welcome this Opposition day debate. It focuses on important issues such as the balance of our economy, our export and productivity challenges and the financing of business research and development. These are important, although sadly not important enough to attract more than five Labour Members, but I should highlight the presence of both the hon. Members for Hartlepool (Mr Wright) and for West Bromwich West (Mr Bailey)—former and current Chairmen of the Select Committee on Business, Innovation and Skills, and now lonely champions of business in a party more committed to strikes and reshuffles than innovation and exports.

The hon. Member for Dundee East (Stewart Hosie) led us off on today’s debate. Although he made some interesting points, his speech was overshadowed by what I can describe only as an overwhelming gloom or an extended rendering of the lament from Private Frazer in Dad’s Army—“We’re all doomed”. I waited, pen
poised, to hear some of his proposals to lift us from this gloom. The UK economy, he said, should have more manufacturing. I agree—we all do—as it halved under Labour and is still recovering, but no suggestions came. He highlighted the UK’s relatively weak productivity, but offered no solutions. We await the BIS paper and Select Committee recommendations. He felt that there might be a deterioration of business R and D funding, but he gave no recognition of the importance of the R and D allowances, the capital allowances and, indeed, the explosion of venture capital funding for smaller companies. We know the answer, alas, from the hon. Member for Dundee East—“We’re still all doomed.”

Today, I want to try to offer some shafts of light amidst the encircling gloom. Here I have to disagree slightly with the fellow Eeyore of the hon. Member for Dundee East on the Labour Benches—the hon. Member for Selby and Ainsty (Nigel Adams). He suggested that Britain’s rise to head the G7 growth table within a few years of the great recession was inevitable. I do not believe that any recovery is inevitable, and certainly not one that generates more jobs than the other 27 countries of the European Union put together. Both are driven by a determined partnership between Government and business, with MPs across the House playing our part by hosting jobs fairs, hiring apprentices and helping businesses to export.

Let me say a few words about Gloucester, where I hosted in 2011 the first constituency and county-based China seminar with the China-Britain Business Council. I shall mention some of the manufacturing products that we export from Gloucester to bring some cheer to the SNP Benches about the state of our manufacturing. We export cylinders that are in every Dyson vacuum cleaner across the world. We export giant valves into the oil and gas sector, and we export dental drills predominantly to China and America. Both those companies are almost 100% exporting. We export gantries for container ports and marine diesel engines for customs and other marine boats. We even make shirts, which are sold both directly from the factories in Gloucester or via Jermyn Street in London. We have a series of manufacturers who are subcontractors in the world of aerospace, especially to Airbus, with the landing gear for every Airbus, several Boeing and every Eurofighter made just outside Gloucester.

It is true that we have not yet sold our “made in Gloucester” cricket bats to China. I am working on that, but what I can confirm is that our “Gloucesterpreneurs” have sold flavoured tea back to China. This is part of an overall UK growth in exports to China and Asia, now generating more than £500 billion of exports a year—up some £80 billion since 2010. I pay tribute to Ministers, and to UKTI. They have added to resources in China, and from No. 10 itself. I believe that its creator was awarded an OBE in the new year’s honours, and rightly so.

We need to focus on where value can be most added. I believe that is happening as we speak, and I believe that value is best added not by the writing of otiose reports, but by a serious, customer relationship-driven approach.

Secondly, we need additional trade envoys for markets where nothing is easy but everything is possible, and doors need to be opened by representatives of the Prime Minister. The model is proven, and it provides continuity with Governments overseas.

Thirdly, we need to focus on the industries of the future. The honourable exception to the tale of gloom on the SNP Benches was provided by the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry), who did say a little about that subject. We should be focusing on creative media, cyber, FinTech, aerospace and marine technology, as well as on some of the current great exports, which, by the way, include education.

Fourthly, we need closer relationships with universities, not just because of their export potential—important though that is—but because of their research output. For example, Bristol University’s research produced the wonderful electronic and driverless robot “pods” that deliver some people to their flights at Heathrow’s terminal 5 from the car park.

Finally, we need greater use of technology to capture the success of our SME exporters, and to communicate it remotely via film to seminars as far away as Portaferry, Pembroke, Plymouth or Perth.

What cannot be doubted, however, is the Government’s commitment to business and exports, led by the Prime Minister himself—as my hon. Friend the Member for Macclesfield (David Rutley) rightly pointed out—and by successive Trade Ministers. That commitment can be seen in the expansion of the capital that is available from UK Export Finance, the reduction in red tape and corporate tax, and the increase in the allowances to which I have referred, as well as in new sector-specific funds such as the skills investment fund and the video games prototype fund. It can be seen in the patent box, the new investment allowance which is so important to the oil and gas sector in Scotland, and—last but by no means least—the creation of the GREAT campaign from No. 10 itself. I believe that its creator was awarded the OBE in the new year’s honours, and rightly so.

All that makes for a strongly export and growth-focused Government, but there is another aspect of UKTI’s work that has not yet been mentioned: inward investment. Given our mountains of inherited debt, we need others to finance our infrastructure growth, and we have been successful in almost doubling foreign direct investment in the last five years. Why, and how, does that boost UK manufacturing? The question was raised earlier by the hon. Member for East Lothian (George Kerevan), and the answer is that so much of the design, construction, servicing and operation of the new Hinkley Point power station will be provided by British companies and British expertise.

While those figures do nothing for our exports in themselves, they boost our manufacturing and our growth. The same will be true of Crossrail, HS2, and other key infrastructure projects. They also act as a catalyst for the growth in our services, which are the one part of our exports that is growing sharply, and play a key role in our overall growth.

Another aspect that has been missing from the debate so far is the impact of tourism to Britain, driven by our heritage and boosted by important incentives for film makers and those in the creative arts—some of which,
The UK is here to help. UKTI has offices in 200 countries abroad and in 2013-14 helped 2,300 Scottish companies to export, and all of us involved in exporting are ready to help. I have twice spoken to groups of businesses and universities in Edinburgh and I will happily come up again, and I know my right hon. Friend the Minister will do her bit, too.

Chris Stephens (Glasgow South West) (SNP): The hon. Gentleman mentioned the Commonwealth games and I was curious about that. Can he tell me how much money the UK Government put into the Glasgow Commonwealth games?

Richard Graham: The hon. Gentleman and his colleagues will know the answer to that question better than me, but I think he will find that the expertise involved in setting up the Commonwealth games largely came from the 2012 Olympics held in London, so it was a perfect example of how the UK can work together for the greater good of everyone, including Scotland.

Hannah Bardell: I am sure the hon. Gentleman would not seek to mislead the House, so let him answer the question my colleague asked: the answer is zero. In terms of the Olympics, Scotland—along with many other parts of the UK—had its lottery funding sucked away into that project and did not for quite a considerable period of time get the returns it was promised.

Richard Graham: The hon. Lady, of whom I am a great fan, risks sounding as if she is carping on the issue of the Commonwealth games. I did make the point that that was a really good example of working together. [Interruption.] She will know of the input from all the people who made such a success of the Olympics. [Interruption.]

So let me now to the final bit of my speech—despite the chuntering of the right hon. Member for Gordon (Alex Salmond), who is welcome to intervene if he wishes. [Interruption.] He is still chuntering; we still do not know if he wishes to intervene. He has his chance. [Interruption.] An hon. Member says he is not allowed to speak from the Bench he is currently occupying; well, there we have it—we will keep his chuntering for another day.

We can surely all agree today that there is a great deal more to be done. I hope the report from the Business, Innovation and Skills Committee and the Education Committee will contain helpful recommendations to Government, and I know the Ministers are working on their own productivity plan. I hope the Government will take note of the suggestions made both by my neighbour my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) and me.

Sadly, I have not heard many positive ideas from the SNP Benches, with the honourable exception of the hon. Member for Inverness, Nairn, Badenoch and Strathspey, as I mentioned earlier. I do believe that Scotland needs to rediscover her entrepreneurial spirit, and find more Tiggers and fewer Eeyores to promote business, and I am sure the hon. Members for Livingston (Hannah Bardell) and for Ochil and South Perthshire (Ms Ahmed-Sheikh) can do this and get that brave heart playing its full role in the revival of the growth of the UK, with a drive for all of us to increase our exports and our inward investment.

5.38 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): It is a pleasure to follow the hon. Member for Gloucester (Richard Graham), not least because I am an expatriate Gloucestershire person myself—and I have to say my late father made a significant contribution to the Gloucestershire economy near to him as a former aircraft fitter with Gloster Aircraft Company and more lately with Dowty company.

I do not have a lot in common with the hon. Member for Dundee East (Stewart Hosie), but I did mean to start my speech with the very quote he started his with. One part is worth repeating because it sums up the issue. The Chancellor, in his Budget of March 1911—I mean 2011; it is just me who’s old, not the Chancellor—said: “We are only going to raise the living standards of families if we have an economy that can compete in the modern age.”—[Official Report, 23 March 2011; Vol. 525, c. 966.]

Our export performance and balance of payments figures are perhaps the most accurate measurements of how effectively we are competing in the modern age, and on that basis the Government have done very badly indeed.
That is partly as a result of problems that are long standing. I do not pretend that they all started with this Government, but some of the better things they have done did not start with them, but have built on foundations laid by the previous Labour Government. However, the Chancellor said that in pursuit of their objectives they would secure £1 trillion of exports by 2020; rebalance the economy away from the service sector towards manufacturing; ensure that economic growth was no longer fuelled by consumer demand based on unsecured credit but the outcome of rising real wages; and rebalance the economy away from London and the south-east to the regions. Those are all hollow words.

David Rutley: I recognise the hon. Gentleman’s expertise and the important work he did in the previous Parliament, particularly on life sciences, as Chair of the Business, Innovation and Skills Committee, but before he turns into an Eeyore, which I know he is not, will he not acknowledge—that is something he actively supported in the last Parliament—that life sciences are moving forward, including, notably, in Macclesfield, where the AstraZeneca site accounts for 1% of all UK goods exported?

Mr Bailey: If the hon. Gentleman is patient, I will mention some of the things I think require recognition.

The triumphalism and overstatement of the Government’s so-called economic successes mask the sheer scale of the problem and leave us in danger of understating the change in Government policy necessary to address those problems. It is no consolation to be given a diatribe on increased employment and so on, when we have companies desperately seeking investment to invest and grow and workers on zero-hours contracts and when millions have seen their real wages reduce over the past five or six years. Ultimately, this all stems from our lack of productivity and weak exporting performance.

The 2008 recession was a serious one, but the Government do not mention, of course, that it has taken far longer for this economy to come out of it than any other comparable economy and that, most unusually, productivity has failed to increase, as it normally does when an economy comes out of recession. It has also failed to increase in comparison with other economies. Figures from the Office for National Statistics show that in 2014 output per hour worked was 21% lower than the G7 average. The reasons are not simple, but one main reason is that the primary driver of productivity is manufacturing, and our manufacturing output has stagnated over the last five or six years, despite the Chancellor’s claim to be backing the “march of the makers”.

In response to the intervention by the hon. Member for Macclesfield (David Rutley), I would emphasise that we have world-class manufacturing companies in automotive, defence, civil aviation, biosciences and so on. I often feel that the argument about services versus manufacturing is an artificial one: both are important. When we say that we no longer manufacture, what we are really saying is that manufacturing no longer occupies such a high proportion of our attention as it used to in the service industries, but manufacturing is still vital to the jobs of millions of people in this country and above all to our productivity and export levels.

Kelvin Hopkins (Luton North) (Lab): I appreciate what my hon. Friend is saying, but does he agree that a factor in low productivity growth is low wages? Companies will invest in capital investment if they have to pay high wages, and low wages and low productivity go hand in hand.

Mr Bailey: I certainly do agree with my hon. Friend. The Government’s original optimistic projections were based on totally unrealistic assessments of their ability to invest and export.

In the limited time available to me, I would like to mention some areas that the Government should look at in order to improve productivity. The three areas that are crucial to productivity are investment, skills and infrastructure. On investment, despite the Government’s best efforts to encourage banks to lend to small businesses, there is still a problem. Even projects such as Project Merlin have failed to address the scale of the needs of small businesses. The Government also need to look at the wider issue. We have heard a lot in this debate about long-termism. We have a financial services market that is geared to short-termism rather than to backing industry. When my own Committee looked into the Kay proposals for changing that situation, we detected no enthusiasm on the part of the Government to adopt them. One thing the Government could do to change this culture is to look at our financial services industry.

It is ironic that a Government wedded to a free-market capitalist economic model have had to resort to asking a communist state-interventionist country to provide the necessary investment for our energy infrastructure. On business support, we heard earlier about the closure of the Business Growth Service, which had been of enormous benefit to small businesses. Its closure is not only a great loss to small businesses; it also sends the wrong signal about the Government’s support and appreciation of them.

On the tax regime, I have heard a lot about corporation tax. Yes, it is part of the mix that is necessary to attract foreign direct investment, but in order to encourage investment by companies that are already here, we need to do something about business tax. We have an absurd position in this country wherein we offer tax breaks for capital investment but when a company invests in new capital, it finds that its business rates promptly go up as a result. There is obvious incoherence and inconsistency, and they are a major deterrent to the investment that is needed to drive up our productivity performance.

On skills, I recognise that the Government are anxious to promote apprenticeships. They are saying all the right things about boosting apprenticeships, but the reality is that in those areas where the shortage is greatest, such as engineering and manufacturing, and where there is the greatest dividend in terms of productivity and export potential, there is still an acute shortage in apprenticeship recruitment. That cannot be cured simply by putting apprentices on courses. It has to come from a change in culture in our education system that makes schools recognise the importance of getting young people into vocational education. That can be done by the Government ensuring that schools have to liaise with local businesses and have to measure where their students go in vocational training, as well as measuring their exam results and university entrance. I say again that an incoherence in the Government’s
performance is the cut in further education funding, as that is potentially the greatest provider of vocational education.

I am running out of time, so I will just quickly make a comment on infrastructure, which others have mentioned. Any regional economy will tell us that a lack of transport infrastructure is a major handicap for local businesses, and some 62% of businesses complain about this issue. Capital spending on infrastructure has been halved in the past five or six years, and that has to be addressed. The Government have not got this prioritised correctly.

Let me finish by saying that I have highlighted some of the issues we face, many of which need to be prioritised by Departments other than the Department for Business, Innovation and Skills. The cuts in BIS are a clear indication that this Government do not recognise the importance of an industrial strategy, and of having a Department that has the capacity to lead it and to make other Departments work towards the business priorities that are necessary and that are outlined by BIS.

Rebecca Pow (Taunton Deane) (Con): I must take issue with the hon. Gentleman, as my constituency has recently had a massive infrastructure investment in its roads and railway stations. That is paving the way for a new strategic employment site, which will open up the opportunity for thousands of jobs, all of which is helping the economy and our productivity. I am sorry but I disagree with very much of what he is saying.

Mr Bailey: The hon. Lady is quite at liberty to do so. I welcome the investment in Taunton, but I would welcome that investment even more if we could have it in the black country, which is the heart of British manufacturing.

Let me conclude by saying that we need a strong Department for Business, Innovation and Skills, we need an industrial policy and we need other Departments signed up to the priorities that will ultimately deliver on our exports and on our productivity, and that will get the tax revenues, which will enable those Departments to invest in their particular priorities. That is not happening at the moment.

5.52 pm

Lucy Frazer (South East Cambridgeshire) (Con): The motion suggests that there is a lack of a long-term plan to improve productivity and it is also critical of the Government’s approach to innovation. The motion is not only inaccurate, but unnecessarily pessimistic and bleak. Like the hon. Member for East Antrim (Sammy Wilson), I think it is important to celebrate what is good.

The hon. Member for Dundee East (Stewart Hosie) stressed the importance of innovation, and we ought to recognise the great work we are doing in Britain at the moment in science and technology. The UK is ranked fourth in the business world for business and university collaboration; it attracts more research and development funding from abroad than Finland, Russia, Canada, Japan and China combined; and the UK produces 16% of the top-quality published research findings with less than 1% of the world’s population. The Government are ensuring that we maintain this position by investing almost £7 billion in UK research infrastructure up to 2021.

I represent an area at the forefront of technology and innovation. The east of England is one of the highest investors in R and D across the UK. We have companies such as ARM, which creates the processors found in most mobile phones across the world and which in its short 26-year history has joined the FTSE 100. We have more than 100 businesses at the Cambridge science park, providing more than 500 jobs, developing our science and technology. Having spoken to many of those businesses, it is clear to me that what we need to do to continue this great work is to be constantly more ambitious and to invest in our human capital. It is fundamental that we teach children in schools the right skills, and I am delighted that we now have a commitment from the Chancellor to a fairer funding deal.

It is disappointing that, in an area of academic excellence so close to Cambridge University where we have the potential for world-class education, we have not as yet had a fairer funding arrangement. However, I am delighted that this Government have committed to creating 17,500 more teaching posts in science, technology, engineering and maths. We must ensure that our teaching is inspiring students as young as seven and eight, because research has shown that that is the age at which children decide whether technology and science are for them. We also need to ensure that, once inspired, there is advanced technical education that will enable students to have the much-needed and sought after skills for their employment.

I welcome developments such as the University Technical College Cambridge and I applaud Anglia Ruskin University for teaching an international trade two-year course. Recognised as the first of its kind, the course was developed in partnership with the Institute of Export and is taught online by university tutors and international trade experts. We need to encourage our students to learn not just technical expertise, but languages, including Mandarin. In 1990, only 500 students were studying Mandarin. That number has now grown to about 3,000, though, recently, the numbers studying Mandarin have fallen. If we are to continue to increase our exports, we need that trend to change.

I applaud the work of this Government and of our regions in encouraging innovation and enterprise, but, at the same time, emphasise that what we need to do is to continue to offer support to maximise the potential of our workforce. We need to give people the skills that they need to thrive as individuals and to ensure that productivity in the UK grows. Since 2010, we have increased exports to China by 72%. By continuing to upskill our workforce, we will ensure not only that that figure goes up, but that our exports go up elsewhere, allowing the UK economy to continue to grow and to maintain its position as the fastest growing economy in the G7.

5.56 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): It is a great pleasure to speak with you in the Chair, Madam Deputy Speaker. I am also delighted to follow the thoughtful speeches of so many Members from all parts of the House. Indeed, it has been a very fine debate, and I thank my hon. Friend the Member for Dundee East (Stewart Hosie) for securing it. Some matters have been quite enjoyable as well as enlightening. I am sorry that the hon. Member for Spelthorne (Kwasi Kwarteng) is not in his place, because I particularly
enjoyed the part of his speech when he was berating our Members for harking back as far as the 1960s, and then immediately moved forward to quote Adam Smith from the 18th century. It was a remarkably fine performance.

The hon. Lady for South Cambridgeshire—

Lucy Frazer: South East Cambridgeshire.

Roger Mullin: Is it close? [Laughter.]

The hon. Lady opened her speech by mentioning the hon. Member for East Antrim (Sammy Wilson) who is also not in his place. I was going to compliment him, because what he brought to this debate was a recognition that criticism is not always a negative thing; indeed, it can be helpful. When he said that, I immediately thought of an old teacher of mine, Professor Tom Burns, who, in the 1960s, along with his colleague Graham Stalker, wrote the famous book, “The Management of Innovation”. In it, he pointed to several factors that are essential for the development of innovation, some of which are extraordinarily pertinent to this debate. For example, one was that there are two types of ideas that we need to mobilise—creative ideas and critical analytical ideas. It is the forging together of those two types of ideas that becomes very important. He also said that one of the fundamentals in driving the rise of the industrial revolution was the creation not only of those types of ideas, but of the means of disseminating the ideas. That was fundamental. We saw it in Scotland with the sharing of ideas, flowing as they did from Edinburgh to Glasgow and Glasgow to Edinburgh. It seems a small thing to say in the modern era, but at that time it was fundamental to getting the sharing of ideas going.

To move on from my teachers, a few years ago I attended a fascinating lecture by Professor Tom Stonier. He pointed out that more people worked in pure research in the last 25 years of the 20th century than did so in the entire pre-history of the world. Let us think about that for a moment—there has been huge growth in the number of people undertaking research. If we combine that with the growth in new technology, such as IT and computing power—whereby an Einstein no longer needs to take years to work out his equations by longhand, and ideas can be processed so quickly—we will see that they are fuelling huge growth in innovation throughout the world.

I shall not dwell, as the hon. Member for Gloucester (Richard Graham) likes to do, on doom and gloom, but I shall point out some of the challenges we face. On the growth in the rate of research and the ideas coming into our world, the countries that will remain in front will be those that can capture and develop those ideas, put them into play and own them for themselves. That is the key challenge, which is why I am worried about recent trends in the UK.

Some days ago, the Chancellor of the Exchequer rightly pointed to a “cocktail of dangers” in the global economy. One of the dangers is that we are not investing enough in the type of research and development and innovation needed to keep us at the forefront. My hon. Friend the Member for East Lothian (George Kerevan) pointed out in his fine contribution that this country has a problem of a lack of long-term investment in business. That is true of many sectors, and part of the problem is that, compared with some of our major competitors, we are generating less investment from the business sector than we did in the past.

I am delighted that the Minister for Universities and Science, whom I met in a previous Westminster Hall debate about science, will sum up for the Government this evening. In 2010, the previous Government froze the science budget for five years, which meant a 10% cut in real terms, at a time when it was already at a modest level compared with those of our major G8 comparators. In 2012, UK public investment in science fell to less than 0.5% of GDP. As my hon. Friend the Member for Glasgow North West (Carol Monaghan) pointed out in the debate at which the Minister was present, that is a lower rate than any G8 country has invested in the preceding 20 years. The G8 average is now about 0.8%, compared with the UK’s 0.44%.

If we look at broader measures of research and development, we see that a generation ago the UK was one of the most research-intensive economies in the world—and didn’t we benefit from that? Now, however, as with science, we are one of the least research-intensive economies. My late brother was at one time chair of the OECD committee on science and technology policy, and in recent years, before his sad passing, we would regularly discuss the failure of the UK—and his homeland of Scotland—to keep up. In terms of broad research and development measures, we have slipped from leading the OECD countries in 1979 to trailing behind all our major competitors. The US invests 2.8% of its GDP in all forms of research and development. On average, the OECD and EU countries invest 2.4% of their GDP, but the UK now spends only about 1.7% of its GDP on research and development. That is not going to keep us at the forefront or allow us to face some of the challenges and competition of the future. The hon. Member for East Gloucestershire—

Richard Graham: Gloucester.

Roger Mullin: Apologies again; I am quite happy about apologising to the House.

The hon. Member for Gloucester pointed out several of the challenges that he felt we faced, but I want to suggest several things that could be done, given that he berated us for not coming up with ideas. If he gives me a few moments, I shall suggest a number of points that I would like the Government to address.

I am especially interested in how some of the Government’s decisions on this front do them no good, because this is about not just funding, but strategic choice. When faced with an opportunity to be a world leader in the development of carbon capture, it is just insane to pull the rug on that if the Government are trying to say that we want to ensure that we are at the forefront of such development. Several Members may have received emails from one of my constituents—he emails many people, and he recently wrote to the Prime Minister—about smart meter technology. When I spoke to him, he echoed what others have said about our technological choices, including on smart meters. He wondered why we were not investing in the most up-to-date technologies to ensure that they are the very best to meet the country’s needs, rather than going for what seems to be good enough at the moment.
Recent work, most notably by Dr Stephen Watson of Glasgow University, has pointed out the huge importance of infrastructure spend to the Government’s investment in science, and research and development. Our universities in Scotland punch well above their weight in attracting funds from the research councils, but we do poorly compared with elsewhere in the UK, especially the golden triangle of Oxford, Cambridge and London, in attracting UK Government infrastructure spend on research and development, which is fundamental to the future of a healthy research and development community. We need to map out such investment much more, both thematically and territorially, although that has never been done by any Government.

Let me give hon. Members an example of the problem, although I will speak about something that the Government are doing that is good, not bad. I applaud the way in which they have invested large sums to create the Francis Crick Institute, the biomedical research centre in the heart of London that is a consortium of three London universities—Imperial College, University College and King’s College. It is funded by the Medical Research Council and bodies such as the Wellcome Trust. Its initial investment was £650 million and the operating budget is £130 million a year. On one level, this is to be applauded, but is it not strange that Dundee University, in the city of my hon. Friends the Members for Dundee East and for Dundee West (Chris Law), is the world leader in biomedical research, yet is not part of the Crick Institute? Indeed, no one in the north of England is part of the institute. My first suggestion to the Government is that when they consider infrastructure spend for research and development, they would do well to think about the distribution of such investment throughout the whole UK.

**Simon Hoare** (North Dorset) (Con): I understand what the hon. Gentleman says, but would it make sense and would it produce as much bang for the Government’s buck, if that is not an unparliamentary phrase? Would it not be better to have geographical centres of excellence specialising in various things, rather than dotting institutions around the UK to meet some sort of regional agenda?

**Roger Mullin**: One alternative would be to base the centre in Dundee. That would solve the hon. Gentleman’s problem.

In addition to university research, there is business research. The need to encourage business investment has been mentioned, particularly in manufacturing, where we have fallen behind. I mentioned earlier the UK spend on research and development at 1.7% of GDP. We all know our manufacturing sector faces some problems. Northern Ireland has been mentioned, particularly in manufacturing, where they have invested large sums to create the Francis Crick Institute, the biomedical research centre in the heart of London that is a consortium of three London universities—Imperial College, University College and King’s College. It is funded by the Medical Research Council and bodies such as the Wellcome Trust. Its initial investment was £650 million and the operating budget is £130 million a year. On one level, this is to be applauded, but is it not strange that Dundee University, in the city of my hon. Friends the Members for Dundee East and for Dundee West (Chris Law), is the world leader in biomedical research, yet is not part of the Crick Institute? Indeed, no one in the north of England is part of the institute. My first suggestion to the Government is that when they consider infrastructure spend for research and development, they would do well to think about the distribution of such investment throughout the whole UK.

**Rebecca Pow**: I am interested in what the hon. Gentleman is saying. The Government are offering many budgets and grants and I will highlight one, which is the agri-tech budget. That is seedcorn money for linking agricultural projects with business. In my constituency, for example, we have a wonderful clothmaker, Fox Brothers, which has received money to do research with the local agricultural college to come up with the right wool on the right sheep to produce beautiful clothes. That will help business, and perhaps the Scottish might learn from it, as I know they also have a lot of sheep.

**Roger Mullin**: I thank the hon. Lady for that.

I am not denying—nobody could accuse me of doing so—that the UK Government have been spending on research and development. My argument is that given the future challenges that we face, we are potentially lagging behind nations that will be our major competitors in the future. I am not denying what the hon. Lady says.

Earlier I gave the Minister an incomplete quote from the Medical Research Council on the problem of moving from grants to loans. The full quote is:

“Converting grants to loans may mean that existing schemes such as the Biomedical Catalyst—which has been well received in the sector, supporting 180 business-led research projects and leveraging over £100 million in private match-funding over the course of three years—may not continue in their existing form.”

We have real challenges that need to be faced.

6.12 pm

**Huw Merriman** (Bexhill and Battle) (Con): This being a debate on productivity, may I be innovative by delivering my output in less than the 10 minutes you, Madam Deputy Speaker, have given me?

I congratulate the SNP on the choice of debate. I have learned much—for example, from the hon. Member for Livingston (Hannah Bardell), that the overdraft was created in Scotland. That could be the death knell of a thousand jokes referring to the frugal habits of the Scottish people.

I am disappointed, however, by the motion’s negativity about the UK’s trade and export performance. Between 2009 and 2012, the UK’s exports increased by 23%, despite the global recession making it a horrible time for world trade. These results have been delivered through the Government targeting exports to new growth markets such as China, Brazil, Russia and India, where the British kitemark for quality is recognised and revered. The Prime Minister and other Ministers have made export trips across the globe with businesses from UK plc. That shows the commitment of this Government to trade and exports across the globe. I welcome the ambitious target from my Government of doubling the UK’s exports to £1 trillion by 2020. This will require an extra 100,000 companies to be exporting by 2020.

This having been a five-hour debate, I will avoid repetition by referring to what we have done in my constituency to advance a new product that we hope will be the poster child of exciting new export growth. Within these shores, we produce one of the great liquor exports—a drink that puts colour in the cheeks and rings on fingers, and is toasted across the world. I refer of course to English sparkling wine. The English sparkling wine industry is growing rapidly, making £78 million in 2014 and £100 million in 2015. There are now 470 registered vineyards in England and Wales. In 2014, we produced 6.3 million bottles of spakling wine—an increase of 42% on the previous year.

Plans are currently in place to register the name “Sussex” as a kitemark brand to compete with champagne across the world. In blind tastings we are beating the great champagne houses at their own game. We would not find the French Government hosting an export
[Huw Merriman]

reception in Spain and pouring cava, but that is what the UK has previously done in its embassies across the world. I am pleased that under this Government that attitude has changed. Our Government and our embassies are now promoting English sparkling wine as well as other food and drink produce from across the UK.

By reducing corporation tax, setting a permanent investment allowance and providing a research and development tax credit scheme, this Government are allowing businesses such as the wine sector to invest, innovate, export, and grow.

Rebecca Pow: Might my hon. Friend make reference to the Great British food unit that the Department for Environment, Food and Rural Affairs is setting up and our long-term plan for promoting British food abroad? That has already made great strides, with chicken legs going to China and pigs’ trotters following, and I have to mention cider from Taunton Deane. There is so much scope to what he is discussing, and perhaps he could include a bit more of it.

Huw Merriman: I thank my hon. Friend. Friend for placing that point on the record. I am very happy to be the market trader for every single constituency food and drink product, but perhaps I should move on because time does not allow.

I welcome any debate that allows the House to consider how we can make UK plc more productive. I also welcome the Minister’s recognition that UK productivity needs to be enhanced. I take the firm view that a Government who recognise that more has to be done will be a Government who deliver on that front. The UK’s productivity is—to coin an unfortunate phrase, currently, in my vocabulary—our Achilles heel. I welcome the Business Secretary’s launch of a productivity plan to correct this. While the UK’s productivity rate means that it takes a UK worker five hours to produce what a German worker could deliver in four hours, it is also fair to reflect that the UK’s growing employment numbers could be seen to distort productivity rates. As productivity is the measure of production output over input of employees, it is no surprise that the creation of 2 million additional jobs in the UK in the past five years has rendered our productivity lower than that of France, which has produced a lower number of new jobs in the same period than the region of Yorkshire. The key is to upskill these new jobs to become more high skilled and more productive, and this will occur over time.

As a member of the Transport Committee, I would like to focus on the role that capital investment in transport can play in increasing the UK’s productivity. The £60 billion of capital investment dedicated this term to road and rail investment has the ability to improve productivity by enhancing connectivity and bringing workers and businesses closer to their workplace and marketplace. In this respect, it is essential that we look to these projects not just for their transport benefits but for the regeneration that they can bring. In my community, my right hon. Friend the Member for Hastings and Rye (Amber Rudd) and I have been campaigning to deliver high-speed rail from London to Hastings and Bexhill. On that route, it takes two hours to travel from London, while the similar distance to Milton Keynes from the capital can be covered in just over 30 minutes.

Stewart Malcolm McDonald (Glasgow South) (SNP): Will the hon. Gentleman give way?

Huw Merriman: I give way to my colleague on the Select Committee.

Stewart Malcolm McDonald: The hon. Gentleman is a fine member of the Select Committee. On high-speed rail, will he say from the Government Benches that it would greatly benefit Scotland if we had such a connection to London, our closest global financial hub?

Huw Merriman: My colleague has put that matter on the record on more than one occasion in the Select Committee and in the House.

As our regeneration report will show, the new rail link would unlock economic growth in our community, increase productivity and allow for new business expansion to pay for, among other matters, the higher than average adult social care bill that East Sussex faces. However, Network Rail’s decision about whether to invest in this project will be solely determined not on the boost to economic productivity it would undoubtedly bring, but on rail-user feasibility. In addition, another bar to productivity is that the bill for the project has increased because of the number of licensing and planning consents required from numerous agencies and authorities and because of the enhanced regulation brought in for new rail projects.

If we are to enhance our productivity, we must commission public projects on the basis of which ones can, to employ the term used by my hon. Friend the Member for North Dorset (Simon Hoare), deliver the best bang for the buck, and we must hammer down costs by making the building process simpler. In a similar vein, I implore the Government not only to make a decision this year on which airport will be expanded, but to ensure that the shovel goes in the ground immediately, rather than lying idle for years while petitions are heard in this place and in our courts.

To conclude, I welcome this opportunity to debate how the UK’s export market and productivity rates can be improved. I welcome the Government’s recognition that more can be done, and the ambitious targets that the Government have set themselves during this term to ensure that more will be done.
a new model of economic growth that is rooted in more investment, more savings and higher exports.”

How did that work out?

Such a sentiment does not extend to the present Government. During an open Business, Innovation and Skills Committee sitting, I questioned the Minister for Small Business, Industry and Enterprise about whether she regretted successive UK Governments lack of a cohesive industrial strategy. I make that point because SNP Members sometimes sit listening to the biff-boff from either side of the Chamber, but I think there has been a lack of strategy year on year, regardless of whether it has been under the Tories or Labour. One of the significant benefits in Scotland of constantly having an SNP Government, which I hope will be re-elected, is that we can see the signs of a strategy that has been put in place and acted on, and of the resulting commensurate benefits.

Lucy Frazer: Does the hon. Lady accept that, according to figures from UKTI, a Government body, there was a small fall in the number of inward investment projects in Scotland in 2014-15, while the number rose in England and Wales?

Michelle Thomson: Yes. As I said at the start, facts are chiefs that winna ding, but there is a much bigger picture.

My hon. Friend the Member for Dundee East said that the downsizing in manufacturing has been going on for decades, not just for a small snapshot in time. I do not propose to go through the figures that have been quoted extensively in this debate, but I will quote an apt point that was made by the well-known economic journalist who writes in the Scottish newspaper, The National, and who, for the benefit of the House, is also known as the hon. Member for East Lothian (George Kerevan). He has referred to the issues with manufacturing as “a full generation of stagnation.”

I want to pick up on a few comments. The first was about infrastructure. I gently point out in respect of HS2, which apparently will now cost roughly £42 billion, although I am not sure that is correct, that Scotland will pay its population share of that. We will pay roughly £4 billion, for which we will get no benefit. Indeed, a couple of years ago, Aberdeen chamber of commerce pointed out that it might cost its local industry money.

It is fair to say that probably no one in this Chamber is as focused on the importance of business in growing our economy as I am. There are still significant issues that I will personally address in the lifetime of this Parliament in the ability of businesses to get started, access capital, which is critical, and grow to a significant size. The Mittelstand model would be a good fit, but we need access capital, which is critical, and grow to a significant size. The Mittelstand model would be a good fit, but we need to do much more on that front.

John Longworth, director general of the British Chambers of Commerce, has made significant comments on consumer debt:

“It’s time to get real. The UK has been too reliant on consumer spending”. That is an external body making that point. The household debt to income ratio could reach 172% by 2020. I am worried that with increased austerity and more uncertain prospects, more and more people are turning to credit as the only accessible way to plug the gap. Interest rate rises are a when, not an if, and I have grave concerns about how they will affect people who are already struggling.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Given what has been said about household debt, does the hon. Lady agree that it is extremely important that children receive financial education at school that includes budgeting and planning?

Michelle Thomson: Absolutely. We can probably all agree that we should look to do better on that.

Productivity has been discussed at length. A solution to the so-called productivity puzzle remains as elusive as ever. We know that the component parts are complex. Not only does the UK perform badly when compared with the G7, but it does even worse when compared with what I call the M8—the top performing medium-sized countries such as Norway, where productivity is 77% ahead of the UK. In Sweden, the figure is 18% and in Denmark, it is 26%.

The National Institute of Economic and Social Research considered that puzzle and noted that “analyses of the panel reveal that workplaces that experienced an increase in union density between 2004 and 2011 also improved their performance relative to the industry average”. That is an important point. I would suggest that it is not just union density that influences productivity, but mature workplace relationships based on mutual respect and consideration, and the routine representation of workers on boards, which we see elsewhere. My view is that the rest of the UK is slipping backwards in that respect, particularly given the dangerous trade union proposals.

I will consider export performance before I finish. Rather than going through the facts, I had a quick conversation with the owner of Witherby Publishing, which is a successful Scottish SME whose exports account for about 80% of its business. I asked what she considers to be the primary inhibitor of UK companies exporting. Her answer was succinct. She said it was attitude, it was ambition, it was looking outwards. The practical considerations of cost distribution, differing tax structures, VAT and so on were secondary. The UK must be very careful in the message it sends out to the world as it grapples with the debate about Europe. Is the UK open for business or not? I’ll tell you what: Scotland is open for business.

Finally, let me reiterate what was said by my hon. Friend the Member for Kirkcaldy and Cowdenbeath (Roger Mullin) because I have serious concerns about plans to replace grants with loans. I challenged the Minister and asked about the rationale behind that move, and the response was:

“A number of businesses that I meet would be quite happy to have a loan rather than just a grant because they get that that would mean they would have to pay it back.”

I am sorry, but we need to do better than that. This is a competitive world, and that response is beyond complacent. We must compete, invest, and support research and development. Given all the factors that I have mentioned, the report card for the long-term economic plan is poor. It is not working, it is stifling growth, and it will affect us all going forward. Quite simply, this Tory Government cannot be trusted to deliver on the economy.
Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I rise to speak in favour of the motion in my name and that of my SNP colleagues, and I declare an interest as vice-chair of the all-party group for trade and investment.

I thank all Members for their contributions to this interesting and varied debate, and I will try to mention everybody if time allows. The Minister spoke of a long-term economic plan and of caring and compassionate Conservatives, but those worn-out phrases mean nothing to poor and vulnerable people up and down this country who this Government have targeted in a relentless onslaught through austerity of choice, not necessity.

I agree with the hon. Member for Sefton Central (Bill Esterson) that the NHS should be exempt from TTIP, and we must always protect our public services. I agree with the hon. Member for The Cotswolds (Geoffrey Clifton-Brown) on the importance of UKTI, but unfortunately the Chancellor slashed the budget for that in his autumn statement. My hon. Friend the Member for Aberdeen South (Callum McCaig) made an excellent speech about the bright future for our oil industry, but it requires help from the Government during what we hope will be a temporary downturn. He spoke of Aberdeen being a city of innovation that filed more applications for patents in 2014 than anywhere else, and he mentioned the importance of the Aberdeen city deal, and called on the Government to consider that quickly and favourably. He said, however, that the UK Government had taken a hatchet to one of the biggest global growing markets of the century: renewable energy. We should build on an industry that we can be proud of, and develop the skills we need—ambition, energy. We should build on an industry that we can be proud of, and develop the skills we need—ambition, energy.

I wholeheartedly agreed with the hon. Member for Cannock Chase (Amanda Milling) when she spoke about the need for investment. She quoted from the Treasury document, “Fixing the foundations”, but failed to mention that UK investment as a percentage of GDP has been well below the OECD average since 1960, only surfacing briefly in 1990, as per the graph on page 15. I was pleased to hear her support for the cut to air passenger duty, which the Scottish Government will introduce, and she suggested to the Minister that that measure be considered elsewhere.

The hon. Member for Hartlepool (Mr Wright), Chair of the Business, Innovation and Skills Committee, agreed with every word of our motion, and we are delighted to have that support. He went even further and spoke of the value of our relationship with the EU, and its importance for trade. He also referred to the “dire and woeful” performance of the Government, who are sleepwalking back to the old British model, which cannot be a model for sustainable and economic growth.

The hon. Member for Bedford (Richard Fuller) suggested that this country had consistently rejected socialism. Not in Scotland—just look at the SNP Benches. He also seemed to suggest—surely this must have been in jest—we have not gone bust so things must be okay. Such poverty of ambition. My hon. Friend the Member for East Lothian (George Kerevan) spoke of the success of Ireland’s export record, and said that although we should have been turning around our export performance, we have failed in that. As he said, given the current account deficit as it stands, all warning lights should be flashing brightly.

The hon. Member for Spelthorne (Kwasi Quarteng) spoke of the challenges ahead and the diminished role of manufacturing. He sees that as part of the evolving nature of the British economy, but we should be looking to revive manufacturing, not making excuses for where it is just now.

We heard from my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry), who spoke fluently and with much passion about the digital economy. Innovation is indeed about imagination. He spoke of driverless car technology as an opportunity to connect people in a different way and how very important it is for women and girls to have the chance to seek opportunities in new areas of technology.

The hon. Member for Macclesfield (David Rutley) said that only one in five businesses in this country export, compared with one in four in Germany, and that there were deep-seated issues that needed to be addressed. He did say that good things come from Scotland—many thanks to him.

My hon. Friend the Member for Livingston (Hannah Bardell) spoke with passion, ambition and great intellect about productivity, innovation and investment with a focus on inequality, diversity and inclusiveness. It is worthy of note that not one Government Member spoke about tackling inequality. Investment in human capital is important, too. It is not just about paid employment but the contribution of others in different ways: as volunteers, carers and activists. Some may not fit, she said, into the Government’s view of what is productive, but that does not mean that everyone does not have something to offer.

The hon. Member for Horsham (Jeremy Quin) paid tribute to some of Scotland’s inventions, in particular the overdraft, which he had been unaware had been invented by a Scot. Well, thank goodness for that. What would the Government do without it?

The view of the hon. Member for East Antrim (Sammy Wilson) was that while we should not knock the economy, we should not be complacent about it either. He acknowledged that we have a problem with our balance of payments.

We then heard from the hon. Member for Gloucester (Richard Graham). He spoke, in his opening lines, about the doom and gloom of speeches. I was certain he was talking about his own colleagues, but he then directed his comments at SNP Members. Surely, there must be some mistake! He did, however, mention the Commonwealth games and highlighted their success, for which we are very grateful. He addressed. He did say that good things come from Scotland—many thanks to him.

The hon. Member for West Bromwich West (Mr Bailey) spoke of the overstatement of the Government’s success, in particular in relation to zero-hours contracts, owing to the lack of productivity and the weak export performance. The hon. and learned Member for South East Cambridgeshire (Lucy Frazer) talked about expertise in universities, but failed to recognise that a smaller proportion of UK businesses intend to collaborate than is the case with our international competitors.
My hon. Friend the Member for Kirkcaldy and Cowdenbeath (Roger Mullin) delivered an excellent speech, in his own inimitable fashion, on science and innovation, and the need for investment in that respect. The hon. Member for Bexhill and Battle (Huw Merriman) spoke about the importance of high-speed rail, but did not go far enough to suggest that Scotland should have access to it. Why ever not?

My hon. Friend the Member for Edinburgh West (Michelle Thomson) spoke of the lack of a UK strategy and the comparison with the Scottish Government’s strategy, the benefits of which we can see in action. It is about attitude and ambition, she said. I could not agree more.

Scotland is the best place in Britain to do business. The SNP Government have delivered success for Scotland’s economy. The value of Scotland’s international exports has increased by about 40% from £20 billion to £27.9 billion. In each year since 2006, the Ernst & Young attractiveness survey has ranked Scotland in the top two regions outside of London for foreign direct investment in terms of number of projects secured. In the past six years, business research and development spending in Scotland has increased by 29% in real terms to £797.7 million, compared with just 3% in the UK in the same period. I appear to have lost the attention of some Government Members. I do hope I can regain it quickly.

The cornerstone of Scotland’s successful economy, of course, has been our membership of the European Union. Scotland’s EU membership has been a vibrant source of social, cultural and economic benefit for Scotland over the past 40 years. It is a vital export market, so why would the Tory Government take our country to the brink of leaving this successful partnership?

Jeremy Quin: As I understand it, about 17% of Scots exports go to the rest of the EU and about two-thirds go to the rest of the UK. I am sure the hon. Lady will be equally fond of retaining the better Union—better together.

Ms Ahmed-Sheikh: It actually works both ways. It is not just Scotland exporting to the rest of the UK; exports come up the other way too, but I thank the hon. Gentleman for his intervention none the less.

Scotland is ready to do business with the world, but this Government are giving the impression that we, along with the rest of UK, are closed for business. What message does it give to the world when our UK Government talk a good game about our commitment to the historic climate change agreement reached in Paris, but simultaneously pull the plug on millions of pounds of investment in our renewables industry through their actions on the renewables obligation? How badly is the reputation of Scotland’s world-class universities damaged in the international market to attract the brightest and best by a regressive position on post-study visas? We seem to be moving from one extreme to another, closing the doors to some and opening them to others in the name of trade at all costs, whether that is in relation to arms that may be being sold illegally or not ensuring that human rights are at the top of the agenda when we negotiate trade deals.

Lucy Frazer: I am afraid I cannot give way.

The poor international reputation created by this Government is one of the reasons why the UK’s overall current account deficit in 2014—which includes investment income and transfers, as well as trade—was a record £92.5 billion, up from £77.9 billion in 2013. As a percentage of GDP, the current account deficit now stands at 5.1%, the second highest annual figure since world war two.

As we have heard today, the SNP Scottish Government have an economic plan based on investment in education, internationalisation, innovation and inclusive growth that will release Scotland’s economic potential. In contrast, what do we have here? We have this Chancellor and the UK Government failing on their own key economic indicators, missing the targets they set for themselves. They have proven beyond all doubt that the Tories’ claim to economic credibility now lies in tatters.

That is why the Chancellor must urgently put in place a comprehensive plan for trade, exports, innovation and productivity to genuinely rebalance the economy. On trade, the Chancellor said that trade and exports would underpin his strategy for growth, but the UK’s current account deficit is a record £93 billion, its highest ever cash amount. On exports, the Chancellor promised a doubling to £1 trillion by the end of this decade, but with exports falling to £503 billion last year, he has missed his own targets and the figures are moving in the wrong direction. On innovation, we compare poorly with our competitors, and the Chancellor’s decision to change innovation grants into loans sends out all the wrong signals. On productivity, the UK lags behind other major economies and is at barely half the level of growth in the pre-crisis trend. The Chancellor’s plan is failing the UK and failing Scotland. We need urgent and radical action to rebalance the UK economy. I commend the motion to the House.

6.42 pm

The Minister for Universities and Science (Joseph Johnson): In winding up this extensive and excellent debate, during which we have explored the vital themes of trade, innovation and productivity, it is worth reminding ourselves of the context of Government actions. When we came to office in 2010, the country was borrowing £150 billion a year. It had the largest deficit of any country in the OECD and unemployment had risen by half a million.

Since 2010, we have taken steps to secure the economic recovery, ensure that we are better placed to withstand future shocks, and provide security and opportunity to people across the whole of the UK. Our actions have borne fruit, and as a result the UK has been the joint fastest-growing economy in the G7. The deficit is down by more than half, there are 2.7 million more people in private sector jobs and there are 900,000 more businesses trading today than in 2010. It is because we are taking the difficult decisions to fix our public finances that we are now able to prioritise investment, boost productivity and rebalance our economy.

Today we have heard some of the ways in which our long-term economic plan is doing just that, with excellent contributions from all parts of the House, even if some were much better represented than others—the Labour Benches were particularly sparsely attended throughout
in 2010, with the private sector up by 150,000. Scotland, 178,000 more people are in employment than out of four jobs have been created outside London. With some of the fastest rates of growth in job creation our booming capital city and the south of the country, before. Opportunities for people have burgeoned outside of our booming capital city and the south of the country, and last but not least, for Bedford (Richard Fuller).

Let me start with productivity. Yes, of course the UK’s productivity has lagged behind that of other major economies for decades. That is precisely why the Government have set out a clear plan, “Fixing the foundations”, with a clear timetable for implementation all the way out to 2025. Recent signs are encouraging. Output per hour grew 0.9% in the second quarter of 2015, and 0.6% in the third quarter. With output per hour continuing to increase, this shows our approach is working. Indeed, the independent Office for Budget Responsibility confirmed that in its 2015 economic and fiscal outlook, which forecasts that productivity will return to trend by mid-2018.

Of course, success will not be achieved overnight, and will require a truly national effort from Government, business and working people. Key to that will be working through the plan for productivity we have set out. This means investing in skills by delivering 3 million apprenticeships during this Parliament, building on the 2 million of the last Parliament. It means protecting our vital science spending in real terms until the end of the decade and expanding our important network of catapult centres. It means delivering infrastructure projects such as HS2 and Crossrail and the largest investment in our roads since the 1970s. It means rolling out superfast broadband to 95% of premises by 2017. The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) will, I hope, welcome the productivity plan’s commitment to extending development rights to taller mobile masts. It also means setting out a plan for future infrastructure challenges, with the creation of our National Infrastructure Commission. The Government have a clear productivity plan; we have a plan for the whole of the United Kingdom. It is a blueprint to fix the foundations of our economy and is a vital step towards securing the prosperity and livelihood of generations to come.

The rebalancing of the economy is another central theme of this afternoon’s debate. The profound changes we want to see in the structure of our economy will not take place overnight, and there is of course much work to do. Already, however, we can see significant progress in key areas where we want to see rebalancing. Job opportunities are being spread much more evenly than before. Opportunities for people have burgeoned outside of our booming capital city and the south of the country, with some of the fastest rates of growth in job creation seen in the north of England. Indeed, since 2010, three out of four jobs have been created outside London.

Scotland has been a big part of the national story. In Scotland, 178,000 more people are in employment than in 2010, with the private sector up by 150,000.
The hon. Member for Livingston (Hannah Bardell) mentioned the important issue of equality. We are active in that respect as well. There are more women in work than ever before—a record 14.6 million—and the number has risen by nearly 1 million since 2010. We are also taking steps to eliminate the remaining gender pay gap through new transparency requirements, and, as part of our broader goal of achieving full employment in our economy, we recently set out our aim of halving the disability employment gap. This is not the uncaring, uncompassionate Government that the Opposition parties seek to portray.

Let me say something about the business environment. As part of our economic plan, we want to make Britain the best place in Europe in which to do business, with a business environment that supports investment, productivity, growth and job creation. When Labour was in government, corporation tax stood at 28% and national insurance was set to increase, which would have had a devastating impact on jobs. By contrast, this Government have shelved the planned national insurance increase, increased investment allowances, and introduced the most competitive corporation tax regime in the G20. While we are about it, we are deregulating too, building on the steps that have been taken since 2010. We are committed to cutting the cost of red tape by a further £10 billion during the current Parliament. It is no surprise that Britain has just leapfrogged others in the World Bank’s global ease of doing business rankings to become the top country in the G7 in which to do business.

Let me now turn to another aspect of today’s debate: trade and exports. Our long-term economic plan will enable us to move towards an economy with a stronger export performance. While we are, of course, facing real global headwinds, including a slowdown in China and continued weakness in the eurozone, we are backing British businesses with global ambitions. The number of United Kingdom companies that are exporting is growing strongly—it has increased by 18% since 2010—and Scottish companies are also exporting more. In 2011 there were 9,300 Scottish exporters; now there are 11,100. Our trade deficit is responding, and narrowed in the three months to November.

As Members have noted, our £1 trillion export goal is rightly ambitious, and much depends on factors that are out of our control. What we can do as a Government is offer effective support for exporters, and push for ambitious trade agreements that will help them to break into new markets. That is why the Government have recently established the cross-Government exports implementation taskforce to drive a new and tough rules, and that Belgium, France, Italy, Germany and Spain have all benefited in this way?

Joseph Johnson: The Government are working hard with our European partners to give the support that is possible to the steel industry, and are working hard with all the companies involved to assure good outcomes in line with our competition regime.

I shall return to the subject of the trade agreements. TTIP holds tremendous potential for the British economy; it is potentially worth up to £10 billion a year to the UK economy. Let me be clear in response to Members’ concerns on this point that there is no threat whatever from the TTIP deal, or any other trade and investment agreement, to the NHS and our other vital public services. The Government, the European Commission and the United States—in fact all of those involved—have been 100% clear on that point. We have over 90 bilateral investment treaties and there has never been a successful claim against the UK. There is no evidence of the kind of regulatory chill that some fear will materialise in the event that we successfully conclude TTIP. TTIP is of course just one of a number of such deals, and we are also supporting ambitious deals with Japan and China.

Members have mentioned support for science and innovation. It is precisely because we are taking the difficult decisions to fix Britain’s finances that we can now afford to prioritise science and other areas that support growth. As the Chancellor announced in the spending review, the Government will protect the science budget in real terms to the end of the decade. That means £4.7 billion in resource funding, rising with inflation, and it also means we are able to deliver on our manifesto commitment of record investment in our country’s scientific infrastructure at £6.9 billion all the way out to 2021.

I hope the hon. Member for Kirkcaldy and Cowdenbeath (Roger Mullin) will welcome the fact that researchers and universities across the UK will benefit from a decade of protection for science under this Government. With respect to his specific concerns for the biomedical catalyst, which is jointly funded by the Medical Research Council and Innovate UK, I am unable to comment on individual budget allocations while we are still in the middle of this process, but the MRC will of course be a big beneficiary of the fact that we have had a massively successful science settlement during the spending review.

Let me also point out to SNP Members that Scotland is punching well above its weight in getting access to this science money, securing 10% of Innovate UK funding and 11% of research council funding, much more than its 8% share of the UK population and 6% share of UK businesses. A few months ago I was pleased to open a world-class medical imaging centre in Glasgow, which has benefited from £16 million of UK Government funding through the MRC, illustrating precisely this point.

On innovation support, different businesses need different forms of financial support to innovate and grow. The lack of available financing at acceptable terms is an obstacle we want to address, learning from countries such as France, Finland and the Netherlands that use a variety of financial instruments. The hon. Member for Selton Central (Bill Esterson) wrongly painted a gloomy picture of Innovate UK funding, which I must correct. Overall, core funding for Innovate UK has increased from £253 million in 2009 to £453 million in 2016-17, and will reach £471 million in 2019-20. It is this positive
settlement that is enabling us to deliver on our manifesto commitments to protect and expand our catapult network.

Raising productivity and balancing the economy are the key economic challenges for this Parliament and are central to our long-term economic plan. Thanks to the hard work of the British people, this long-term economic plan is working: the deficit is down by more than a half, 2.7 million more people are in private sector jobs and over 900,000 more businesses are trading today than in 2010. But there can be no complacency. The Chancellor has already pointed to the dangerous cocktail of risks—

Mike Weir (Angus) (SNP): claimed to move the closure (Standing Order No. 36).

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put.

The House divided: Ayes 241, Noes 299.

Division No. 164] [7 pm

AYES

Abbott, Ms Diane  Creasey, Stella  Hamilton, Fabian  Monaghan, Carol
  Abrahams, Debbie  Cryer, John  Hanson, rh Mr David  Moon, Mrs Madeleine
  Ahmed-Sheikh, Ms Tasmina  Cummins, Judith  Harpham, Harry  Morden, Jessica
  Alexander, Heidi  Cunningham, Alex  Harris, Carolyn  Morris, Graham M.
  Anderson, rh Mr David  Cunningham, Mr Jim  Hayes, Helen  Mulholland, Greg
  Arkless, Richard  David, Wayne  Healey, rh John  Mullin, Roger
  Austin, Ian  Davies, Geraint  Hendrick, Mr Mark  Murray, Ian
  Bailey, Mr Adrian  Day, Martyn  Hendry, Drew  Newlands, Gavin
  Bardell, Hannah  Docherty, Martin John  Hepburn, Mr Stephen  Nicolson, John
  Barron, rh Kevin  Donaldson, Stuart Blair  Hodgson, Mrs Sharon  O'Hara, Brendan
  Beckett, rh Margaret  Doughty, Stephen  Hollern, Kate  Onn, Melanie
  Benn, rh Hilary  Dowd, Jim  Hopkins, Kelvin  Onwurah, Chi
  Berger, Luciana  Dromey, Magic  Hodgson, Mr Stephen  Osamor, Kate
  Bets, Mr Clive  Evans, Chris  Johnson, rh John  Owen, Albert
  Blackman, Kirsty  Farrelly, Paul  Jones, Gerald  Paterson, Steven
  Blackford, Ian  Fowger, G"eraint  Jones, Graham  Pearce, Teresa
  Blackman, Ian  Eagle, Maria  Jones, Mr Kevan  Perkins, Toby
  Blackford, Ian  Edwards, Jonathan  Jones, Susan Elan  Phillips, Jess
  Blackman, Kimberly  Elford, Clive  Kane, Mike  Pound, Stephen
  Blomfield, Paul  Elliott, Julie  Kaufman, rh Mr Pat  Powell, Lucy
  Boswell, Philip  Ellman, Mrs Louise  McDonald, John  Pugh, John
  Brock, Deidre  Esterson, Bill  McDonald, Mr Andrew  Qureshi, Yasmin
  Brown, Alan  Evans, Chris  McDonald, Mr P!  Rayner, Angela
  Brown, Lyn  Farrelly, Paul  Mann, John  Reed, Mr Steve
  Bryant, Chris  Farrery, Paul  Marris, Rob  Rees, Christina
  Burden, Richard  Farron, Tim  Marsden, Mr Gordon  Reynolds, Jonathan
  Burgon, Richard  Field, rh Frank  Maskell, Rachael  Rimmer, Marie
  Burnham, rh Andy  Fello, Robert  Matheson, Christian  Ritchie, Ms Margaret
  Butler, Dawn  Fletcher, Colleen  Mc Nally, John  Robertson, rh Angus
  Byrne, rh Liam  Flint, rh Caroline  McCarthy, Justin  Robinson, Mr Geoffrey
  Cadbury, Ruth  Flynn, Paul  Mahood, Mr Khalid  Rotheram, Steve
  Cameron, Dr Lisa  Fovargue, Yvonne  Mahmood, Shabana  Ryan, rh Joan
  Campbell, rh Mr Alan  Foxcroft, Vicky  Malikott, Seema  Salmon, rh Alex
  Campbell, Mr Ronnie  Gardiner, Barry  Mann, John  Saville Roberts, Liz
  Carswell, Mr Douglas  Gibson, Patricia  Marris, Rob  Shah, Naz
  Champion, Sarah  Glass, Pat  Marsden, Mr Gordon  Sharma, Mr Virendra
  Chapman, Douglas  Godsilf, Mr Roger  Maskell, Mr Roger  Sherriff, Paula
  Chapman, Jenny  Goodman, Helen  McGarry, Natalie  Shuker, Mr Gavin
  Coaker, Vernon  Grady, Patrick  McGinn, Conor  Siddiq, Tulip
  Cooper, rh Yvette  Grant, Peter  McGovern, Alison  Skinner, Mr Dennis
  Corbyn, rh Jeremy  Green, Kate  McIntnes, Liz  Slaughter, Andy
  Cowan, Ronnie  Greenwood, Lilian  McKinnell, Catherine  Smith, Ruth
  Cox, Jo  Greenwood, Margaret  McLaughlin, Anne  Smith, rh Mr Andrew
  Crasby, Mr David  Griffith, Nia  McMahon, Jim  Smith, Angela
  Crawley, Angela  Gwynne, Andrew  Meale, Sir Alan  Smith, Cat
  Creagh, Mary  Haigh, Louise  Miliband, rh Edward  Smith, Jeff
  ...
NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bonwick, Victoria
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenhshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Maria
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, David T. C.
Davies, Dr James
Davies, Mims
Davies, Phil
Davies, rh Mr David
Dinenage, Caroline
Woodcock, John
Wright, Mr Iain
Zei cher, Daniel
Tellers for the Ayes:
Pete Wishart and
Owen Thompson

Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddlestone, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkins, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Mr Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCarron, Jason
McCarron, Karl
McPartland, Stephen
Menzies, Mark
Merton, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Millington, Amanda
Mills, Nigel
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Paisley, Ian
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Philips, Chris
Pickle, rh Sir Eric
Pincher, Christopher
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Purves, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sheelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Soames, rh Sir Nicholas
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sunak, Rishi
Swayne, rh Mr Desmond
Sym, rh Mr David
Thomas, Derek
Throup, Maggie
Tohurth, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Mr Alan Campbell (Tynemouth) (Lab): I am grateful for the opportunity to raise the case of my constituent Steven Cox, a young man who received catastrophic injuries during a rugby match almost 10 years ago to the day. I want to preface my remarks by saying that this is not a campaign against rugby or against contact sport. I accept and welcome the fact that thousands of my constituents, and millions of people across our country, watch and play rugby. I have a number of successful rugby clubs in my constituency, including Rockcliff, Percy Park and North Shields. I acknowledge that catastrophic injuries occur, and not just in rugby. Thankfully, they are quite rare, but they do happen too often. I believe, and Steven Cox believes, that when they do happen, they should be investigated properly and lessons should be learned, in the hope that the game can be made safer for those who follow it.

Steven Cox was 21 years old when he was catastrophically injured. He was a Durham University student, and was playing for St Chad’s College against St Cuthbert’s. It was an evening match held at Durham City rugby football club ground. Steven was playing tighthead prop in the front row of the right-hand side in the scrum. St Chad’s were losing an eagerly contested match; by all accounts the St Cuthbert’s team were heavier and stronger. The match was nearing the end of the second half when a scrum was called. What happened next is, to an extent, contentious, not least in terms of the speed of the engagement of the teams and how it was called. What we do know is that when the front rows came together, Steven was forced up and out of the scrum, before going to ground having sustained a serious neck injury. He was taken to University Hospital of North Durham and then transferred to a specialist unit in Newcastle general hospital. Steven had two major operations; two of his vertebrae were crushed. In stark terms, he lost the use of his limbs. He has to use a wheelchair and is significantly disabled.

Jim Shannon (Strangford) (DUP): I have asked permission to intervene. Does the right hon. Gentleman agree that there needs to be better education of the risks of catastrophic injuries in sport? Some of my constituents have experienced such risks in horse riding. The participants need to be fully aware of how they assess the risk and how they deal with the injuries should they arise.

Mr Campbell: I do agree with that, but the education must be based on evidence. Presumably, some of that evidence will come from an investigation, which is the point I am making. We need to know whether this case was properly investigated.

Steven was aware of what happened, because he remained conscious throughout, but, unsurprisingly, when the time was right, Steven and his family sought answers to what had happened and what the outcome of the investigations were. They looked to the Rugby Football Union, because the game had been played under the International Rugby Board’s code of conduct, and the referee was RFU-qualified to level 5. There
were two touch judges who were also qualified to level 5. The game was on an official ground and was floodlit.

A number of Steven's teammates made statements. There appeared to have been a referee's match report, but it contained little detail about what had happened. There was a statement from one of the touch judges, which was made three months after the event, to the insurers' solicitor, but there was no statement from the touch judge nearest to the incident.

There was a group of RFU officials, including an RFU referee coach, who gave a statement, but did not comment on the accident. An RFU referee assessor submitted a referee assessment, but did not give a statement describing the mechanics of the accident. In short, there was no shortage of expert witnesses, but there has been a shortage of statements from those witnesses. It was not unreasonable for Steven to ask what further investigations were made, not least whether an official investigation had been carried out by the RFU. To find out whether such an official investigation had taken place and, if it had, what conclusions it had reached, Steven had to begin a legal case. From the outset of that process, it was unclear whether there were other documents, including statements by other RFU officials at the game.

It was also very clear at an early stage that the RFU, or at least its legal advisers, was unwilling to give access to information unless it was forced to do so by a court. It also emerged that the RFU itself had little information in its possession at any time, and appeared to have gone to its legal team or to solicitors representing the insurers, and in some cases those were the same people.

Steven did receive a significant no-faults insurance pay-out after the injury. It is a significant amount to someone looking from the outside, but we should bear in mind that he was just 21 years old, and that the amount was hardly more than one of the solicitors involved could expect to earn in a few years, let alone a lifetime.

It was not unreasonable for Steven not to risk what could be a substantial legal bill should the case fail. After all, he was actually seeking the truth of what happened above anything else. My point is that organisations responsible for investigating catastrophic injuries may also have to take into account their insurers' interests, and when the legal team at the organisation or the insurers—in this case it was both—come into play, progress is very slow and very defensive. The RFU's procedure for catastrophic injury clearly instructs anyone involved to speak to no one but the RFU's solicitors. Members of Parliament are all too well aware of the practice of big organisations with considerable legal support hanging out against a settlement on the basis that the person bringing the case would not risk the cost, not have the resources or run out of money.

Despite that, Steven and his family were determined to get to the truth. Let me place on record my respect for Steven's parents, Margaret and Tom, and his sister, Rachael, who have pursed this case doggedly. They began a protracted campaign to persuade the RFU to release the information or at least to confirm that it had it. It was a deeply frustrating experience. A freedom of information response confirmed only Steven's name and that the incident had occurred. At one point early on, the RFU's legal advisers rejected the very idea that there was a dispute between them and Steven Cox.

Steven and his family came to see me in order to see what further could be done. I will not go into every aspect of the story but, to give a flavour of the RFU's attitude, I was offered a telephone conversation in which the RFU legal representative would merely “reiterate their position”. I urged the RFU to meet Steven and I offered to be there or not to be there—whichever would help. The RFU invited Steven to a rugby match at Twickenham, 270 miles away from his home, where the deputy head of legal affairs and the head of international and public affairs would speak to him after the match. I was offered tickets for myself and a guest. I was not convinced that that was the way to do things in relation to such a serious issue and, perhaps understandably, Steven and I declined the offer.

Communication went backwards and forwards, with long periods of inaction and silence from the RFU in between. It seems that part of the delay stemmed from the fact that, at every stage, the RFU's legal department reviewed any response.

To the RFU's credit, in September 2014 a meeting did take place in North Shields in my constituency. At the meeting, there was a positive discussion, particularly with those who seemed to come from the playing side of the game, but once the meeting was over, normal service resumed, with any meaningful progress being prevented by the legal representatives. Once again, any communication or complaint was, in effect, taken off RFU officials and taken on by its legal team and insurers.

Apart from seeking co-operation from the RFU, I also drew the case to the attention of successive sports Ministers. One of the current Minister's predecessors met the Cox family and helpfully suggested referral to Sport Resolutions, which was extremely helpful. It actually offered to pay for a review, but again the legal affairs team rejected that, saying that it did not believe that there was a dispute and, therefore, that there was nothing to resolve.

The current sports Minister, the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Chatham and Aylesford (Tracey Crouch), met Steven and his family last month in what I thought was a helpful meeting and for which I am grateful. On the back of that meeting, I asked for this debate, partly out of frustration with the RFU, but more importantly to see what could be done in the context of lessons learned. I had been thinking about calling for this debate for some time, but the Cox family insisted that I did not do so while the world cup was on, given how important they believed it to be to this country. That is the measure of that family.

I want to ask the Minister three questions. What can be done to counter the lack of independence in investigations when organisations charged with investigating incidents of catastrophic injury also have an interest in protecting their insurers? They are able to use their position as arbiters of the release of information and influence the process. Should there not be a way in which incidents leading to catastrophic injury can be independently investigated, or at least a mechanism by which investigations may be independently reviewed so that safety can be improved?

Secondly, should there not be a body to look after care in sport and to help to ensure that sports in which every participant accepts an element of risk are nevertheless as safe as possible? As Steven Cox observes, there is a
Health and Safety Executive for the workplace, but no such overarching body for sport.

Thirdly, why is it that while the RFU receives significant amounts of public money for its sport, it seems indifferent to engaging with my constituent and indeed me to discuss the perfectly reasonable request that we find out what happened on that day and why, and the way in which the case has been handled? Even at this stage, should not the RFU engage meaningfully with Steven Cox to try to bring closure to the case?

I know that the Minister is passionate about sport. I and Members on both sides of the House hold her in high regard, and I wish her well in the weeks and months ahead. I hope she can reassure me about how the investigation of catastrophic injuries may be improved to make playing safer for those who love the game.

In conclusion, let me return to Steven Cox—or, to give him his proper title, Dr Steven Cox. He is now a postgraduate from Durham University who is embarking on a career in engineering. This remarkable young man wants to know fully what happened and to play his part in ensuring that lessons are learned from his experience. I and he hope that this debate will move that forward.

7.27 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): I thank the right hon. Member for Tynemouth (Mr Campbell) for securing this debate on such an important subject. Discussions about such events are always challenging, but I am in no doubt that everyone in the Chamber is on the same side and wants a safe and secure environment for everyone taking part in sport. Not just as a Minister, but as a long-term participant in contact sport, I am well aware that things can sometimes go horribly wrong. I have been on the field when players have had their sporting choice finished for good due to a horrific injury. While we all do everything that we can to prevent these misfortunes, we accept that sport brings with it an element of risk, but that risk must be mitigated when possible.

It is right that player safety is primarily a matter for the national governing bodies, as the designated authorities with responsibility to regulate their sport, and I expect each governing body to make that its highest priority. That should be not simply for good public relations, but a fundamental aspect of the organisations’ role in delivering their sport.

While there is consensus that everyone wants sport to be safe, I believe that everyone will also agree that when there is an injury in sport, whether catastrophic or otherwise, that should be properly investigated. In Steven’s case, as the right hon. Gentleman made clear, there is a perception that that did not happen.

The right hon. Gentleman eloquently set out Steven Cox’s case, so I will not take up time by going over the incident again. I will say, however, that despite the horrific reason, it was an absolute pleasure to meet Steven and his family in December, thanks to the right hon. Gentleman’s efforts. I know that Steven and his family have gone through very difficult times, but I was extremely impressed by Steven’s perseverance, and by his enthusiasm for and commitment to promoting this important issue and campaigning for greater safety in sport. In fact, it was the meeting with Steven that reinvigorated my and my Department’s energy to push harder on the issue.

Unfortunately, due to the timing of our meeting, which was just before the publication of the sports strategy, I was unable to say how I could make progress on some of these points. However, as the strategy has now been published, and in the light of today’s debate, I can reveal further details. First, however, I wish to deal with a number of the issues relating to the RFU. Following my meeting with Steven, I wrote to the RFU chief executive, Ian Ritchie, and I am pleased to say that he will personally meet Steven. A letter to Steven offering such a meeting to discuss player safety has been or is about to be sent. I know that this will not be the first time that the RFU has met the Cox family, but I hope a meeting with the chief executive is seen as a positive step and one which will help in future.

That meeting will, I hope, be an opportune moment for the RFU to reassure the hon. Gentleman and Steven on his third point—that lessons have been learned in some respects about how to respond quickly and effectively to injuries sustained during games. The RFU has in many respects reassured me, but it needs to do so too for Steven, his family and the wider rugby community.

It is important to acknowledge that the RFU has developed a number of programmes to ensure player safety. Last year it introduced the RugbySafe scheme, which includes all the RFU’s player safety and wellbeing projects to support clubs, schools, colleges, universities and all other participants in the game. I know that the RFU continues to update guidance as required, and I encourage it and all other national governing bodies to ensure that safety is at the heart of all sporting activities.

On the new sports strategy and what I was unable to say in the meeting with the hon. Gentleman in December but can say now, the strategy explicitly recognises the importance of safety for players and spectators at sporting events, all the way from the grassroots to the elite. The strategy included a commitment to a new duty of care review to consider these issues more fully. Baroness Grey-Thompson, who brings with her a wealth of personal and professional experience, has agreed to lead an independent working group to carry out the review.

The complete remit of the review is yet to be finalised, but I have discussed Steven’s case with Baroness Grey-Thompson and she has already agreed to two things. First, she will meet Steven, hear his views on duty of care and discuss his case. Secondly, the review will consider how we investigate catastrophic injuries in the future. I am not going to prejudge the outcome of the noble Baroness’s review, but I have enormous sympathy with the right hon. Gentleman’s point about independence of investigation. Duty of care, to me, is therefore not just about preventive measures; it is also about confidence in investigation and honest lessons being learned.

Finally, I was interested to note the suggestion this evening from the right hon. Gentleman that we establish a body to look at safety in sport, along the lines of the Health and Safety Executive. He will be aware that, as I stated earlier, safety in sport is generally the responsibility of the national governing bodies, although the relevant sports councils also play a role. It is certainly worth considering the merits of the current system and whether
establishing an alternative one would be beneficial, so I will ensure that the duty of care review also considers this suggestion.

I will, of course, update the House as the work on duty of care and safety in sport progresses, and I am grateful to the right hon. Gentleman for securing the debate this evening. I know that what happened to his constituent Steven was horrific, but through his campaigning and that of others, alongside progress in guidance and changes to play, I am confident that we can prevent injuries like his from occurring in future. If, unfortunately, they do occur, we can try to ensure better investigation. What we can certainly do is ultimately make sport much safer for everyone in the future.

Question put and agreed to.

7.32 pm

House adjourned.
Oral Answers to Questions

ATTORNEY GENERAL

Domestic Abuse

1. Mr Robin Walker (Worcester) (Con): What recent steps the Crown Prosecution Service has taken to ensure that prosecutors are able more effectively to prosecute cases of domestic abuse.

The Solicitor General (Robert Buckland): Crown Prosecution Service legal guidance on domestic abuse was updated ahead of the introduction of the new offence of coercive or controlling behaviour in intimate and familial relationships. To support the introduction of that guidance, training has been developed and made available to prosecutors.

Mr Walker: I thank my hon. and learned Friend for that answer. Women's groups in Worcester and national campaigns such as Women's Aid have warmly welcomed the new law of coercive control as a real step forward in the protection of victims. Does he anticipate a further rise in the number of domestic abuse cases coming to court as a result of that change in legislation?

The Solicitor General: I pay tribute to all those groups that do so much to support male and female victims of domestic abuse. Yes, I think we can expect a rise in prosecutions. There has been a similar precedent in the case of stalking and harassment offences, which were introduced several years ago, and I was proud to be the Minister who took the coercive control provisions through this House.

Andrew Gwynne (Denton and Reddish) (Lab): Given that conviction rates for rape, domestic abuse and other sexual offences have fallen in the past year, what reassurances can the Solicitor General give to the House that further budget cuts will not damage attempts to secure justice for the victims of those crimes?

The Solicitor General: The hon. Gentleman makes a proper point. Conviction rates for domestic violence remain broadly flat, but the volume of convictions continues to increase, which is good news for every single victim. For example, rape convictions now exceed 2,500 a year, whereas there were only 2,000 some five years ago. I assure him that the CPS, in the light of the comprehensive spending review settlement, is placing continued priority on rape and serious sexual offence units, and no prosecution will be prevented as a result of any budget problem.

2. Jeff Smith (Manchester, Withington) (Lab): Whether he has had discussions with the Prime Minister on the legal form of the UK's renegotiation deal with the EU.

The Attorney General: I have had discussions with the Prime Minister on the legal form of the UK's renegotiation deal with the EU.

Jeff Smith: The President of the EU Council has said that we should expect a concrete proposal in February. Given the timescale involved, can the Attorney General tell us what legal form the renegotiation of the deal will take?
The Attorney General: Of course, I cannot discuss the legal ramifications of an agreement that has not yet been reached. When the agreement is reached, the House will, of course, be able to see it and form its own judgment, including on its legal aspects, on which we will be able to say more. The hon. Gentleman will recognise, however, that the final say on the matter will come from the British public, who will have a referendum to determine their verdict—a referendum that a Labour Government would not have given them.

Stephen Kinnock: Article 50 of the Lisbon treaty states that, on announcing its intention to withdraw from the European Union, the withdrawing state will automatically be excluded from all meetings of the European Council and, if agreement is not reached within two years, the withdrawing state will be automatically excluded from the negotiated terms. Does the right hon. and learned Gentleman agree that a withdrawing state is therefore liable to suffer what would amount to a punishment beating to dissuade others from withdrawing, and that therefore there is no such thing as a soft Brexit?

The Attorney General: These matters will be discussed in the course of the referendum campaign. The hon. Gentleman is several stages ahead of where we are now. The first thing that needs to happen is a renegotiation. Conservative Members believe that the renegotiation is necessary, and we wish the Prime Minister all success in achieving it. When he has, there will be a referendum to determine whether or not the British public believe it is a good enough deal. Both the renegotiation and the referendum were opposed by the hon. Gentleman’s party. We believe that they are the right things to do.

Mr David Nuttall (Bury North) (Con): The plan appears to be to have an agreement as a first stage, which would later be confirmed in a treaty change. As the voters in Denmark and Ireland have shown in the past, the outcome of national referendums cannot be taken for granted. How can the Government be certain that any proposed treaty change in the future would actually be approved by each of the other 27 EU states?

The Attorney General: My hon. Friend, too, will recognise that these matters will be debated fully in the course of the referendum campaign. I know he will play a full part in that campaign. Of course, in relation to both Ireland and Denmark, international agreements were reached and subsequently enacted. The Government and the public will of course wish to consider that, if that is the outcome of the renegotiation.

Mr Philip Hollobone (Kettering) (Con): Were this country to vote to leave the European Union, would the Attorney General’s advice to Her Majesty’s Government be that the article 50 direction ought to be tabled straightaway so that the negotiations for our exit, which the British people would have so willed, could begin straightaway?

The Attorney General: My hon. Friend will recognise that we are some way away from that. I know he will also recognise that, as I said in my initial answer, I cannot discuss in the Chamber or elsewhere legal advice that I may or may not give to the Prime Minister. I hope my hon. Friend will therefore forgive me for not doing so now.

Keir Starmer (Holborn and St Pancras) (Lab): One of the risks of leaving the EU is that the UK will no longer be able to rely on crucial EU criminal justice measures to fight serious and organised crime and terrorism. Has the Attorney General given any advice on that risk, and if so, to which Departments?

The Attorney General: I am afraid that I am going to sound like a broken record. I think the hon. and learned Gentleman, like most Members of the House, understands full well that I cannot discuss in the Chamber the advice that I may or may not have given to the Government, and I am not going to do so.

Richard Arkless (Dumfries and Galloway) (SNP): In my view, the legal position surrounding the so-called renegotiation is confused at best. It appears to me that this confusion may be delaying potential withdrawal from the European convention on human rights. Do the Government intend to hold the EU referendum before addressing the UK’s membership of the ECHR?

The Attorney General: I do not accept what the hon. Gentleman says about the position being confused. As I have already said, I cannot comment on the legal status of an agreement that has not yet been negotiated. In relation to the ECHR, he will know that my ministerial colleagues in the Ministry of Justice are working very hard on the Government’s proposals, and he will hear them in due course.

Sexual Violence

3. James Berry (Kingston and Surbiton) (Con): What recent steps the Director of Public Prosecutions has taken to improve co-ordination between prosecutors and police in the handling of cases involving sexual violence.

The Solicitor General (Robert Buckland): To ensure a consistent approach to the investigation and prosecution of rape cases across all CPS areas, a joint CPS and police national steering group and a delivery board have been established, and they meet regularly.

James Berry: What assessment has my hon. and learned Friend made of the CPS’s action plan to improve the investigation and prosecution of rape and sexual assault? Does he agree that the publication of the action plan demonstrates the willingness of this Government and of the CPS to increase the number of prosecutions in those areas?

The Solicitor General: I agree with my hon. Friend. The publication of the plan shows a very clear line of intent. That is reflected in the increased volumes of prosecutions, and in the careful consideration given to any withdrawal of prosecution cases before a jury has properly considered them.
Syria

4. Deidre Brock (Edinburgh North and Leith) (SNP): Whether he has given advice on the legality under international law of the bombing of Syria. [903026]

The Attorney General (Jeremy Wright): As I have mentioned, the long-standing convention adopted my predecessors in Governments of all hues is that neither the fact nor the content of Law Officers’ advice is normally disclosed outside the Government. In this case, the Government’s legal position in relation to taking military action against Daesh in Syria is reflected in the Prime Minister’s response to the Foreign Affairs Committee. The hon. Lady can take it that I am in agreement with that position.

Deidre Brock: I appreciate the fact that the right hon. and learned Gentleman’s advice to the Government is privileged, and rightly so, but will you do Parliament the courtesy of sharing your view on the legality of the current military action in Syria either now or in a statement?

Mr Speaker: Order. I have no view on the matter.

The Attorney General: Well, Mr Speaker, I do have a view on the matter. My view is that these were legal actions. As I have said, the Government’s legal position on these matters has been set out, I believe with clarity, so the House is aware of it. I do not intend to set out the specific advice that I have given, either on the individual drone strike in Syria or on military action against Daesh, but, as I have said, in both cases the Government’s legal position is set out and I fully agree with it.

Wildlife Crime

5. Jessica Morden (Newport East) (Lab): What recent discussions he has had with the Secretary of State for Environment, Food and Rural Affairs and the Director of Public Prosecutions on the role of the national wildlife crime unit in increasing conviction rates for wildlife crime. [903028]

The Solicitor General (Robert Buckland): The Crown Prosecution Service’s senior wildlife champion and the head of the national wildlife crime unit work together closely and regularly discuss policy and casework issues. Both parties sit on the partnership for action against wildlife crime, which is chaired by the Department for Environment, Food and Rural Affairs.

Jessica Morden: Does the Solicitor General agree that if conviction rates for wildlife crime continue to increase, it is crucial that the Government commit to funding the national wildlife crime unit not just for a year or two, but as part of a much longer-term wildlife crime strategy?

The Solicitor General: In the year from July 2014 to June last year, the overall conviction rate was 71%, which compares favourably with other types of crime. There were 605 defendants prosecuted, with 349 entering guilty pleas. The decision on the funding of the wildlife crime unit will be made very shortly.

Rebecca Pow (Taunton Deane) (Con): In my constituency and in the wider south-west, the wildlife crime unit plays a crucial role, particularly in cracking down on poaching, but also in protecting hares, other precious creatures and birds’ eggs. If the unit were disbanded, there would be no one else to step into its shoes, so I urge the Solicitor General to think carefully before withdrawing what does not amount to very much funding for so much valuable work.

The Solicitor General: I hear what my hon. Friend says, as I am sure do DEFRA Ministers. With about £1.7 million of funding since 2010, the unit has indeed played an important role in the prosecution of these serious offences. As I said, a decision on funding will be made very soon.

Tom Elliott (Fermanagh and South Tyrone) (UUP): Does the Solicitor General feel that there is enough protection in current legislation not only for wildlife, but for individuals who are involved in rural sports?

The Solicitor General: Britain has led the world in legislation that criminalises acts of cruelty against wildlife and that relates to the protection of wildlife. While the relevant laws are in place, they will be properly enforced and prosecutions will be applied using the tests that prosecutors have to use, following the evidence wherever it leads them.

Crown Prosecution Service

6. Judith Cummins (Bradford South) (Lab): What discussions he has had with the Director of Public Prosecutions on the consequences of the Law Officers’ Department’s spending review settlement for the Crown Prosecution Service’s operations. [903030]

The Attorney General (Jeremy Wright): The Director of Public Prosecutions and I have regular discussions about Crown Prosecution Service operations. We both believe that the spending review settlement enables the CPS to respond effectively to a changing case load and an increase in complex and sensitive cases. We also continue to discuss how the CPS can be more efficient and effective in the work that it does.

Judith Cummins: Does the Attorney General agree with the former Director of Public Prosecutions, Lord Macdonald, that as the CPS is forced to shed thousands of jobs, a potentially dangerous situation could develop in which the CPS no longer has the necessary expertise to do its important job of delivering justice to the people of this country?

The Attorney General: No, I do not agree, and, more to the point, neither does the current Director of Public Prosecutions. I draw the hon. Lady’s attention to two things in the settlement and what they have led to. The CPS can almost double in size its counter-terrorism unit, which has a growing case load, as she will appreciate. It can also recruit 100 more prosecutors to conduct work on serious sexual cases. In both those areas, the number of cases that the CPS has to deal with is growing substantially, and it is now in a position to do so.
Robert Neill (Bromley and Chislehurst) (Con): Will the Attorney General confirm that his response is entirely consistent with the evidence that the Director of Public Prosecutions has given recently to the Select Committee on Justice? The willingness of the Crown Prosecution Service to look innovatively at the ways in which it organises itself is being reinforced by its co-operation with the chief inspector’s proposal to carry out thematic reviews of its financing at a corporate level, which will drive further efficiencies.

The Attorney General: Yes, I agree with my hon. Friend, and it is important that the Crown Prosecution Service inspects its role. As I have indicated, it is keen to ensure that its work is conducted as efficiently as possible, and it will need to do that in continuing difficult economic times. It is not right to suggest that the CPS does not have the resources that it needs to do its job well.

Karl Turner (Kingston upon Hull East) (Lab): This time last year the Director of Public Prosecutions asked the Attorney General for an extra £50 million to prosecute complex cases properly, but the spending review revealed a real-terms cut of 2.1% to the Law Officers Department. Given that the vast majority of the budget is taken up by the CPS, will the Attorney General confirm that the DPP is saying that she no longer needs the extra £50 million for which she was pleading just 12 months ago?

The Attorney General: May I start by congratulating the hon. Gentleman on his well-deserved promotion? I point out, however, that I think four people have done his job in the time that I have been doing mine, so I wish him at least a comparatively long career in opposition.

As he knows—we have discussed this issue across the Dispatch Box previously—it is important to listen to what the CPS is saying now, not what it said a year ago, and what it is saying now is what I read to him in my initial answer. At the time, the CPS comment, with which the DPP fully agrees, was:

“This settlement will allow the CPS to respond to a changing caseload and the significant increase in complex and sensitive cases, such as terrorism, rape and serious sexual assaults and child sex abuse.”

That is what the DPP believes. She says that this is a good settlement, and I agree with her.

Mr Speaker: Grahame Morris is not here. I call Mr David Hanson.

Domestic Violence

10. Mr David Hanson (Delyn) (Lab): What recent steps the Crown Prosecution Service has taken to improve the conviction rate for rape and domestic violence.

The Solicitor General (Robert Buckland): The CPS has taken a number of steps to improve the conviction rate for rape and domestic violence abuse cases, including refocusing resources to strengthen the rape and serious sexual offences unit’s extensive training on rape cases for prosecutors, an update of domestic abuse legal guidance, and closer working with the police.

Mr Hanson: That is all very well, and I am grateful for the Minister’s reply, but it will not hide the fact that the conviction rate for rape has fallen by 5.6% in the last four years, and it is now just over 56%. The conviction rate for domestic abuse has also fallen. Clearly, something is happening, and I would welcome the Minister’s view of what that might be, and a clear indication of what action he will take to increase conviction rates, particularly for rape.

The Solicitor General: The right hon. Gentleman has taken a long interest in this matters, and he is right to raise those issues. I remind him that the volumes of outcomes continue to increase to their highest ever levels. I have mentioned rape, but domestic violence outcomes have also increased dramatically to their highest ever levels, which means justice for thousands more victims. It is incumbent on the CPS to examine the reasons why prosecutions do not succeed, and the key for the Attorney General and me is to ensure that the prosecution does not bring charges and then drop them without good reason. It should allow such cases to go to a jury, so that juries and magistrates can make decisions.

Michael Fabricant (Lichfield) (Con): May I take a slightly contrary view? As we all know, about a year ago a colleague of ours was found innocent of rape, and more recently a young student was also found innocent of rape. It is important that the Crown Prosecution Service does not prosecute people lightly, and if it thinks that a person is innocent, it should ensure that they are not prosecuted.

The Solicitor General: I assure my hon. Friend that in every case the prosecution must apply the test of a reasonable prospect of conviction, and of whether that prosecution is in the public interest. That should apply to everybody, whether they are in this House or any other part of the country. There must be equality before the law, and the evidence must be followed wherever it leads.

Jo Stevens (Cardiff Central) (Lab): Despite what the Solicitor General has said, conviction rates for rape, other sexual offences and domestic abuse have all fallen, and the Government need to do far more to reduce the incidence of those offences, as well as more to support victims. Last year the Labour party made a manifesto commitment to legislate with a violence against women and girls Bill, just as the groundbreaking Welsh Labour Government have done. The Bill would include provisions to appoint a commissioner to set minimum standards to tackle domestic and sexual violence. Will the Government do the same?

The Solicitor General: First, may I warmly welcome the hon. Lady to her position? It is a pleasure to see her. Indeed, we worked together for many years in the south Wales legal fraternity.

The Government are absolutely committed to funding the combating of violence against women and girls. A cross-ministerial group, of which I am a member, meets regularly, and we have introduced new legislation to criminalise coercive control. We have enhanced the tools the police and the prosecution have at their disposal, which is why the number of prosecutions for domestic abuse and rape continues to rise.
Mr Speaker: Now a lawyer who is not a member of the Welsh legal fraternity, but we want to hear from him anyway, I call Huw Merriman.

Police: Firearms

13. Huw Merriman (Bexhill and Battle) (Con): What assessment he has made of the effectiveness of the law on the discharge of firearms by police officers. [903037]

The Attorney General (Jeremy Wright): For the purposes of clarity, Mr Speaker, I am not a member of the Welsh legal fraternity either. In the aftermath of the tragic events in Paris last month, the Prime Minister asked for a review into the legal framework and investigatory processes relating to incidents involving police use of firearms. I will play my part in that review, which will conclude later this year.

Huw Merriman: My name may suggest otherwise, but Wales is not my home. Last week I met the chief constable of Sussex police. We agreed that our firearms officers do a job that is difficult and often dangerous, and that they are more likely than ever to be called on to protect the public. They fully understand, quite rightly, that they will need to account for their actions if they use lethal force. Is the Attorney General comfortable that our investigating authorities support this difficult balance?

The Attorney General: I agree with my hon. Friend. As he says, it is important that incidents are properly investigated, but it is also important we recognise the need to treat police officers fairly. If, as we do, we need to recruit more police officers to do the difficult work of using firearms, and we need to retain experienced officers who already do that work, then they need to feel as though the system will treat them fairly. That is, I hope, what the review will do.

Homelessness

14. Mr David Burrowes (Enfield, Southgate) (Con): What discussions he has had with the Secretary of State for Communities and Local Government on the effect of the Supreme Court ruling of 13 May 2015 on local authorities’ ability to meet their legal duties towards people facing homelessness. [903038]

The Solicitor General (Robert Buckland): I have to observe the proprieties of the Law Officers’ convention, but the Government welcome the clarity the judgment provided. It explains that any assessment of vulnerability must be made in the round, looking at all aspects of a person’s situation.

Mr Burrowes: A rough sleeper is likely die by the age of 47. Homeless people are inherently vulnerable. Can the Solicitor General assure me that, as the law currently stands, a safety net is provided for vulnerable and homeless people who are unintentionally homeless?

The Solicitor General: I commend my hon. Friend. Friend for the considerable work he has done on this issue, both in the capital and generally. The Government intervened in that case precisely because they were concerned that the test would disproportionately affect vulnerable homeless people. I am glad the Supreme Court has rebalanced the law in what I think is a fair way.
Nicky Morgan: I also suspect that the hon. Gentleman sees more people in work and being helped into work in his constituency. As I said, we remain absolutely committed to tackling the root causes of poverty—worklessness and low educational attainment—and to making sure that children do not grow up affected by the blight of poverty. He will probably agree that an arbitrary consideration of whether somebody is over or under a financial income line by a matter of pounds does not change lives. What changes lives is tackling the issues set out by the Prime Minister in his speech on Monday.

Mr Speaker: I gently point out to the House that there is a difference between asking a question and leading an Adjournment debate.

Nicky Morgan: Some 11.8% of children live in workless households, which is down by 4.4 percentage points since 2010. If the hon. Gentleman wants to talk about the impact of Budgets on people in Scotland and elsewhere in the UK, he might like to know that 176,000 women in Scotland have been taken out of income tax since 2010 and 3.9 million people on these islands will move into poverty by 2020? What discussions has she had with the Secretary of State for Work and Pensions about the likely impact of the changes on poor children on these islands?

State Pension Age

2. Jeff Smith (Manchester, Withington) (Lab): What discussions she has had with her ministerial colleagues on the effect of the increase in the state pension age on women.

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): Ministers regularly discuss matters of policy spanning their responsibilities, and the hon. Gentleman will be aware that this issue was debated very recently.

Jeff Smith: That is correct. Last week’s Back-Bench business debate resulted in a unanimous decision, with Members on both sides of the House calling on the Government to correct the unfairness in the rules. Is it not time for the Government to lay down a strategy for introducing transitional arrangements to help the women most affected by these rules?

Mr Vara: I gently refer the hon. Gentleman to the direction given by the Deputy Speaker following that debate in response to a point of order, when she made it absolutely clear that the Government were not bound by any vote or decision taken in a Back-Bench business debate.

Angela Crawley (Lanark and Hamilton East) (SNP): It is estimated that, with the new threshold to qualify for auto-enrolment set at £10,000, 1.28 million people will miss out on accessing their pension. Does the Minister agree that the Government’s pensions policy negatively impacts women, and will he support the establishment of an independent pensions commission to look at all pensions issues, including investigating the inequalities facing women in the current system?

Mr Vara: A lot is happening in the pensions world at present, and I think it important that we prioritise making sure that all that goes through, rather than thinking of new innovations.

Mark Durkan (Foyle) (SDLP): Does the Minister share the Prime Minister’s view that the good settlement for pensioners extends to 1950s women, and will he explain the bits of that settlement that are best for them?

Mr Vara: The hon. Gentleman will be aware that in a debate of 2011 a concession was made and the time period was reduced from two years to 18 months, at a cost of £1.1 billion to the Exchequer.

Cat Smith (Lancaster and Fleetwood) (Lab): I was disappointed with the Minister’s response to my hon. Friend the Member for Manchester, Withington (Jeff Smith). The Minister is correct that last week’s Back-Bench business debate is not binding on the Government, but will he admit that the Government have absolutely lost the argument on this case? Will he commit to justice for those women born between 1953 and ’56, who now face a huge pensions pay gap after they led the fight for my generation on the pay gap in the workplace?

Mr Vara: This issue was not in the manifesto of either the Labour party or the Scottish National party. That is not surprising, given that undoing the 2011 measures would cost over £30 billion. If the hon. Lady persists in pursuing this policy from the Labour Front Bench, it is important for her to outline from where it would get that £30 billion.

Detainees: Pregnancy

3. Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): If she will discuss with the Home Secretary the treatment of pregnant women detained for immigration purposes.

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): My right hon. Friend the Home Secretary takes these matters very seriously. Last year, she commissioned Stephen Shaw, CBE, former prisons and probation ombudsman, to carry out a review of the welfare of vulnerable people in detention. Mr Shaw’s report will be published today, and the Government will take appropriate action in response to his recommendations.
Stuart C. McDonald: I am grateful for that answer, and we look forward to hearing what Stephen Shaw has to say, albeit that we are slightly sceptical about the remit that he was operating under. What steps will the Minister take to ensure that Government policy of detaining only in exceptional circumstances is, at the very least, put into practice and is not fiction? It would be even better if she ensured that the detention of pregnant women came entirely to an end.

Karen Bradley: It is Government policy that pregnant women should be detained only in exceptional circumstances. In normal circumstances, they should not be detained. Where a matter affecting a pregnant woman being detained comes to light, it is looked at with the utmost urgency.

Callum McCaig: I draw the Minister’s attention to the all-party parliamentary group’s report of 2014 on immigration detention, which dealt with the issue of women in detention centres more widely. Many women had been subject to quite horrific violence, including sexual violence. What steps is she taking to ensure that detained women, whether pregnant or not, are safe? Does she agree with me that these centres should not be detaining women at all and that detention should very much be a last resort?

Karen Bradley: I agree with the hon. Gentleman. Gentleman that detention should be a very last resort. It is regrettable in many ways that we have to have detention, but as part of what you see is what you get, but we will not go into that. Does my hon. Friend agree that these centres should not be detaining women at all and that detention should very much be a last resort?

Karen Bradley: I agree with the hon. Gentleman that detention should be a very last resort. It is regrettable in many ways that we have to have detention, but as part of an immigration system that is fair to all, detention is needed in those exceptional circumstances where people refuse to leave the country when they have been ordered to do so. Women are treated with the utmost dignity, and it is important to treat all people in detention with dignity.

Body Confidence

4. Michael Fabricant (Lichfield) (Con): What steps the Government are taking to address the issue of low body confidence in girls and young men; and if she will make a statement.

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): Strong body confidence is obviously really important for both physical and mental health wellbeing. That is why the Government are working with partners on projects such as media literacy that equip young people to be resilient and realistic about body images that they see in print and on our screens.

Caroline Dinenage: I entirely agree with you, Mr Speaker: there is almost nothing we could do to enhance the appearance of my hon. Friend—in my book, anyway.

My hon. Friend is right and his interest in this important issue is commendable. We want all young people to be informed and resilient. That is why we aim to improve media literacy. Our PSHE Association guidance on body image helps teachers to approach this topic sensitively and points them to the best quality-assured material. We also produce media-smart literacy resources for parents and teachers of primary school children to help them better to promote understanding of the images that young people see in the media.

Andrew Gwynne (Denton and Reddish) (Lab): PricewaterhouseCoopers estimates that the cost of eating disorders to society is about £15 billion a year. What extra measures are the Government introducing, not only for prevention purposes but to support those who are currently experiencing eating disorders, in order to ensure that the problem is tackled adequately?

Caroline Dinenage: The hon. Gentleman is, of course, absolutely right: this is a key issue. We know that anorexia kills more than any other mental illness. On Monday, the Prime Minister set out our commitment to investing in mental health services. We will invest nearly £1 billion in a revolution in mental health treatment throughout the country, which will include the first-ever waiting time target for teenagers with eating disorders. They will be able to obtain help within a month of being referred, or within a week in urgent cases.

Mrs Maria Miller (Basingstoke) (Con): Young trans people can struggle greatly with their body confidence. Will the Minister, and her colleagues throughout the Government, undertake to look at the first report of the Women and Equalities Committee? It is published today, and it makes specific recommendations on how to improve the lives of young trans people.

Caroline Dinenage: Absolutely. I warmly welcome that report, and I thank the Chairman of the Select Committee—and, indeed, the whole Committee—for the valuable work that they have done. The report follows the Committee’s first inquiry, and it sends a clear signal about the importance of this issue. I look forward greatly to working through the report carefully and thoughtfully with those in other Departments, and looking closely at every one of my right hon. Friend’s recommendations.

Revenge Porn

5. Mr David Burrowes (Enfield, Southgate) (Con): What discussions she has had with her ministerial colleagues on tackling revenge porn; and what assessment she has made of the effectiveness of the revenge porn helpline.

The Minister for Women and Equalities (Nicky Morgan): As I have said before, the Government are absolutely clear about the fact that what is illegal offline is illegal online. We have criminalised this abhorrent act, and the revenge porn helpline has supported more than 3,000 callers since its launch last February. It is there to support anyone who is affected, regardless of gender,
sexuality, race or age. No one should have to suffer as a result of this repulsive crime, and we will ensure that we continue to support those who are affected by it.

**Mr Burrowes:** Will the helpline, and other measures, help more victims to come forward for support? Will they also help to take down the vile and abusive content from the internet, and prosecute and, indeed, take down the vile and abusive offenders?

**Nicky Morgan:** My hon. Friend is absolutely right. Obviously it is important for victims to receive the right support, but we want to go further and make it clear, through education and awareness, that this is a crime and that it will not be tolerated. The internet can be a huge force for good, but it can also be a platform for abuse and intimidation. Staff monitor the helpline and provide support, but they have also been very successful in ensuring that content is quickly removed from the internet, and they work directly with social media and website providers.

**Jim Shannon** (Strangford) (DUP): I thank the Minister for her earlier comments about the elevation of Arlene Foster to the position of First Minister. The Stormont fresh start agreement already looks brighter with her in charge.

My question relates to the ever-increasing digital society. The press is still full of stories about revenge porn incidents. Does the Minister recognise the need to raise awareness of people’s rights, and of the new offence in the Criminal Justice and Courts Act 2015, which is intended to tackle the increasing amount of online revenge porn?

**Nicky Morgan:** I entirely agree with the hon. Gentleman. This is an offence of which people are more aware, but, sadly, that means that there are more cases of it, which is why we have criminalised it and established a helpline to offer support. However, we must go further and make it clear that this is not an acceptable way for people to behave. We must also give guidance to potential victims, advising them to think very carefully about images that they share and how they could then be abused.

**Sanitary Products: VAT**

6. Mr David Hanson (Delyn) (Lab): What progress the Government are making on negotiating the removal of VAT on women’s sanitary products. [903009]

**The Financial Secretary to the Treasury** (Mr David Gauke): I have written to the European Commission and to other member states setting out our strong view that member states should have full discretion over what rate of VAT they can apply to sanitary products, and that the matter should be considered in the context of the Commission’s action plan on VAT, which is now expected to be published in March.

**Mr Hanson:** I am sure that the letter is very good, but I think the Minister should do more than that: I think that he should pursue the issue. When he does so, and when he succeeds—as I am sure he will—will he ensure that the money that he is currently providing from this unfair tax to finance domestic violence services is raised from general taxation? As a man, I think that it should be, so that the whole of society owns this problem.

**Mr Gauke:** In terms of the action the Government are taking, the right hon. Gentleman will be aware that VAT rules currently do not allow us to reduce the rate below 5%, which is why when the previous Labour Government reduced it, they reduced it to 5% not zero. But we are making the case to other member states and the European Commission, and the right hon. Gentleman highlights the fact that, as the Chancellor announced in the autumn statement, for the first time we are using the funds collected from VAT on sanitary products to provide support specifically to women’s charities. We will, of course, review that in the event that we are able to reduce it to a zero rate.

**Philip Davies** (Shipley) (Con): The Minister will know that I voted with the Opposition on this issue. He is a good man and I am sure he is doing his very best to battle away on this issue, but is it not the case that those who want a zero rate on sanitary products at the earliest possible opportunity should find the easiest way of doing that, which is by voting to leave the European Union, and then we would be able to do it straight away?

**Mr Gauke:** My hon. Friend’s answer to this question does not entirely surprise me; it is in fact his answer to quite a lot of questions. The Government are engaging constructively with other member states and the European Commission. It is the case that EU rules prevent us from lowering the rate below 5%, but we are engaged in negotiating with other member states.

**Paula Sherriff** (Dewsbury) (Lab): While any action is better than nothing, it does not appear that the issue has been placed alongside the Prime Minister’s other demands in the EU membership renegotiation, so we may not even have a report back prior to the referendum. Can the Minister reassure the House today that women’s rights are not a second-class issue on this Government’s European agenda by making those commitments, and will the Prime Minister or Chancellor come before the House to make a statement on this, as they have done on other EU issues?

**Mr Gauke:** The Chancellor of the Exchequer addressed this issue in his autumn statement, when he announced the additional funding for women’s charities, reflecting the sums that are raised from VAT on sanitary products. The Government are taking this issue seriously; previous Governments have done so too, but we are doing everything we can, and we are, I think, the first Government who have gone to the European Commission and to other member states and made the case for flexibility.

**Mr Christopher Chope** (Christchurch) (Con): Will my hon. Friend explain why this is not part of the Government’s renegotiation strategy? Surely this country and this Parliament should be able to decide levels of VAT not just on sanitary products, but on fuel, defibrillators and so on—on all of which I think it would be better if there were no VAT?

**Mr Gauke:** We are engaged in a wide-ranging renegotiation addressing issues about economic competitiveness and the roles of Parliament and so on. This is not explicitly part of that renegotiation, but we are, as a Government, going out making the case to
Kate Green (Stretford and Urmston) (Lab): The funding the Government are putting into services for women fleeing sexual and domestic violence has been described as like filling a bath with the plug pulled out. End Violence Against Women says the tampon tax cannot possibly fill the gap, while across the country refuges and specialist services are closing. Will the Minister commit to a full review of the effect of the Government’s fiscal policies on the availability of services and to publishing the information?

Mr Gauke: We have already announced £40 million in funding for domestic abuse services between 2016 and 2020, as well as a £2 million grant to Women’s Aid and SafeLives to support early intervention. The hon. Lady raised a very broad point, and, in reply I would say the best future for the entire country is to ensure we have strong public finances, a credible economic policy and a long-term economic plan that delivers jobs and growth. That is what this Government are doing.

Kate Green: I am afraid that the Government’s economic policies are not protecting women from violence. Research published yesterday by Professor Sylvia Walby of the University of Lancaster shows that violent crime against women has been under-reported and has in fact been rising since 2009. That is a result of cuts to services, cuts in the police, a lack of housing to move into, financial pressures on relationships and difficulties accessing justice. Does the Minister not recognise that the holistic effect of the Government’s policies has been to place women in danger? Will the Government take urgent action to address this?

Mr Gauke: The hon. Lady makes the point that domestic violence is under-reported, and we accept that that is a problem, although reporting has increased. Indeed, the number of convictions has increased. She also made the point that there had been cuts in police services. The Chancellor made it clear in his autumn statement, however, that because the economy was performing better than had been the case before, we could afford not to cut police funding over the course of this Parliament. Again, I make the point that Labour made very clear to all police forces up and down the country. We want to evaluate such data one year on, in February or March of this year. I have already said that what is illegal offline is also illegal online, and that has been made very clear to all police forces up and down the country. We continue to make that case to them.

Liz McInnes: What conversations has the Minister had with social media providers about misogynistic online abuse, and will she make a statement?

Nicky Morgan: I and other Ministers, including my hon. Friend the Minister for Culture and the Digital Economy speak to social media providers all the time about these issues. I welcome the recent statement from a Twitter director saying that it thought it was doing better on dealing with trolls, but I think it recognised that it needed to do more.

I hope that the hon. Lady will also recognise that there are issues closer to home. She will remember the statement made by her own party leader at her party’s conference last autumn, when he had to appeal to activists. He said: “I say to all activists, whether Labour or not, cut out the personal attacks, the cyber bullying and especially the misogynistic abuse online”.

I hope that the hon. Lady will tackle her own party in regard to this issue.

Steve McCabe: Will the Secretary of State tell us what evidence there is of improved data collection to give us the true scale of this abuse? What evidence is there that police officers up and down the country are receiving appropriate training to enable them to identify and deal with the perpetrators of the abuse?

Nicky Morgan: I will have to come back to the hon. Gentleman on the question of data collection, which I am happy to do. I suspect that some organisations are better than others. I mentioned the revenge porn helpline earlier, which clearly is monitoring and keeping data. We want to evaluate such data one year on, in February or March of this year. I have already said that what is illegal offline is also illegal online, and that has been made very clear to all police forces up and down the country. We continue to make that case to them.

Mims Davies (Eastleigh) (Con): Does my right hon. Friend agree that the increasingly digital world in which we live makes it absolutely vital to help children, parents and carers to deal with this vile online abuse and cyber-bullying?

Nicky Morgan: My hon. Friend is absolutely right. Of course it is much better to educate young people against any of this in the first place, to ensure that they are robust and resilient if they come across unwanted images or cyber-bullying. She is also absolutely right to mention parents and carers. There is a range of websites and organisations to help parents to understand how to discuss these issues with children, and the Government Equalities Office and the Home Office have invested £3.85 million in a new phase of our This is Abuse campaign, which tackles abuse within teenage relationships and will be launched later this year.
Ben Howlett (Bath) (Con): Following on from the earlier response to the question of my right hon. Friend the Member for Basingstoke (Mrs Miller), will the Secretary of State recognise the huge amount of online bullying that is being directed towards the trans community, leading to high levels of mental ill health and suicide within that community? Will she ensure that it is tackled when she reviews the trans inquiry?

Nicky Morgan: My hon. Friend is a member of the Select Committee and I warmly welcome the landmark report that has been published today. It has highlighted lots of actions that are needed to be taken across government. He is absolutely right to mention the issue of social media and online bullying, which I have already mentioned, and the effects that that has on mental health, and the ability of members of the transgender community to take part in life, the workplace and elsewhere. We take such issues very seriously. We need to look at all the action we have taken on online abuse, and work out how we can ensure that it is also accessible to members of the trans community.

Mr Speaker: Carolyn Harris not here.

Gender Pay Gap


Nicky Morgan: I am really sorry to hear the hon. Lady make those points, because they are not worthy of her. First, on the north-east, she is wrong. The gender pay gap in the north-east fell by 0.4 percentage points between 2014 and 2015. People want us to get the Government response right and to ensure that we have thought through the regulations and their impact. I have said that we will publish the response shortly, and that is exactly what we will do.

Hannah Bardell (Livingston) (SNP): I hope that the Secretary of State, and indeed the whole House, will welcome the establishment of the all-party group on women and work, of which I am vice-chair. I know that she sent a member of staff to it the other day. Will she resolve to work with the all-party group to look at the challenges faced by women returning to work after having children or caring responsibilities, the impact of which is often seen in the gaps in their income, their progression and their career?

Nicky Morgan: I thank the hon. Lady very much indeed. I warmly welcome the all-party group. Another group has also been set up on women and enterprise. I really welcome the fact that parliamentarians are setting up these groups, which will work on a cross-party basis. Of course Ministers and I will work with all of them. She is absolutely right. Evidence was given to the Select Committee which showed that, if women take more than a year’s maternity leave, it becomes much, much harder to get back into the workplace; we must change that.

Older Carers

11. Huw Merriman (Bexhill and Battle) (Con): What steps the Government are taking to help older female carers balance the demands of work with caring for older relatives.

Nicky Morgan: I thank the Minister for her reply. Excellent work has been done on tackling the gender pay gap, but regional differences remain. In my constituency of Telford, women in full-time work earn 16% less than men in full-time work. What further action can be taken to address that kind of discrepancy?

Nicky Morgan: The gender pay gap regulations, when published and put into practice, will help, because they will get employers to start thinking about these issues, and reporting on them. I encourage my hon. Friend to host an event in her own constituency. As a proactive and new Member of Parliament, she can highlight best practice and show the advantages of narrowing the gap. She might also like to think about the breakdown of the businesses within her constituency and work out how we can get more women and girls to participate in sectors such as manufacturing and financial services.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The north-east has one of the highest gender pay gaps in the country owing in part to the disproportionate numbers in the public sector, which has been cut, and in the sort of low-paid jobs that the Prime Minister yesterday called “menial”. Does the Secretary of State agree that failure to publish a response to a consultation six months after its publication is disrespectful to the many organisations and individuals who responded to it in the hope of doing something about the situation?

Nicky Morgan: I am really sorry to hear the hon. Lady make those points, because they are not worthy of her. First, on the north-east, she is wrong. The gender pay gap in the north-east fell by 0.4 percentage points between 2014 and 2015. People want us to get the Government response right and to ensure that we have thought through the regulations and their impact. I have said that we will publish the response shortly, and that is exactly what we will do.

Hannah Bardell (Livingston) (SNP): I hope that the Secretary of State, and indeed the whole House, will welcome the establishment of the all-party group on women and work, of which I am vice-chair. I know that she sent a member of staff to it the other day. Will she resolve to work with the all-party group to look at the challenges faced by women returning to work after having children or caring responsibilities, the impact of which is often seen in the gaps in their income, their progression and their career?

Nicky Morgan: I thank the hon. Lady very much indeed. I warmly welcome the all-party group. Another group has also been set up on women and enterprise. I really welcome the fact that parliamentarians are setting up these groups, which will work on a cross-party basis. Of course Ministers and I will work with all of them. She is absolutely right. Evidence was given to the Select Committee which showed that, if women take more than a year’s maternity leave, it becomes much, much harder to get back into the workplace; we must change that.

Older Carers

11. Huw Merriman (Bexhill and Battle) (Con): What steps the Government are taking to help older female carers balance the demands of work with caring for older relatives.

Nicky Morgan: I thank the Minister for her reply. According to a recent report from the Department of Health, the cost to the Exchequer of carers being unable to continue working has been estimated at £1.3 billion a year. Will the Minister confirm what incentives are in place for employers to support carers in the workplace?

Caroline Dinenage: The report my hon. Friend refers to was a landmark one in demonstrating the business case for investing in carer-friendly policies. The Government have been working to raise awareness among employers of the issue and of the cost of leaving it unaddressed. Our £1.6 million project will be invaluable in helping us to establish the most effective forms of support for carers. We are also backing the Employers for Carers network run by Carers UK, which provides resources to implement carer-friendly policies.
Domestic Violence

12. Keir Starmer (Holborn and St Pancras) (Lab): What discussions she has had with her ministerial colleagues on securing long-term funding for domestic violence services.

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): The Government have already announced £40 million of funding for domestic abuse services between 2016 and 2020, as well as a £2 million grant to Women’s Aid and SafeLives to support early intervention. We will shortly publish a refreshed cross-Government violence against women and girls strategy against women and girls strategy setting out how we will do still more to secure long-term funding for domestic violence services and support for all victims.

Keir Starmer: Domestic violence is an enduring stain on our society, and while Government funding is welcome, a long-term sustainable approach is needed. What discussions has the Minister had with service providers, including Rape Crisis, about the long-term solutions, and what does she consider to be long term in this context?

Karen Bradley: I thank the hon. and learned Gentleman for his questions. I must admit, I am used to seeing him on the Front Bench, but it is nice to see him anyway. As part of refreshing our violence against women and girls strategy, I have taken part in a number of round tables with service providers, commissioners and others to make sure that we understand the issues facing them and to look at that long-term solution, because he is absolutely right: service providers need to know that their funding is on a sustainable footing, so that they can continue to deliver services and focus on victims, as we all want them to do.

FTSE Boards: Gender Balance

13. Craig Tracey (North Warwickshire) (Con): What steps the Government are taking to improve the gender balance of the boards of FTSE companies.

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): We appointed Lord Davies in 2010 and have fully supported his work ever since, which has achieved an unprecedented increase in the number of women on boards. We welcomed his final report and back his new recommendations for a business-led 33% target for FTSE 350 boards. We are also in the process of establishing a new review focusing on the all-important executive layer.

Craig Tracey: What plans do the Government have to ensure that businesses of all sizes understand the financial and productivity benefits of diversity in their senior teams?

Caroline Dinenage: My hon. Friend is absolutely right: companies with more diverse boards benefit from better decision making and better corporate governance; they are more responsive to the market and they can access the wider talent pool. It is a no-brainer: diversity is better for business. We have seen real progress with our business-led Government-supported approach, but we are not complacent by any means. We will continue to engage with businesses of all sizes and in all sectors to push this work forward.

Health Inequality

15. Mr Philip Hollobone (Kettering) (Con): If she will discuss with the Secretary of State for Health ways to address the relative inequality of health outcomes for men and women.

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): There are gender differences across a range of health outcomes. Women live longer than men, but that gap is closing. The Government are tackling health inequalities by addressing the social causes of ill health and promoting healthier lifestyles, all now underpinned by legal duties. Action is led locally to ensure that there are solutions to local gender and other health inequalities.

Mr Hollobone: Over the past 30 years, female suicide rates have declined from 11 per 1,000 to five per 1,000, but male suicide rates have remained stubbornly high, at 19 to 20 per 1,000, and in that period 130,000 men have committed suicide. What will the Minister do, together with the Department of Health, to tackle that very serious problem?

Caroline Dinenage: My hon. Friend makes an excellent point. The Under-Secretary of State for Health, my hon. Friend the Member for Battersea (Jane Ellison), was keen to be here today, but she is at an LGBT conference. Suicide is the largest cause of death of men under 50, so this is a really important issue. That is why the Prime Minister’s commitment earlier this week to investing in mental health services will be so important in this space.
The business for next week is as follows:

**Monday 18 January**—Second Reading of the Energy Bill [Lords].

**Tuesday 19 January**—Opposition day (16th allotted day). There will be a debate on the cost of public transport, followed by a debate on prisons and probation. Both debates will arise on an Opposition motion.

**Wednesday 20 January**—Remaining stages of the Psychoactive Substances Bill [Lords], followed by a motion to approve statutory instruments relating to the proceeds of crime.

**Thursday 21 January**—Business to be nominated by the Backbench Business Committee.

**Friday 22 January**—Private Members’ Bills.

The provisional business for the week commencing 25 January will include:

**Monday 25 January**—Remaining stages of the Childcare Bill [Lords], followed by business to be nominated by the Backbench Business Committee.

**Tuesday 26 January**—Motion to approve a money resolution relating to the Charities (Social Investment and Protection) Bill [Lords], followed by remaining stages of the Charities (Social Investment and Protection) Bill [Lords].

**Wednesday 27 January**—Opposition day (17th allotted day). There will be a debate on an Opposition motion. Subject to be announced.

**Thursday 28 January**—Business to be nominated by the Backbench Business Committee.

**Friday 29 January**—Private Members’ Bills.

I should also inform the House that the business in Westminster Hall for Monday 25 January and Monday 1 February will be:

**Monday 25 January**—Debate on e-petition 115895 relating to tax reporting for small businesses and the self-employed.

**Monday 1 February**—Debate on e-petition 110776 relating to transitional state pension arrangements for women born in the 1950s.

**Chris Bryant**: May I start by warmly congratulating the Secretary of State for Scotland on joining the ranks of out gay MPs yesterday? His announcement was made with considerable charm, I thought. He said he hoped that he would not be treated any differently because of his sexuality. May I assure him that being gay does not necessarily make you any better as a politician? [Laughter.] Oh, I did not think that was very funny.

It seems particularly appropriate that we should be having a debate this afternoon on space, especially following the death of David Bowie, the ultimate Starman.

I asked for a debate on the English language last week. May we have a debate on the use of the word “menial”? The Prime Minister used it yesterday with quite a sneer on his face, but is that not where he gets it wrong? Those are the people who really grate in our society and he does not demean them by using such language; he deems himself. There are no menial jobs, only menial attitudes.

May we have a debate on a series of mysterious disappearances that have happened over the past week? It is a bit like Agatha Christie’s “And Then There Were None.” First, there was the mystery of the missing Health Secretary. They sought him here, they sought him there, but oh no, even when the first strike by doctors for decades was happening, he was nowhere to be found, not even in a television studio, which he normally loves. Surely he should be here, explaining how he has completely lost the respect and trust of the whole medical profession.

Then there was the disappearance of the Government’s consultation on the future of the BBC. I know the Tories all hate the BBC, but the closing date for the consultation was 99 days ago today and it is still nowhere to be seen. The charter runs out in less than a year, so when will the Government publish the consultation and the new draft charter?

It is not just consultations that have disappeared, though. On Tuesday afternoon a whole Committee disappeared—European Committee A, which was meant to meet at 2.30 pm in Committee Room 10 to consider the Ports Authority regulations, something I am sure all hon. Members think is very important. Members of the public turned up from far and wide in their droves to hear what the Minister had to say, but the Government had pulled the meeting. Why? This is an important matter that affects 47 UK ports. Port workers are very concerned about it. The European Scrutiny Committee has said that it remains “deeply concerned that the Government continues to refuse to have a floor debate on this issue”.

How can the Leader of the House portray himself as a serious Eurosceptic when he will not even allow the House to debate EU measures?

That is not the only debate to disappear. Do you remember, Mr Speaker, the Leader of the House’s promise of a debate on abolishing student grants, which he made here on 10 December? Yes, that is what he said, is it not? I know he is doing his huffy-puffy “I’m going to make a speech about it” face, but he should admit it. His precise words were:

“On student finance regulations, the hon. Gentleman is well aware that if he wants a debate on a regulation in this House all he has to do is pray against it. I am not aware of any recent precedent where a prayer made by the Leader of the Opposition and his shadow Cabinet colleagues has not led to a debate in this House.”—[Official Report, 10 December 2015; Vol. 603, c. 1154.]

We took the Leader of the House at his word. Early-day motion 829 is on the Order Paper praying against the statutory instrument.

[That an humble Address be presented to Her Majesty, praying that the Education (Student Support) (Amendment) Regulations 2015 (S.I., 2015, No. 1951), dated 29 November 2015, a copy of which was laid before this House on 2 December 2015, be annulled.]

Therefore, according to the Leader of the House’s own promise to this House, we should be having a debate in this Chamber. But that is not what is happening, is it? Instead, he has arranged for the only debate to be held not in this House, but in a Committee at 11.30 this
morning. Because it is in a Committee, even if every single member of that Committee voted against the motion, it would still pass into law. That is not democracy; that is government by diktat.

Let me be absolutely clear that this should not be introduced by secondary legislation. This is a major change that will deprive around half a million of England’s poorest students of maintenance grants, forcing them to graduate with debt—[Interruption.] The Deputy Leader of the House is talking a whole load of guff. If she does not know the rules of this House, she should go and get another job. Those students will be forced to graduate with debts of up to £53,000 for a three-year course, rather than £40,500 at present. Therefore, as a man of his word, will the Leader of the House now ensure that there is a proper debate and vote in this House before 23 January?

That brings me to the curious case of the missing ministerial backbone. I thought that Ministers were men of integrity and principle, and that when they believed in something, they would fight for it. Last week I suggested that it was time the Leader of the House came out as an outer. There is a vacancy, because theouters want a leader. Surely the time has come—"Cometh the hour, cometh the man." Come on down, Leader of the House, the new leader of the Oут campaign. Mr Speaker, you heard it here first.

I am delighted that the Leader of the House has started to take my advice. He has even written a piece for The Daily Telegraph about it. I was hoping for a proper, full-throated, Euro-sceptic, intellectual argument from him. But oh no; it is the most mealy-mouthed, myth-peddling, facing-both-ways piece of pedestrian journalism that has ever come from his pen. What is the phrase from the Bible? It is, "because thou art lukewarm, and neither cold nor hot, I will spue thee out of my mouth."

I know that the Leader of the House was born on 1 April, but he cannot treat all of us like fools. I know that he is desperate to keep his place in the Cabinet, and even—God bless us!—become leader of the Tory party, but this is becoming a farce. He is pretending to support the Prime Minister’s renegotiation strategy, when really he is desperate to burst out of his pink shirt and mount the barricades with the banner of English nationalism. Apparently the Business Secretary is going to pretend he is enthusiastic about leaving the EU in order to bolster the prospects of his favourite candidate for leader, the Chancellor.

But this really is not a game. It is not about the leadership prospects of one or other Tory Minister; it is about our constituents’ jobs and our standing as a nation. It is the most important decision that this country will make in this generation. The Leader of the House says that it would be disastrous for us to stay in the EU. I say that it would be disastrous for us to leave. It would abandon our historic destiny at the heart of Europe, it would leave our economy on the sidelines of the largest market in the world, and it would undermine the battle against environmental degradation, international crime and terrorism. You leave; I’m staying.

Chris Grayling: First, may I endorse the shadow Leader of the House’s words about the Scottish Secretary? As a colleague of his, I am very proud of the statement he made yesterday. I also send the good wishes of this House to the people of Indonesia, after this morning’s dreadful terrorist attack. I also wish you, Mr Speaker, a happy birthday for next week.

I also wish to thank you, Mr Speaker, and all the Clerks for the work you all did to ensure that the first England and Welsh Grand Committee, held under the new Standing Orders, passed smoothly on Tuesday. In our manifesto we committed to introducing English votes for English laws, and we have now delivered that. Those of us on the Government side of the House thought—I suspect that you did, too, Mr Speaker—that it was a tad ironic that the longest contribution we heard in that debate was from the hon. Member for Perth and North Perthshire (Pete Wishart). His claim that he was being excluded from the debate seemed a little on the hollow side.

I remind hon. Members that the Joint Committee considering the restoration and renewal of the Palace of Westminster is currently consulting Members and staff who work in the Palace, with a closing date of 26 January. There will also be consultation with members of the Committee and Members and staff in both Houses. I encourage any Member with an interest in the project to take part in the consultation.

Let me now turn to the shadow Leader of the House. Today we have heard another seven-minute rhetorical flourish from the hon. Gentleman, with his usual wit and repartee. But what on earth does he think he is doing? He represents Her Majesty’s loyal Opposition. Last week, on the day that Kim Jong-un announced that he had developed a hydrogen bomb, the hon. Gentleman was joined at the shadow Cabinet table by a shadow Defence Secretary who believes that we should unilaterally disarm our nuclear defences. He sits alongside a shadow Chancellor who attended an event with the organisation, CAGE, which has claimed that Jihadi John was a “kind and beautiful young man”.

The hon. Gentleman works for a man who sacked the right hon. Member for Wolverhampton South East (Mr McFadden) for having the effrontery to criticise terrorists. Over the past week, we have seen several more junior members of his Front Bench have the courage to stand up to a situation that most people in this House regard as utterly distasteful and wrong. They gave up their places on the Front Bench while the hon. Gentleman and more senior people clung on to their jobs. So it is all very well his coming here on a Thursday morning and cracking a few jokes, but I have a simple question for him: given the disgraceful turn of events in the Labour party, what on earth is he still doing here?

Mrs Maria Miller (Basingstoke) (Con): May I call on the Leader of the House to hold an urgent debate in Government time on the recommendations that have been made today by the Women and Equalities Committee in our first report on trans rights and the real problems that trans people face in Britain today? The Government
need to take swift action on these problems, and a debate on the Floor of the House would demonstrate the commitment of the whole House to resolving them.

**Chris Grayling:** I congratulate my right hon. Friend on the work she is doing. I am proud to be a part of a Government who are leading the way in addressing equalities issues, and she reflects the best of this House in also doing so. Of course, the Government will consider very carefully the report that she has brought forward this morning. I commend her and the Committee for this work. I have no doubt that she may also look to the Backbench Business Committee to ensure that there is an opportunity for the House to debate her report.

**Pete Wishart (Perth and North Perthshire) (SNP):** I, too, thank the leader of the Eurosceptics and putative leader of the “Britain out” campaign for announcing the business for next week.

It is like the proverbial bus, Mr Speaker—you wait decades for a nasty, brutal, inter-party civil war to come along, and two come at once. I listened very carefully to the Leader of the House’s mild-mannered right hon. Friend the Member for Ashford (Damian Green) lambasting him today for his Eurosepticism. This is serious for us in Scotland. It is quite likely that our nation may be pulled out of Europe against its will. We need to hear a statement from the Leader of the House to say that he will respect the views of Scotland on this issue. Meantime, it is popcorn time here for me and my hon. Friends as we watch both the UK parties not only knock lumps out of each other but knock lumps out of themselves.

Earlier this week, I felt pretty much like an international observer as the first meeting of the English Parliament got right down to business. It was quite a remarkable event—the first time a quasi-English Parliament has met since the 18th century. We had to make sure it was done properly, and what did the Government do? They put signs in the Lobbies saying “England and Wales”. We looked in vain for the “No dogs and no Scots” signs, but thankfully they were not there. Suspending the House’s business while you, Mr Speaker, had to go and seek out the Clerks to see if something needed to be re-certified is no way for one of the great Parliaments of the world to conduct its business. [HON. MEMBERS: “Once great.”] Indeed, a once-great Parliament, as my hon. Friends say. It was a sad day for any notion or idea of a unitary Parliament of the United Kingdom being a place where all Members are equal. I am sure that the Scottish people were observing these events where their Members of Parliament, who they had so recently elected, became second-class and diminished in this nation. There is real anger in Scotland; a Union-saving exercise this is not.

There was a written statement from the Secretary of State for Scotland—who I, too, congratulate on the dignified way in which he announced his sexuality this week—that ruled out a post-study work scheme for Scotland. Now, let us forget about the fact that a post-study work scheme is wanted by all the higher education institutions in Scotland, all the business organisations, all the employer organisations and even the Scottish Conservatives; the Scottish Affairs Committee, which I chair, is currently undertaking an inquiry, with a report, on post-study work schemes. That report is made practically irrelevant because of that written statement. What do we have to do in Select Committees now? Should we seek a statement from the relevant Department before we undertake such inquiries? That written statement was a gross discourtesy and showed gross disrespect to a Select Committee of this House, so I am interested to hear the Leader of House’s view on these things.

This has been a week when the real Opposition—the new Opposition—have established themselves in this House. It was us who led the opposition to EVEL, as the Leader of the House noted, it was us who had the debate on trade and the economy and it will be us leading the two important debates today, including the one on space. You are absolutely right, Mr Speaker, and I was devastated at the news of the death of David Bowie this week. I saw him several times. We have lost an absolute musical icon in this country. One of the things that thrilled me—and, I am sure, thrilled my hon. Friends on the Benches behind me—was an endorsement from Sulu from “Star Trek” for our space debate today. That shows that when Labour and the Conservatives are ripping themselves apart, it is the Scottish National party that is boldly going where no party has gone before.

**Chris Grayling:** The hon. Gentleman’s party was of course previously led by one of this House’s foremost Trekkies, so there is probably a juxtaposition there.

I have to say, as I always do on these occasions, that I have the greatest regard for the hon. Gentleman, but he does talk an awful lot of nonsense at times. The first thing to say is that my right hon. Friend the Member for Ashford (Damian Green) and I have been friends for more than 25 years and we will carry on being friends. The difference between those of us on the Conservative Benches and those on the Labour Benches is that when we have a debate, we do it with good grace. When Labour Members do it, it is because they hate each other—and they really do hate each other, Mr Speaker.

The hon. Gentleman talks about the real Opposition, and it still baffles me how those who purport to be sensible figures in the shambles that is the Labour party today can hold their heads high and still sit on the Opposition Front Bench representing a leadership that I regard as being utterly beyond the pale and something we should keep completely away from ever having the chance to run this country.

Let me return to the hon. Gentleman’s propensity to exaggerate just a little bit. I have to say that his comments about the debate on Tuesday did not really ring true. The idea that he is excluded from the debate—a debate in which, if I remember rightly, he spoke for the best part of half an hour, to the great enjoyment of my hon. Friends, who enjoyed his rhetorical flourish enormously—is, I am afraid, stretching the point just a little bit. I remind him that every poll that has been conducted in Scotland says that the Scottish people support a fair devolution settlement for Scotland and for England, and that is what we are delivering.

I thank the hon. Gentleman for his kind words about the Scottish Secretary. I would also like to extend the thanks of myself and my colleagues to the Scottish First Minister and other leading figures in his party,
who also made some very gracious statements about the Scottish Secretary yesterday. We all very much appreciated that.

On the post-study work scheme, it is right and proper that we have a managed immigration system. People can come to this country to do a graduate-level job, but it is also right and proper that we have appropriate safeguards in place. That is what our electors expect, it is what we will deliver and have delivered in government, and it is what electors across the United Kingdom—of which, happily, we are all still part—all want us to do.

Sir William Cash (Stone) (Con): I am glad that the European Scrutiny Committee, with all-party support, forced the Government to cancel the European Standing Committee on the ports regulation, which may yet continue to damage 350,000 jobs in the United Kingdom. This is a vital national interest. Does the Leader of the House recognise that the issue must be debated on the Floor of the House and voted on? Furthermore, does he accept that, because of the European Union arrangements, the Government are effectively in a position where they can only wring their hands or accept either a majority vote or a seedy compromise, and that this is a perfect example of why so many people in this country want to leave the European Union?

Chris Grayling: Raising an issue in business questions can be effective and I hope that my hon. Friend will take comfort from the fact that his raising this issue last week has led to the changes he suggested. The Chief Whip and I have been talking about how to address what are issues for many hon. Members. We will, of course, revert to them shortly and I thank my hon. Friend for the work he has done in raising this and other issues.

Clive Efford (Eltham) (Lab): My constituents have been suffering all week from cancelled trains because of a landslide on our local rail line. Can we have a statement from the Transport Secretary, because the knock-on effect is complete chaos on all lines? People have received no information from Southeastern about when the service is likely to be reinstated and they are suffering trying to get to and from work. Businesses are also suffering, so we really need someone to get a grip of the situation.

Chris Grayling: I absolutely understand the problems that such events cause the hon. Gentleman’s constituents and, indeed, others. Other parts of the network have also suffered in recent weeks because of extreme weather. I will make sure that his concerns are drawn to the attention of the Transport Secretary this morning. The Transport Secretary will be here in 10 days’ time, but the issue is clearly urgent so I will make sure that the hon. Gentleman’s concerns are passed on immediately.

Sir Paul Beresford (Mole Valley) (Con): My accent states my interest, although I believe a declaration is not necessarily required. Will my right hon. Friend persuade the Government to have a debate on the UK’s relationship with the Commonwealth, particularly the old Commonwealth? I have just returned from visiting New Zealand. It is definitely there and I am very conscious that, in our drive to reduce immigration, the UK is losing out on highly educated English-speaking people, generally graduates, who have very much to offer this nation in health, education, agriculture, banking, research, the armed forces and—dare I say it?—even rugby. There are kith and kin issues with such nations. They have stood with us—and they continue to stand with us today—in major and less major wars. We need to recognise that.

Chris Grayling: My hon. Friend has family roots in and originates from New Zealand, so he has a particular understanding of the issue. Of course, we try to maintain a sensible balance in our immigration system. It is necessary, right and proper to have controls. At the same time, we have routes for experienced people to come to this country and work. Many from Australia, New Zealand and other parts of the Commonwealth have done so over many years. I am sure that Home Office Ministers will have heard my hon. Friend’s comments and that they will do their best to take as pragmatic an approach as they can, but he will understand that there have to be limitations—our electors expect it.

Jess Phillips (Birmingham, Yardley) (Lab): Given that the abolition of student grants will hit 500,000 university students from the poorest backgrounds, can the Leader of the House explain why it will not be debated on the Floor of the House? People in my constituency certainly did not vote for those on the Government Benches, and their democracy is under assault.

Chris Grayling: The statutory instrument will follow the usual route. If it is prayed against, it will not pass without a vote of the whole House, and it will be debated again in this House, which is more than just this Chamber. The Labour party, as I have just announced, has a number of Opposition days coming up. If this is a significant enough issue, I suggest to the hon. Lady that she encourage her Front-Bench colleagues to bring it to the Floor of the House.

Mark Pritchard (The Wrekin) (Con): The Minsk agreement is supposed to settle the dispute between Russia and Ukraine. Part of the agreement says that all illegally held persons should be released or exchanged. Will the Leader of the House arrange an early debate and join me in calling for the release of Nadiya Savchenko, who is a Member of the Ukrainian Parliament and of the Council of Europe?

Chris Grayling: My hon. Friend makes an important point. I hope that due consideration will be given to it by those involved in the detention, and I am sure that my Foreign Office colleagues are aware of and are pursuing the issue. Clearly, we want a peaceful situation between Russia and Ukraine and for all areas of dispute to be resolved quickly.

Jessica Morden (Newport East) (Lab): Last October, the Government hosted a steel summit at which the UK steel industry laid out the urgent actions it needed them to take to protect it in extremely challenging times. Can we have an update from Business, Innovation and Skills Ministers on how fast the Government are acting? Although there has been some movement on energy costs, many areas still need Government action and the situation is critical.
Mr Christopher Chope (Christchurch) (Con): In the light of my right hon. Friend’s important article in today’s edition of The Daily Telegraph, will he organise an early debate in Government time on the issue of ever closer union and on how to ensure legally that the European Court of Justice and EU majority voting rules cannot prevent this sovereign Parliament from being able to exercise its sovereignty in future?

Chris Grayling: Obviously, this is an ongoing concern for Members, and not just those with steel concerns in their constituencies. I will certainly ask for an update from my colleagues in the Business Department. They are not due back in this House soon, so I will ask them if they will write to the hon. Lady with an update. There was due to be a Westminster Hall debate on steel this afternoon, but I believe that the Member who secured it has withdrawn it, which is a shame. I have no doubt there will be other opportunities to debate the issue shortly.

Mr Christopher Chope (Christchurch) (Con): In the light of my right hon. Friend’s important article in today’s edition of The Daily Telegraph, will he organise an early debate in Government time on the issue of ever closer union and on how to ensure legally that the European Court of Justice and EU majority voting rules cannot prevent this sovereign Parliament from being able to exercise its sovereignty in future?

Chris Grayling: My hon. Friend makes an important point. That is one of the things that the Prime Minister has put at the heart of his renegotiation. When he returns from the Council in February, or whenever the negotiation reaches a conclusion, he will undoubtedly include it in the package he will put forward. The people of this country can then judge whether the package is sufficient for their future to be in the European Union or to leave it. I suspect that there will be a lively debate.

Tom Brake (Carshalton and Wallington) (LD): There are many reports in the media today that a mini-beast has spoken on the subject of Brexit. Has the Leader of the House considered making time available for his own mini-personal statement to update the House on the views of his constituents who work in the EU, whose children aspire to study or work in the EU, who have homes in the EU, who want to retire to EU countries or who are EU citizens about the impact of Brexit on their ambitions and opportunities?

Chris Grayling: The only mini-thing I am aware of in the Chamber at the moment is the Liberal Democrat cohort, which has been reduced from 56 to eight in the past few months.

Philip Davies (Shipley) (Con): Following my right hon. Friend’s important contribution to the EU debate today, may we have a wider debate in the House on the merits of leaving or of remaining in the European Union? In such a debate, we would be able to see that the only arguments of those who want to remain in are scaremongering arguments. We would also be able to see that those most enthusiastic about our membership of the EU are exactly the same people who were most enthusiastic for this country to join the euro. They include the shadow Leader of the House, who, despite loving the sound of his own voice, seems to be very reticent about his past enthusiasm for joining the euro.

Chris Grayling: That is certainly true.

Chris Bryant: No, it’s not.

Chris Grayling: Oh, it is.

Paul Flynn (Newport West) (Lab): When can we debate what the Daily Mirror has described as the “gravy train” of 25 former Ministers in the previous Government who are enjoying lucrative jobs in areas that they once regulated, and of the five former Select Committee Chairs who have jobs in firms on which they once adjudicated? Is that gravy train not bringing this House into disrepute, because of the feeling that people are hawking their insider knowledge to the highest bidder? Last week, the right hon. Gentleman said that he was happy with the situation and that all is fine. Previous holders of his office have led in making reforms in the House. When will he, as Leader of the House, start to lead?

Chris Grayling: In response to the issues raised in the Daily Mirror article, there is of course one simple two-word answer: Tony Blair. As I said to the hon. Gentleman last week, there are plenty of opportunities for him to raise his concerns with the relevant Committees of this House. I suggested last week that he should do so. I am sure that he will make his point and seek the changes to the rules for which he is asking.

Pauline Latham (Mid Derbyshire) (Con): Drum Hill in my constituency has served scouting and other uniformed organisations and community groups for 90 years. A 45-year-old wooden building, which is collapsing, is to be demolished, which will leave the organisations with the problem of raising funds to replace it. Will my right hon. Friend facilitate a debate in which we can explore how such big society organisations that serve the wider community are able to access funding to replace much-loved facilities?

Chris Grayling: I pay tribute to the volunteers in my hon. Friend’s constituency, who are clearly doing a fantastic job of working with and providing opportunities for young people. Every one of us as constituency MPs has a story to tell about voluntary sector groups, whether the scouts or other groups, doing fantastic work to help our young people. One thing that I hope the Backbench Business Committee will do with the time available to it is hold one or two annual debates, such as one to celebrate our voluntary sector. I think that would be in tune with the wishes of this House and it would provide precisely the opportunity that my hon. Friend has just asked for.

Kirsty Blackman (Aberdeen North) (SNP): With more job losses announced in Aberdeen this week, the UK Government need to take action to ensure that a drive for increased productivity in the North sea does not come at the expense of health and safety on the rigs. When can we hear a ministerial statement on this matter?

Chris Grayling: The hon. Lady makes an important point. The North sea oil industry remains very important to the United Kingdom. It is, of course, under great
pressure because of the fall in the oil price. We do not wish to see safety standards in the North sea compromised as a result. We will debate the Energy Bill next week, which contains measures that we believe will bring costs down for the energy industry. All of us should work together to do everything we can to help that industry through what is clearly a difficult time.

Sir David Amess (Southend West) (Con): I pay tribute to Sir Albert McQuarrie, a great parliamentarian who died yesterday.

Will my right hon. Friend find time for a debate on the impact of the c2c timetable changes on Southend commuters? There are health and safety issues such as overcrowding, lack of seats and the slow delivery of passengers to Fenchurch Street. I shall be joining passengers in a non-violent demonstration tonight at Fenchurch Street at 5.30.

Chris Grayling: I congratulate my hon. Friend on his continuing work on behalf of his constituents. The questions that we have had about Eltham and his line to Southend show that there is work to be done by our train companies in ensuring that they deliver the best possible service. The Secretary of State for Transport will be here in 10 days’ time to take questions. I am sure that my hon. Friend will take advantage of that opportunity to raise this issue again. As I said to the hon. Member for Eltham (Clive Efford), I will make sure that my right hon. Friend the Secretary of State is aware of the concerns he has raised today.

Angela Rayner (Ashton-under-Lyne) (Lab): As a Greater Manchester constituency MP, I am really concerned that Greater Manchester fire and rescue service has been treated disproportionately once again, when compared with other fire and rescue services across the country. The £16 million of cuts equates to the removal of 16 fire engines from action on the streets of Greater Manchester. These are the very engines and community heroes who responded to the recent floods in our city region. Will the Minister grant Government time to debate the cuts that are being imposed on Greater Manchester fire and rescue service following the comprehensive spending review?

Chris Grayling: Of course, it is our hope and belief that as we unify many of the aspects of the workings of our emergency services, including the sharing of political leadership through police and crime commissioners, that will provide an opportunity to deliver savings while ensuring that we protect front-line services. That is the approach that we are taking. My right hon. and hon. Friends in the Department for Communities and Local Government and the Home Office will work to try to ensure that that happens. There is no option but to take tough decisions to address our financial challenges. We are doing so in a way that we believe will make efficiencies without affecting services.

John Howell (Henley) (Con): May we have a debate on the activities of Network Rail in landscape-sensitive areas, such as the area of outstanding natural beauty in which the Goring gap sits? Nobody wants to hold up electrification, but sensitivity in such areas over the installations that are used to carry the electrification wires would be very much appreciated.

Chris Grayling: I am aware of the concerns that my hon. Friend raises. Indeed, I walked through the Goring gap recently and saw the work that is taking place on the line. The electrification of the Great Western main line is great news for people in his constituency and, indeed, in south Wales, so it will be of benefit to the constituents of the shadow Leader of the House. It is long overdue. When Labour was in power, only 10 miles of railway were electrified. We are now doing the job properly. However, my hon. Friend is absolutely right that Network Rail needs to be careful and thoughtful in areas of outstanding natural beauty to ensure that this essential work does not damage the landscape.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): Further to the question from my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner), in the wake of recent floods there have been calls for flooding to be made a statutory responsibility of fire authorities. The answer from the Government seems to be that if there is an emergency such as flooding and the fire brigade are called, it will attend—which, of course, it will. However, fire brigades attended fires for many years before it was considered a good idea to make it a statutory responsibility for them to do so. Is the Department for Communities and Local Government likely to make a statement to determine whether it is examining that issue, because at some point in future flooding ought to be a statutory responsibility of the fire service?

Chris Grayling: I have high regard for the hon. Gentleman and his work in this House, but I am afraid that we simply disagree on this issue. The idea that we need to pass a law to tell the emergency services to respond to emergencies would be a waste of Parliament’s time, utterly unnecessary, and frankly insulting to a group of professionals who work hard on our behalf, day in, day out, and week in, week out.

Nigel Huddleston (Mid Worcestershire) (Con): A record 10.2 million passengers passed through Birmingham international airport in 2015. With all the attention currently on Heathrow, would my right hon. Friend find time for a debate on the positive economic contribution of the UK’s regional airports, and how the Government could further support them?

Chris Grayling: My hon. Friend makes a valuable point. Birmingham airport is an essential part of the midlands economy. It has been particularly encouraging to see the development of routes between Birmingham and far-off parts of the world where there are strong business links, such as the Indian subcontinent and the middle east. That has been helped by the work of local Members of Parliament, who have argued in support of the economic development of the area. My colleagues in the Department for Transport regard this issue as immensely important, and they will listen carefully to what my hon. Friend has said. I know they will continue to work alongside him and other midlands MPs in an attempt to continue the successful development of that airport.

Wes Streeting (Ilford North) (Lab): What message does the Leader of the House believe he is sending to young people watching our proceedings today, when a Government elected with a majority of just 12 on a
minority share of the vote, and with no manifesto commitment, in a Committee that most of our constituents will never have heard of, abolish student grants, which will hit the poorest students the hardest?

**Chris Grayling**: I say simply that this matter will be voted on by this House, and the House may choose to vote against it. It will be before the House and be divisible on the Floor of this House, and if Members want to vote on it, they can do so.

**Bob Blackman** (Harrow East) (Con): The Chair of the Backbench Business Committee, the hon. Member for Gateshead (Ian Mearns), is unfortunately indisposed; we send him our best wishes for a speedy recovery. On behalf of him and the Committee, may I invite Members to apply for the opportunity to secure a Backbench Business Committee debate, as the Leader of the House has just set out? We currently do not have a huge amount of requests for debates. Through your good offices, Mr Speaker, may I ask Members to complete the forms thoroughly, and to follow the guidelines so that the process is speeded up?

One current concern is that the transport unions are threatening three further strikes on the London underground, which will bring misery to commuters across London. May we have an urgent statement on the issue in the near future?

**Chris Grayling**: I pay tribute to my hon. Friend for the work that he and his colleagues on the Backbench Business Committee are doing, and I echo his call to Members. We are making a lot of time available to that Committee; there are sections of time during the parliamentary week, and over the next couple of weeks a day and a half or even two days are available for debates such as that on the rail sector which has just been raised. I hope that Members who are raising issues to be debated, as my hon. Friend has just done, will look on the Backbench Business Committee as a vehicle to bring those matters to the attention of Ministers and before the House in order to address them.

**Alison Thewliss** (Glasgow Central) (SNP): In my written question No. 20725 I asked the Chancellor “what discussions his Department had with financial institutions prior to the introduction of new rules for Tier 1 Entrepreneur visas in January 2013.”

The subsequent response said simply that the Government have met financial institutions many times since 2013, which is completely inadequate. Can the Leader of the House assist me in getting a more substantial written response?

**Chris Grayling**: If that had been raised as a point of order, you would offer advice to be persistent, Mr Speaker, and to keep asking questions that are more specifically targeted on individual groups, people, institutions or meetings. The City Minister, or those Ministers involved in migration matters, have regular meetings with representative groups and will discuss such issues on a regular basis. The hon. Lady should not think that such matters are not discussed, because they are.

**Chris White** (Warwick and Leamington) (Con): A recent report on UK consumer spending found that 2015 was the second strongest year since 2008. Such figures are encouraging and are relevant for every constituency. May we have a debate on the steps that need to be taken to ensure that this positive trend continues?

**Chris Grayling**: My hon. Friend’s question speaks for itself as a sign of continued economic progress. It is encouraging that we are seeing that economic progress in the midlands and in the north, where the economy has been growing faster than the economy in the south. There is a lot of work still to do. We have a lot of ground still to cover, but we are making good progress. The country is moving in the right direction. All I can say is thank goodness that it is we who are steering the country at a difficult time, rather than the Labour party with a set of economic policies that would be disastrous.

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Despite the Secretary of State for the Environment, Food and Rural Affairs’ stating, in response to my question on 5 November, that she would be happy to discuss the future of the National Wildlife Crime Unit, and despite a number of emails chasing a response, the matter remains unresolved. Given that Members across the House showed support for the unit at an event last week, will the Leader of the House arrange a debate on the issue in the near future?

**Chris Grayling**: This is a matter of concern and I understand the issues. Wildlife crimes in this country are not just those that take place within the United Kingdom. We all wish to see the smuggling of rare species, bush meat and products from endangered species stamped out. I will follow up the hon. Gentleman’s question. If he has not received a response, I will seek to ensure he receives one quickly after today’s debate.

**Martin Vickers** (Cleethorpes) (Con): EU membership is particularly unpopular in my constituency because of the damaging impact of the common fisheries policy. Will the Leader of the House arrange a statement to reassure my constituents that reform of the CFP is taking place during the renegotiations?

**Chris Grayling**: I absolutely understand the concerns my hon. Friend raises. The fishing industry is enormously important to his constituency, as it is to the constituency of the shadow Deputy Leader of the House, the hon. Member for Great Grimsby (Melanie Onn). It is a long-standing and important part of the economy in their part of the world. There have been many calls over the years for more responsibility for the fishing sector to be taken at a local level. The Prime Minister has set the principle of subsidiarity at the heart of his renegotiation. Whatever the outcome of the renegotiation and the referendum, I think we can all agree that decisions should not be taken at a level above that which is necessary.
had to happen and that the decision would be taken in autumn. Energy-intensive industries such as steel, chemical processing and manufacturing are really relying on that decision. Why is it still the case, and may we have a statement on why it is still the case that the Government, irrespective of whether we will be a member of the EU or not, are backing Chinese market economy status without any clarification or qualification?

Chris Grayling: It is clear that China is one of the largest economies in the world. It is a country with which we have historical links. It is right and proper that we engage with China economically. China has also, as we saw at the recent Paris summit, now recognised the imperative of addressing environmental issues. Thanks to the work of several international figures, including my right hon. Friend the Secretary of State for Energy and Climate Change, the outcome of the summit has started the world on a path going in the right direction.

Rehman Chishti (Gillingham and Rainham) (Con): MidKent College in my constituency is doing a phenomenal amount of work to encourage and promote apprenticeships. It informs me that its greatest challenge is to ensure that young people and their parents see apprenticeships as a good and viable alternative to university. May we have an urgent statement on the Floor of the House on what the Government are doing to assist colleges such as MidKent to promote apprenticeships as an equally valuable career option?

Chris Grayling: Apprenticeships are one of the Government’s great success stories. Since 2010, we have seen 2.5 million young people start apprenticeships. That is clearly a step in the right direction. My experience, and I suspect my hon. Friend’s experience, is that I am starting to see young people in my constituency recognise the potential of apprenticeships. There is still a lot of work to do, however. We all have a duty as constituency Members to promote apprenticeships in our constituencies. Some colleagues have held apprenticeship fairs in their constituencies. The point he makes today is one we should continue to deal with and debate on the Floor of the House.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): First, may I thank the Leader of the House for his excellent timing of the Easter recess—or, rather, the lambing recess—which he could not have timed any better? I also draw his attention to another constituency matter—early-day motion 936, in my name and that of many colleagues, on the goodness of Stornoway black pudding and its recognition as a superfood.

[That this House welcomes the recognition of black pudding, Marag Dhubh in Gaelic, as a superfood; notes that its calcium, iron, magnesium, potassium and protein-rich nature make the black pudding an excellent addition to a healthy, balanced diet; expresses pleasure at the economic benefits to Stornoway butchers of its EU Protected Geographical Indication, one of the many great benefits of EU membership; and encourages everyone to discover the great taste of Scottish food.]

Black pudding is rich in calcium, iron, magnesium and potassium; it is protein rich; and it has a low glycemic index—very healthy indeed. Will the Leader of the House keep himself in good health and google “Stornoway black pudding” so that he can again time recesses perfectly?

Chris Grayling: The most unusual email I have had since taking over this job was from the hon. Gentleman, who asked me, “Could you tell me when the Easter recess will be, because I need to work out when to put the ram out with the ewes?” We should have a taste contest between him and my hon. Friend the Member for Bury North (Mr Nuttall) to see whose constituency can deliver the tastiest black pudding. Perhaps you should be the judge, Mr Speaker. Next week, they should bring in some fare from their own constituencies and you could be the arbiter, although I suspect that a draw might be diplomatic.

Mr Speaker: The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) and the unusual have always been very much more than nodding acquaintances.

Jake Berry (Rossendale and Darwen) (Con): I recommend the Bacup black pudding from Rossendale.

May we have a statement on the use of smart technology for reporting potholes? Tomorrow, national pothole day, is a great day for people to download the “Tell Jake” app, developed with streetrepairs.co.uk, which has seen the number of potholes in my constituency reported and sorted double and the response times for repairing them slashed. It is a really good bit of technology that the Department for Communities and Local Government should encourage local authorities to embrace.

Chris Grayling: I think I see the emergence of an all-party black pudding group.

Particularly at this time of the year, with all the rain we have had, potholes are an issue for constituencies across the country, so my hon. Friend makes an important point. I am sure Members with an excess of potholes in their constituencies will take note of his comments and offer guidance to constituents affected, but of course we hope they will be repaired as quickly as possible.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): At the last general election, the Conservative party promised to protect social security for disabled people, and, in addition to the cuts proposed in the Welfare Reform and Work Bill, just before Christmas—just two years after they introduced it—the Government announced a consultation on the personal independence payment process that will, in effect, reduce disabled people’s eligibility. Will they explain why they have reneged on their promise, and when may we have a debate in Government time on this important issue?

Chris Grayling: The whole point about the PIP system was that its predecessor, the disability living allowance, was not being used for the purposes intended. DLA and PIP were designed to provide extra financial resource for people with disabilities, to help them cover the extra costs incurred in their daily lives, but DLA had become a sickness benefit and was being used by people who self-referred and had temporary illnesses rather than disabilities. The system was designed to pay benefits to people who needed them for their disabilities, not to those who did not have genuine disabilities but had health problems. That is what the new system was designed to achieve, and it is perfectly reasonable to review it two years in, to make sure it is delivering that objective.
Chris Grayling: I am happy to do both, and I think we should say very clearly as a Parliament and as a nation that the persecution of Christians around the world is to be abhorred. This is a world that should respect the freedom of individuals to follow their religion. No one should be persecuted for their religion. My hon. Friend is absolutely right that around the world, some Christian minorities are being persecuted for their religion. It is for this country as a beacon of liberal democracy to stand up for them—we should do that and we will.

Toby Perkins (Chesterfield) (Lab): The Leader of the House may be aware that yesterday the House allowed my ten-minute rule Bill on the English national anthem to pass to Second Reading. Downing Street has briefed that it is open to allowing time for this to be properly pursued. It would be a great shame—there is a huge amount of interest in the subject—if when the Bill next comes before us, it is simply batted away without a debate or a vote. What steps can the right hon. Gentleman take to enable the voice of England to be heard and to decide on whether to have a different national anthem?

Chris Grayling: Yesterday’s debate was certainly interesting, but I am not sure that there was complete unity among his Front-Bench colleagues on the subject. I believe “Jerusalem” to be a magnificent part of our musical heritage, but I have to say that as it was being broadcast on a loop yesterday morning around Westminster and as I heard it for the 20th time, I was beginning to think it might be appropriate on selective occasions. I commend the hon. Gentleman for the work he is doing. It is always distressing to us as Mark and his family and to the hon. Gentleman for the advance billing of the Queen’s Speech, with which my right hon. Friend will wish to do everything it can to help the family.

Chris Grayling: Let me first extend my best wishes to Mark and his family and to the hon. Gentleman for The Hague convention and how to ensure that it is open to allowing time for this to be properly pursued. It would be a great shame—there is a huge amount of interest in the subject—if when the Bill next comes before us, it is simply batted away without a debate or a vote. What steps can the right hon. Gentleman take to enable the voice of England to be heard and to decide on whether to have a different national anthem?

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Dr Matthew Offord (Hendon) (Con): Following the issue raised by my hon. Friend the Member for Newark (Robert Jenrick), will my right hon. Friend meet members of the all-party parliamentary group on cultural heritage to discuss The Hague convention and how to ensure that it becomes part of UK law in the next Queen’s Speech?

Chris Grayling: I would be happy to discuss the issue with my hon. Friend and colleagues. Of course, the Secretary of State for Culture, Media and Sport will be here for questions next week, providing my hon. Friend with an opportunity to raise the issue with him. The Government are well aware of this issue.

Jim Shannon (Strangford) (DUP): There are growing concerns across the whole of the United Kingdom of Great Britain and Northern Ireland about sharia law and the use of sharia councils. There can never be two legal systems in the United Kingdom: the law created and processed by this House is the only law of the land. Will the Leader of the House agree to a statement on this most important legal matter?

Chris Grayling: Let us be absolutely clear about this. We have one law of the land which applies to every single citizen of this country—to every single person who is in this country—regardless of race, colour or creed. That is beyond question, and, in my view, it can never be different. Systems that offer arbitration services

middle east at the hands of a group of people who are nothing short of barbarians. If my hon. Friend will forgive me, it would not be appropriate for me to give advance billing of the Queen’s Speech, but I know that this is a matter of concern to my right hon. Friend. The Secretary of State for Culture, Media and Sport and the whole Government. I welcome what is happening in Trafalgar Square. We need to work collectively across the world to try to protect the architectural and archaeological treasures that should be a part not simply of our heritage but that of future generations.

Conor McGinn (St Helens North) (Lab): My constituent Mark Middleton is in a critical condition in hospital in Perth, Western Australia, after suffering a severe brain injury as a result of an accident. Unfortunately, Mark did not have travel insurance, and his family need to raise over £50,000 so that he can make the journey back to the UK, accompanied by a full medical team. Will the Leader of the House ask the UK high commissioner to Australia to make urgent representations on this matter, and ask the Foreign Secretary to publish a written statement next week with the response?

Chris Grayling: I am sure that the member of the House will support the proposal to erect in Trafalgar Square a reconstruction of the Temple of Bel from Palmyra in April and May this year—and perhaps for longer. That proposal coincides with the Queen’s Speech, with which my right hon. Friend will decide on whether to have a different national anthem?

Robert Neill (Bromley and Chislehurst) (Con): Yesterday saw the launch in the terrace pavilion of Open Doors’ 2016 “World Watch” report on the persecution of Christians, which regrettably is growing and has reached the stage where Christians are now the most persecuted group. Will the Leader of the House welcome the work of Open Doors and ask for an update from our right hon. Friend the Secretary of State for International Development on how we might implement its proposal that the UK use its position as a major aid donor as leverage in ensuring plurality and proper respect for faiths in aid-recipient countries?

Robert Jenrick (Newark) (Con): I am sure that the member of the House will support the proposal to erect in Trafalgar Square a reconstruction of the Temple of Bel from Palmyra in April and May this year—and perhaps for longer. That proposal coincides with the Queen’s Speech, with which my right hon. Friend will decide on whether to have a different national anthem?

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Chris Grayling: My hon. Friend makes a really important point. We have all looked with dismay at the gratuitous destruction of parts of our collective heritage in the destruction of parts of our collective heritage in the...
within, for example, religious groups are ultimately not legally binding. Ultimately, the only places in our country that deliver legally binding rulings are our courts, and people in this country can always have recourse to the courts in the event of matters of challenge in their lives.

I know that this matter is of concern to the Home Secretary. She will be here next week, and I encourage the hon. Gentleman to raise the issue with her, as indeed, will I.

James Berry (Kingston and Surbiton) (Con): Figures published today reveal that there has been a 30% increase in the number of acid attacks over the last two years. These brutal attacks leave their victims with a life sentence, which is often longer than the sentences that the perpetrators receive. May we have a debate on ways of tackling acid attacks, including better regulation of the most corrosive substances?

Chris Grayling: I had a brief discussion about this very matter with my right hon. Friend the Minister for Policing, Crime and Criminal Justice a while ago. I know that it is a matter of great concern to Home Office Ministers, who have been considering and discussing it in recent days. It is clearly a matter of great concern, because the lasting impact of an acid attack on an individual can be profoundly life-changing. We must always condemn such attacks, and always try to stop them. I will ensure that my hon. Friend’s concerns are raised after this session.

Andrew Gwynne (Denton and Reddish) (Lab): Last Monday saw the deadline pass for responses to the consultation on the Greater Manchester spatial framework, which sets out housing land supply for the next 20 years. It is bad enough that very few councillors in Greater Manchester knew that the consultation was taking place, but it is atrocious that the public did not know either. May we have a debate in Government time on the accountability of combined authorities, to the electorate in particular, but also to the members of the constituent councils?

Chris Grayling: I have listened carefully to what the hon. Gentleman has said. I will pass his concerns to the Department for Communities and Local Government, which will undoubtedly be anxious to ensure that the new systems work effectively. Of course, councils and councillors have a duty to communicate what is going on to their members and their constituents. When that does not happen it is not always the fault of the people at the centre; nevertheless, there is that duty to try to ensure that the message gets out.

Ben Howlett (Bath) (Con): I was pleased to hear during Women and Equalities questions that the Minister welcomed the publication today of the trans inquiry report. My right hon. Friend the Member for Basingstoke (Mrs Miller) asked the Leader of the House for a debate on the report in the Chamber. I must defer to the expertise of the Clerks, but as far as I know there has not previously been a debate about the trans community on the Floor of the House. In the light of my right hon. Friend’s report, will the Leader of the House host such a debate?

Chris Grayling: I think that that would be a very sensible thing to do. The deputy Chair of the Backbench Business Committee, my hon. Friend the Member for Harrow East (Bob Blackman), is present, and will undoubtedly have noted my hon. Friend’s question. In order for such a debate to take place, a formal request must be made to the Committee, but I think that both the time that it is able to provide and the time that is available in Westminster Hall present ideal opportunities for discussion of the report, and of an issue that I suspect has not previously been debated on the Floor of the House, although it is a very real and genuine issue.

Brendan O’Hara (Argyll and Bute) (SNP): The Leader of the House will be well aware of the fate of six British sailors in Chennai, including my constituent Billy Irving, of Connel, near Oban. Having been detained for nearly two years, they were each sentenced to five years’ rigorous imprisonment in an Indian jail. The case, and the sentence, has shocked and caused great upset to the men and their families. Will a Foreign Office Minister make an urgent statement to the House as soon as possible about what the Foreign Office plans to do to help these men?

Chris Grayling: I know the hon. Gentleman has been a vigorous campaigner on behalf of these gentlemen and their families. After this session of questions has finished, I will pass that message to the Foreign Office and ask it to respond to him. Of course, such situations are much more challenging to address once a court has ruled, because we have to respect the justice systems of other countries, but I absolutely understand the concerns. It may be that these gentlemen choose to appeal, and if they do so I would expect the usual consular support to be made available.

Mr Philip Hollobone (Kettering) (Con): It has been reported that President Obama will be visiting this country in May, no doubt at the start of his farewell tour. More disturbingly, it has also been reported that he will be invited by the Prime Minister to comment on the merits of Britain staying in the European Union as part of an increasingly desperate attempt to shore up the increasingly threadbare proposals for us to stay in the EU. Will the Leader of the House, as the representative of this House, write to the United States ambassador, not only to welcome President Obama to this country, but to make it clear to the ambassador that the President should not be commenting on very important domestic issues, important to the people of this country?

Chris Grayling: I think I can reassure my hon. Friend that I suspect such a letter is not needed, because I have no doubt that the American ambassador closely follows the proceedings in this Chamber and that the comments of my hon. Friend will be reported to him. I am sure that message will filter back to the Americans.

Mrs Madeleine Moon (Bridgend) (Lab): May we have a debate on the rather bizarre decision reached by the fisheries Minister, the hon. Member for Camborne and Redruth (George Eustice), at the European fisheries and open opportunities meeting, whereby gillnet fishing is to be allowed to continue of the endangered bass species, whereas domestic anglers are told they are to have a zero-take bag? It seems to me and many domestic anglers an absolutely unfair decision that stops their
recreational fishing while hugely increasing the take of an endangered species by fishermen, including in the fisheries Minister’s constituency.

Chris Grayling: The hon. Lady is not the first Member to raise this concern. I am not aware of the detail that has prompted the decision, but I can understand why hon. Members think it is somewhat strange. I will ask my hon. Friend to write to her after this meeting to explain the reason for that decision and what, if anything, happens next.

Mr David Burrowes (Enfield, Southgate) (Con): Can the Leader confirm that, sadly, the Government have a new year’s resolution to further deregulate Sunday trading in the forthcoming Enterprise Bill? Why do the Government not publish the results of their Sunday trading consultation, which may have got lost in the Christmas decorations bag, and realise that this is a new year’s resolution that makes no business sense and no family sense, and should be broken as soon as possible?

Chris Grayling: I know my hon. Friend. Friend feels very strongly about this issue, and I would simply assure him that if any proposals are brought forward, the House will be properly informed and all appropriate information will be provided.

Patrick Grady (Glasgow North) (SNP): After the Legislative Grand Committee on Tuesday, there were some rather forlorn-looking Clerks in the Division Lobbies packing away iPads that had not been used, having been specially set up to record English votes for English laws. Given that these tablet devices have been paid for and exist, why not put them to use to record all Divisions in the House as the first step towards a 21st-century system of electronic voting?

Chris Grayling: I think that is the intention. The House of Lords is already using iPads to record Divisions, and it seems to me entirely logical that we should do the same. The system is now in place for the double majority votes, and it is my hope and expectation that we will move to general recording in the very near future. There is no reason not to do that.

Rachael Maskell (York Central) (Lab/Co-op): Businesses across York have been seriously impacted by the floods as people have stayed away due to the images of floodwater. York has dried out, cleaned up and is open for trade. We should be encouraging people to go into the city to visit, to shop, and to eat and drink, to ensure that its economy flourishes. That is true not only of York but of Carlisle, the centre of Manchester and elsewhere.

Andy Slaughter (Hammersmith) (Lab): Next week, the High Court will hear a judicial review brought by, among others, my constituents Rebecca Steinfeld and Charles Keidan, who wish to enter into a civil partnership but cannot currently do so, in breach of their article 8 and article 14 rights. We are aware of the Leader of the House’s love of the Human Rights Act—perhaps he will apply for Shami Chakrabarti’s job, given that he will be looking for one soon—but this is a matter for Parliament. Will he find Government time to legislate to allow different-sex couples to enter into civil partnerships?

Chris Grayling: The hon. Gentleman has made this point before, but if this matter is before the courts, it is not appropriate for us to discuss it today. The Government have considered the matter before and they do not currently have proposals to make a change, although Ministers and this House will always keep it under review.

Stewart Malcolm McDonald (Glasgow South) (SNP): The Energy Secretary has noted her frustration that the five-year low in wholesale energy prices has not been passed on to consumers, but quite frankly, my constituents are less interested in what frustrates the right hon. Lady than in finding out what action she is going to take as Secretary of State. May we have a statement from her to tell us exactly what she intends to do to help hard-pressed businesses and households that are currently paying through the nose?

Chris Grayling: The most straightforward option is to shop around. There have been price reductions, and they tend to be among the smaller, newer entrants to the market. We have taken significant steps to encourage a broader range of providers to enter the market, and the number has risen from six to the best part of 30 providers. There are now some much better deals around. The way to get a cheaper price is to shop around, and we should do everything we can to encourage people to switch easily and to chase the best option.

Liz McInnes (Heywood and Middleton) (Lab): May we have a debate on the recent report from the Museums Association, which reveals that nearly one in five regional museums has closed a part or a branch to the public over the past year, with the north of England being particularly affected because of reductions in local authority funding from central Government?

Chris Grayling: We cannot dictate what local authorities do with their money, but what I can say is that in the spending review we protected the money that goes to cultural institutions precisely because we recognise their importance. We as a Government will continue to do that, but it is for local councils to set their own local priorities.

Susan Elan Jones (Clwyd South) (Lab): The Leader of the House will be aware that the Welsh Grand Committee meets from time to time. Indeed, I think he appeared in front of it in Wrexham once. He will
therefore be aware that any time the Committee meets in Wales, its members may make representations and speak in either English or Welsh. However, when the Committee meets in a Committee Room in this place, its members are permitted to use only English. In view of the fact that there are two official languages in Wales, and that we have a Welsh Grand Committee coming up on 3 February, will the right hon. Gentleman make a commitment that all its members may use either English or Welsh?

Chris Grayling: I will not give the hon. Lady a commitment about that, but she makes a serious point and I will take a look at it. Clearly it is important that that happens in Wales, and I was not aware that it was not possible in this building. I will go and take a look at that for her.

Justin Madders (Ellesmere Port and Neston) (Lab): Every piece of evidence shows that scrapping student grants will deter students from poorer backgrounds. Regardless of the merits of the proposal, is this not also about democracy? The proposal, which did not appear in the Conservative manifesto, will affect more than 500,000 people, and it is going to be decided in a back room by a small number of people. Is that not a shoddy way to do business? Is it not about time that the Government showed the courage of their convictions and allowed a full debate and a full vote on the proposal on the Floor of this House?

Chris Grayling: If Labour Members feel so strongly about this matter, they could use the Opposition day next Tuesday to debate it. A statutory instrument of this kind cannot pass into law, against the wishes of Members of this House, until it is voted upon the Floor of this House. Every night, as part of the remaining orders of the day, we address motions, and if people disagree with them they pray against them and they are then divided upon. That can happen, and it will happen if the Opposition choose to make it so. I remind the hon. Gentleman that, for all the stories that have been told by the Opposition in recent years, the number of young people from deprived backgrounds going to our universities has actually been going up, not down.

Paula Sherriff (Dewsbury) (Lab): May we have a debate in Government time on cervical screening for women under the age of 25, too many of whom have died after being refused a smear test? Emma Louise Fisk died at the age of 25 after being refused a smear test approximately 10 times, having been erroneously diagnosed with a urine infection. Many Members across the House will welcome the opportunity to ask Health Ministers whether it is time to offer young women tests on request, as well as to do more to promote take-up of smear tests among women of all ages and ethnicities.

Chris Grayling: It is always a difficult challenge for the health service to set the framework within which it offers tests. The hon. Lady makes a point that has been raised before. It is tragic when situations such as the one she describes take place. I will of course ensure that the Health Secretary is made aware of the concern that she has raised. None the less, these things must be a matter for the professionals to decide what to do and what not to do, but she makes an important point and I will pass it on.

Alan Brown (Kilmarnock and Loudoun) (SNP): Today, we have a debate on space technology. In sharp contrast, the Leader of the House may be aware that the Department dealing with child tax credits will take faxes but not emails for MPs' constituent inquiries, which is hardly 21st-century technology. In a written answer this week, the Treasury advised me that that was because standard emails are not secure, and yet the Department for Work and Pensions responds to emails that contain sensitive information. I am concerned that that implies that MPs' emails are not secure. Can we have a proper ministerial statement, or a debate, on the security of the IT systems managed by the Government?

Chris Grayling: The hon. Gentleman makes an important point. The matter of parliamentary emails is under discussion as it is of ongoing concern. The new head of security, who has been in place for a few months, has said that he regards ensuring integrity and security around our IT systems as an important area. I assured him that both the authority of this House and Mr Speaker are indeed concerned to ensure that that is the case.
Points of Order

11.47 am

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. The Leader of the House has twice now said that the student finance measure, which started consideration in Committee at 11.30 this morning, will automatically be voted on by the whole House, as it will end up appearing on the Remaining Orders of the Day, but that is not the case. I say gently to him that he does not understand the rules. The simple situation is that, because the measure is going through the negative process, unless there is a motion formally tabled and carried in this House that says it shall not pass into law by 23 January—the motion must be tabled by him, by Government, or, theoretically, by us on an Opposition day—it cannot come to pass. He should not inadvertently mislead us by suggesting that this will happen automatically.

If he is saying that he will table such a motion and allow for a debate, we would be very grateful, but he should not inadvertently mislead the House.

Mr Speaker: I am sure that the shadow Leader of the House is not making a speech to, or at, the Leader of the House. What he is really doing is asking for my guidance, which I am happy to provide. If that guidance happens to coincide with his own interpretation of matters, I dare say that he will dance around the mulberry bush in exultant celebration. Let me tell him and the House what the position is. I understand that the regulations are indeed being debated in Committee as we speak as a result of a reference moved by Ministers in response to a prayer—that is a motion against the regulations. I am sure that the House is with me so far. That is a perfectly commonplace, almost prosaic, procedure. It is open to Ministers to bring forward the prayer for decision in the House without further debate, or it can be brought forward by the Opposition on an Opposition day for determination by the House. That is the situation.

Chris Bryant rose—

Mr Speaker: If the hon. Gentleman is quizzical, I would not wish him to remain so.

Chris Bryant: Further to that point of order, Mr Speaker. I am grateful for that guidance. May I seek a little bit more? I was not sure whether you heard the Deputy Leader of the House say, “Yes, that is what’s going to happen,” because that is not what, thus far, the Government have said—

Mr Speaker: What is “it” in this context?

Chris Bryant: That they will bring forward a motion, so that there is a vote. It does not happen automatically. As I understand it, the Government have to decide to do it. If the Leader or Deputy Leader of the House would nod to indicate that that is what they are going to do—

Mr Speaker: Look, the hon. Gentleman is an extremely important Member of this House, and no one is more keenly conscious of that fact than he, but it is not for him to seek to persuade, cajole or exhort people to nod. If the Leader or Deputy Leader of the House wishes to give the House a clear indication now of the Government’s intentions in respect of this matter, specifically the centrality or otherwise of the Chamber to its resolution, either of them is perfectly free to do so, but neither of them is under any obligation. It is a case of speak now or, if not forever hold your peace, for the time being do so.

The Deputy Leader of the House of Commons (Dr Thérèse Coffey): Further to that point of order, Mr Speaker. I am not going to announce the business of the House, because the Leader of the House has already done that, but any Member can go and participate in that debate now. It is then for the Government to decide whether to bring the matter forward, as you have already pointed out in your guidance, Mr Speaker.

Mr Speaker: I think we will leave it there for now. Right hon. and hon. Members will make their own assessment, and I thank the Deputy Leader of the House for what she has said.
Parliamentary Assembly of the Council of Europe: UK Delegation

PUBLIC ADMINISTRATION AND CONSTITUTIONAL AFFAIRS COMMITTEE

Select Committee statement

Mr Speaker: We now come to the Select Committee statement. Mr Bernard Jenkin, the Chair of the Public Administration and Constitutional Affairs Committee, will speak for no more than 10 minutes, during which time, I remind colleagues, no interventions may be taken. At the conclusion of the statement, I will call Members to put questions on the subject of the statement and call Mr Jenkin to respond to these in turn. Members cannot expect to be called only once. Interventions should be questions, and should be brief. Front Benchers may take part in questioning. I call the Chair of the Public Administration and Constitutional Affairs Committee of the House, Mr Bernard Jenkin.

11.52 am

Mr Bernard Jenkin (Harwich and North Essex) (Con): I am grateful to the Backbench Business Committee for the opportunity to make this statement on PACAC’s report on our brief inquiry into the appointment of the UK delegation to the Parliamentary Assembly of the Council of Europe, which is published today.

When the membership of the new delegation was announced in November, there was some disquiet among some right hon. and hon. Members, including myself and other members of the Select Committee, about the way the delegation was chosen and appointed. Concerns were raised by colleagues and the media that the way the delegation was appointed to the Parliamentary Assembly of the Council of Europe contravened the rules of the Assembly by failing to extend the opportunity to the existing members of the delegation to choose to remain, and for potential new members to express an interest in joining. This was not the case in November, when certain right hon. and hon. Members were simply removed from the delegation by fiat. Some of those so removed had wanted to continue, including my hon. Friend the Member for Christchurch (Mr Chope) and for Gainsborough (Sir Edward Leigh), and my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan). The House should note that my right hon. Friend is a member of PACAC, but she therefore recused herself from the Committee’s proceedings on this matter.

It has been established practice, until this Parliament, for the existing members of the delegation to choose to retire from it, and for potential new members to express an interest in joining. This was not the case in November, when certain right hon. and hon. Members were simply removed from the delegation by fiat. Some of those so removed had wanted to continue, including my hon. Friend the Member for Christchurch (Mr Chope) and for Gainsborough (Sir Edward Leigh), and my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan). The House should note that my right hon. Friend is a member of PACAC, but she therefore recused herself from the Committee’s proceedings on this matter.

Following a debate in this House to elect a new delegation for the present year, which saw a Back-Bench motion defeated by the payroll vote, PACAC received a letter from my right hon. Friend the Member for North Shropshire (Mr Paterson) and the Committee resolved to invite the Leader of the House to give oral evidence on the matter. We also received written evidence from my hon. Friend the Member for North Thanet (Sir Roger Gale), who is the newly appointed leader of the UK delegation to the Parliamentary Assembly of the Council of Europe. We also received written evidence from my hon. Friend the Member for Christchurch, although it was very late in the process. I apologise to him for the fact that we had completed and resolved to make our report before his evidence reached me or the members of the Committee. I do regret this and apologise to him for it. Nevertheless, his evidence is published on our website. It would not have altered the substance of our recommendations, but it speaks for itself.

The Parliamentary Assembly of the Council of Europe does not much restrict how its delegates should be appointed. It Rules Committee states that delegates are “elected . . . or appointed from among the members” of each Parliament “in such manner as it shall decide”.

My Committee heard that the Conservative party used a system based on patronage of the leader or the so-called usual channels, meaning the Whips Office. As such, PACAC concludes that the Government have not broken any rules of the Assembly. However, the Rules Committee of the Assembly said that the UK Parliament should “review with the utmost diligence” the way in which the delegation is appointed to “bring it fully into line with . . . democratic principles”.

Parliament is not bound to take any action on that advice. Nevertheless, we recommend that the House should revise the way in which delegates are chosen in the future, on the basis that this is how a great Parliament makes decisions, and we should represent the highest standards of democracy and accountability to our fellow European parliamentarians. We therefore recommend that, in future, the delegation should be elected, not appointed by the Prime Minister as now, and moreover elected by the membership of the House of Commons along similar lines to those on which the House now elects members of Select Committees, but also providing for the gender balance required in this case.

This means that the House can object to the inclusion of delegation members who may be considered unsuitable, as is the case with motions on the appointment of Select Committees. This has not been the case before. Following the success of the Wright Committee’s recommendations to reform elections to Select Committees, it seems only right that the same principles should be extended to parliamentary delegations. The key recommendation of this report is that future delegations are chosen by free, fair and open elections. Subject to the approval of this recommendation by the House, the Procedure Committee would consider how the reform might be implemented, also so as to reflect the gender balance requirement.

We recommended that this system of election could be extended to other delegations, such as NATO, the Organisation for Security and Co-operation in Europe, and the British-Irish Parliamentary Assembly.

I very much hope that the House will welcome this proposal for democratic reform in the way that the UK appoints its most significant parliamentary delegations, and that the House will vote to approve it soon.

Melanie Onn (Great Grimsby) (Lab): Yet again, we appear to be intruding on the private grief of the Conservative party. Although I take no joy in that, I welcome the statement and the report to which it refers. It echoes the collective view from the Opposition Benches that the UK delegation to the Parliamentary Assembly of the Council of Europe should be chosen on a democratic basis. We wholeheartedly agree with the proposals in the report.
Will the hon. Member for Harwich and North Essex (Mr Jenkin) please confirm that this is the first and only such examination of how this House chooses its parliamentary delegation and that, if the report is agreed, under the rules of the Council of Europe it will be incumbent on the Conservative party to comply with the report’s recommendations?

Mr Jenkin: I believe it is the first time that any review of the procedure has been undertaken. That complies with the request made to us by the Rules Committee of the Parliamentary Assembly, but it is a matter for the House as a whole how it takes this matter forward. The Committee cannot bind the House on how it should proceed. Perhaps the official Opposition will provide time to ensure that the House has an opportunity to debate our recommendations.

Mr Christopher Chope (Christchurch) (Con): I thank my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) and the members of his Committee for this very thorough report. What does he intend to do to try and ensure that his recommendations are carried forward, even in the face of implacable opposition from the Government? How can this House of Commons take control of the matter and ensure that its own choices are appointed to the Parliamentary Assembly?

Mr Jenkin: I would recommend either that Back-Bench business time be provided so that my hon. Friend can bring forward a motion, or that that is done by Her Majesty’s official Opposition, who clearly feel strongly about the matter. I imagine that every member of my Committee would support that.

Kelvin Hopkins (Luton North) (Lab): As a member of PACAC, I am delighted to support the report and to applaud our Chair on what he has said. Do the Government accept that there has been a cultural change over the past 15 years and that we now decide most things like this by election? The power of the Whips to stuff Committees with their favourites has more or less disappeared, certainly for Select Committees, and that is a very welcome change.

Mr Jenkin: I very much agree that there are now different expectations about how these matters should be decided. I have in my hand a written ministerial statement issued only yesterday, entitled, “UK Delegation to the Parliamentary Assembly of the Council of Europe”. Admittedly, it only removes one peer and appoints another, but it was issued by the Prime Minister. He, of course, is a parliamentarian and the leader of a political party, but I think that the expectation now is that these matters should be handled by the two Houses and clearly ought not to be decided by the Executive. We all know what “the usual channels’ means; it means decisions being made in secret, reasons not being given, and there being very little accountability. I think that people expect us to improve on that in today’s age.

Philip Davies (Shipley) (Con): I very much welcome what my hon. Friend has said about Members being elected to the delegation, rather than appointed. We await the Government’s formal response to the report, but has he had any indication that they might be sympathetic to its conclusions, and can he confirm that it was agreed unanimously by the Committee?

Mr Jenkin: I can confirm that the report was agreed unanimously. The only evidence we have taken from the Government is the oral evidence from the Leader of the House. As we are learning, what a Minister’s private thoughts might be on certain matters might not reflect what they say as a Minister. I hope that the Government will reflect on the Wright Committee and the success of Select Committee elections and recognise that times are changing. The days when they could hand out delegation places to Members of Parliament on the basis of grace and favour are over. That does not win us respect in the Council of Europe or among other parliamentarians across Europe, to whom this House should be setting an example.

Paul Flynn (Newport West) (Lab): As the longest-serving member of the UK delegation to the Council of Europe, I congratulate the Committee, and particularly its Chair, on the impartial way that this matter has been dealt with. Never in all the years that I have served in the Council of Europe did I envisage a day when one of its committees would tell the UK, which has been the gold standard for democratic integrity for the past 70 years, that we should bring our standards of democratic accountability up to those of Azerbaijan and Bulgaria. This has been a shameful period for the United Kingdom. It is not just the delegates who are not elected; neither is its leader. Neither Conservative delegates, nor those from other parties, have any role whatsoever in that. We will be going back on the spirit of the Wright reforms unless that is changed quickly.

Mr Jenkin: I pay tribute to the longest-serving member of PACAC, or whatever name it had in previous Parliaments. The hon. Gentleman has been an enormous fund of institutional memory on that Committee, and that is extremely useful. During our inquiry, he pointed out that his party already has a form of elections for its delegates that provides for the complexity of providing gender balance. Some of the objections that have been raised to say that we cannot do this are therefore clearly confounded by the experience of his party.

I think it would be a mistake to say that this episode has brought shame on our country. The hon. Gentleman is right to make comparisons with other countries that do things better. However, the Rules Committee made it clear that people might have misunderstood the confusion of roles that we have in this House whereby the Prime Minister is also leader of the governing party and sits as a parliamentarian. The more classical separation of powers that is expected does not exist in our constitution. That is not a matter of shame for us, but we are now a little behind the times. We should be demonstrating how, in our procedures, we expect the best, and the most open and democratic, practices to be adopted—not from the age of deference but the age of popular democracy.

Mr John Spellar (Warley) (Lab): I, too, commend the Chairman and the Committee for this report. I confess to finding it strange that the Prime Minister should have sought, in a fit of pique, to exclude troublemakers from the delegation to the Council of Europe, because in my time as a Whip we thought that was one of its
Mr Jenkin: Without straying too much into Greek terminology, I think that what Prime Ministers have they tend to want to keep and not give up. There was perhaps a failure of imagination about the effect of what people wanted to do, but that has provided this House with an opportunity to review, to debate, and, I hope, in due course to decide on how to make sure that we bring our procedures into the democratic age.

Mr Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on his statement and the way he made it, and thank him and his Committee for producing this report in a most timely fashion since the controversy arose. He has lifted the stone from the rather murky, grubby world of the use and abuse of Government patronage. I congratulate him on doing that and support his recommendations.

With the Select Committee example, we have a perfect opportunity to elect all our delegations to international bodies on a full, free and fair basis. As a member of the Backbench Business Committee, may I invite him to present to us his case for his recommendations to form part of a motion that could be voted on by this House? Now that the hon. Member for Great Grimsby (Melanie Onn) has said that we have the support of Opposition Front Benchers, and given the importance that the Council of Europe attaches to motions of this House, but not necessarily to the views of Her Majesty’s Government, it would be a wonderful opportunity to demonstrate that this House is fully behind his recommendations.

Mr Jenkin: I am very grateful for, and flattered by, my hon. Friend’s invitation. It is important to say that were we to undertake to do this, I would want some assurances from those who say they support these proposals that they will make strenuous efforts to make sure that people turn up and vote for them, because we often have debates in this House where very few turn up, and then the Government decide to take no notice. The Member for Great Grimsby (Melanie Onn) has said that we have the support of Opposition Front Benchers, and given the importance that the Council of Europe attaches to motions of this House, but not necessarily to the views of Her Majesty’s Government, it would be a wonderful opportunity to demonstrate that this House is fully behind his recommendations.

Dr Philippa Whitford (Central Ayrshire) (SNP): I beg to move,

That this House notes the scientific, cultural and technological opportunities arising from exploration of outer space and the significant contribution the space industry makes to the UK economy; further notes the increased public interest in space exploration resulting from Major Tim Peake’s mission to the International Space Station (ISS); welcomes the global co-operation that has led to the development of the ISS over the last forty years; takes note of the shortlist of airports and aerodromes that could host a UK spaceport published by the UK Government in March 2015; and calls on the Government to bring forward further advice and support for organisations considering developing such facilities so that they might be operational by the Government’s target date of 2018.

If hon. Members read the motion, they will see that it covers the incredible breadth and depth of the space industry and its amazing potential. I hope that that will be covered during the debate by Members from different parts of the United Kingdom. Some people are likely to stoop to using some fairly poor puns. At this point I would like to register the fact that I accept no responsibility for that. I lay the blame at the feet of the Prime Minister, who has stooped to using some pretty shocking puns at Question Time recently, something for which he needs to be penitent.

Some people who follow the media will be aware that our former First Minister, my right hon. Friend the Member for Gordon (Alex Salmond), has used as a travelling pseudonym the name of that famous captain of the USS Enterprise, but for a debate as important as this, I felt we should contact the real McCoy. I therefore have a message to the House of Commons from William Shatner:

“Space is one of the last known frontiers, mostly untouched by mankind and his politics. In opening a debate on this subject my hope is you take the tenets of Star Trek’s prime directive to universally and peacefully share in the exploration of it. I wish you all a wonderful debate. My best, Bill”.

As some people will have seen, we have also had a message on Twitter from George Takei—otherwise known as Mr Sulu—wishing us luck as we venture to the stars.

This is not a debate about fictional astronauts. We tried to get the debate on this day to honour a real astronaut, Major Tim Peake, who is currently in the international space station. We sought it today because tomorrow he will be making a spacewalk. Contrary to some slightly sloppy journalism, he is not actually the first British astronaut. That honour fell to Dr Helen Sharman from Yorkshire a quarter of a century ago, in 1991. I find it incredibly appropriate that, prior to that, some slightly sloppy journalism, he is not actually the first British astronaut. That honour fell to Dr Helen Sharman from Yorkshire a quarter of a century ago, in 1991. I find it incredibly appropriate that, prior to that, she was a research chemist for Mars. [Laughter.] I’ll get worse.

However, Major Tim Peake is our first astronaut through an increased engagement with the European Space Agency. While Helen Sharman was on the Mir station, he is in the international space station, and tomorrow he will certainly be taking part in the very first British spacewalk. It will start, hopefully, at 11.30 GMT tomorrow morning. I would encourage all schools, children and youngsters of all ages to log on to principia.org or
NASA TV on the internet, where it will be shown, as it truly is an historic moment. He has been tasked with changing regulators on the solar panels. As they are high-voltage regulators, the walk has to be carried out entirely on the dark side.

I am a member of the parliamentary space committee. We had the great opportunity to have a private tour of the “Cosmonauts” exhibition in the Science Museum, which I would recommend to anyone. The museum spent four years negotiating with Russia to bring incredible artefacts to this country—the space capsule of Tereshkova, uniforms of Gagarin and all sorts of pieces of hardware that even people in Russia did not know existed. What struck me as we went round the museum was the fact that, during points of incredible friction between Russia and the US and across the world, back channels always remained open. Co-operation always continued on the international space station. We have seen that in these few years of setting up the exhibition, during which we have had the Ukrainian crisis, Crimea and friction over Syria. If we can work so well together in space, it would be great if we could work a little better here on earth.

Any Members who were in the Chamber when I made my maiden speech will remember that I referred to Prestwick in my constituency as being on the shortlist for consideration as a space port. I remember that whenever I talked to anyone about that during the election, they would always just laugh, because in this country we think that space is for other people—the big boys: north America, Russia and maybe even China, but not us. That is something we have to change. We need to believe in what we can do, and I think Major Tim Peake’s mission will achieve that. We see the interest of school children and the Science Museum was packed on the day of the launch, and we had Members in this place watching it live on screen. We hope it will lead to an interest in STEM subjects—science, technology, engineering and maths—and an absolute belief in the space industry here in the United Kingdom.

The space industry is new, but the UK has a proud aviation history, which includes Rolls-Royce and supersonic flight. We need to take the next step and grasp that opportunity. The industry has changed over the past five years, and I applaud the decisions taken in 2010 that led to the formation of the UK Space Agency. It is now an industry with a turnover of £11.5 billion. It employs 35,000 people, three quarters of them in graduate jobs, and a third of its production is exports, but the vision of the Department for Business, Innovation and Skills is that it should grow to become a £40 billion industry. For that, we really need to take action.

If it was not a political decision, there should not really be any great doubt that the choice should be Prestwick. We already have almost everything that is needed. We have a runway that is touching 3 km. We are in a coastal position, to allow start-off over the sea. We have the northern air traffic control centre in our campus, which allows the planning of what will be some pretty clever management of airspace, and obviously we have relatively empty airspace. We are close to Glasgow University and Strathclyde technology catapults and we have, uniquely, an aerospace cluster on the airport campus. It contains BAE Systems, Spirit AeroSystems and many others, all of whom are interested in the idea of a space port.

Up the road from us is Clyde Space, which makes small CubeSats that are only a litre in size. Early communication satellites were weighed in tonnes and were the size of a double-decker bus, but the UK, through Surrey Satellite Technology, has led since the ‘80s in producing satellites that are about the size of a fridge. That is a step change. It has been shown that if the cost of getting a satellite into space gets down to the tens of thousands, everyone is going to want one. We will have to look at regulating that, otherwise space will be full of junk, but it enables all sorts of possibilities. However, we do not have a domestic launch site. That is why the aim is to have a UK space port by 2018.

As well as all the physical attributes of Prestwick, 20 years of Met Office data show that, despite preconceptions, it has the clearest weather, compared with Newquay, which people would presume is the closest contender. Low cloud is suffered by Newquay 31% of the time and only 11% of the time at Prestwick. Less than 5 km visibility is suffered by Newquay 15% of the time, with Newquay 10% of the time at Prestwick. I live in Troon, which is next door, and I can vouch for the fact that we have a weird little weather system, locally known as the Prestwick hole. People can fly into it, drive into it or walk into it. They can be surrounded by thick cloud, but they will look up and see a large hole of pure blue sky. That is what has made Prestwick the clear weather airport for the United Kingdom for decades.

I call on the Minister to look not just at having one space port. I think this is an industry that will mushroom. We need to accept that all sorts of sectors will develop that we have not even thought about. It will diversify. This is a real industry. It is not about saying, “Beam me up, Scotty,” or fretting about the dilithium crystals that we see on the telly; it is a multi-billion pound industry. I call on the Minister to be imaginative, to be brave and to be boldly going where no Minister has gone before. [HON. MEMBERS: “Ooh!”] Nearly done.

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): More!

Dr Whitford: Oh, I am sure the Minister will have about two hours more.

Prestwick was Scotland’s first ever passenger airport and it was founded by Group Captain David McIntyre, the first man to fly over Everest. That is the kind of imagination and drive we need. I call on the Minister to please be imaginative and to support the industry across the entire UK so that it can live long and prosper.

Dr Phillip Lee (Bracknell) (Con): It is a privilege to follow the hon. Member for Central Ayrshire (Dr Whitford). In fact, I am beginning to question why we are not in the same party, because every time she speaks I find myself agreeing wholeheartedly with her on a variety of different issues.

The hon. Lady will not know that, in my maiden speech in 2010, I praised my colleagues’ praise I spoke about the UK space industry. In fact, I was advised by some wise owls in these parts that I should not speak about the space industry, because I would be ridiculed as the spaceman of the House of Commons.
A year or so later, I secured an Adjournment debate in this Chamber, in which I discussed the rather esoteric subject of microgravity. During my speech, I spoke about the value of protein crystal investigation, the potential for doing a variety of biotechnological and medical experiments in space, and how that could advance our knowledge base. Major Tim Peake is doing all those experiments now. I like to think that that Adjournment debate led in part to the Government’s decision to invest in the European Space Agency’s European Programme for Life and Physical Sciences. That investment led to Tim Peake, whose field of expertise is microgravity, travelling on the rocket to the international space station.

The space industry has hardly any presence in my constituency, so why did I decide to talk about it in my maiden speech in 2010, and why did I subsequently take up the House’s time to talk about microgravity in an Adjournment debate? It was because, as the hon. Member for Central Ayrshire has already eloquently pointed out, there is something about space and the exploration thereof, particularly manned exploration and flights, that is truly inspirational to everybody. Whenever I visit schools during their science, technology, engineering and maths week, invariably I see pictures there of planets and rockets. There is something about space and the exploration of it that inspires young people. When engineers were asked why they had done an engineering degree at university, up to 40% of them said that they had done so because of the exploration of space and that their interest had first been stimulated by images from space.

I made my maiden speech in an Opposition day debate on industry. I thought it was important to talk about the space industry, not only because I think that the future of this great country is wedded to the success of science and technology and that that will increasingly become the case, but because the space industry is, in and of itself, so inspirational and such a great success that it needs as much support as possible from Governments, of whichever colour. The previous Labour Government did some very good work and UK space policy made some significant advances as a result. I hope and expect that this Government will follow suit.

When I made my maiden speech, the estimated size of the space industry was £6.8 billion, but the figure now is £11.6 billion. That increase has happened in five or six years. The space industry has grown so successfully during that time that we would struggle without the tangible value it provides.

I have been vice-chairman of the parliamentary space committee pretty much ever since I made my maiden speech, and I have often experienced pushback when I talk about the value of manned space flights. As the hon. Lady has said, there is a sense that somehow space is for others, not for Britain, that the exploration of space is very expensive and that we should be concentrating on other things. However, let us remember that for every dollar the US Government spent on the Apollo space programme, there was a remarkable $13 dollar return on their investment.

The returns were not just financial. In December 1968, a very famous photograph was taken by Bill Anders on Apollo 8—the so-called “Earthrise” photograph. The value of that photograph cannot be calculated in financial terms alone. Imagine where the environmental lobby would be if it did not have a photograph of the earth as seen from the moon. Imagine how those astronauts felt when they put up a hand and hid the earth with their thumb. Our perception of this wonderful planet was changed by that investment by the US Government. Of course, it was driven by a race with the Soviet Union, but the return was not just financial. We recognised the fragility of this planet and how fortunate we are.

I would argue that, in the process of the achievement of putting the first man on the moon in July 1969, man rediscovered the value of exploration. Now we face the next challenge, which is to place a person on the surface of Mars—perhaps it should be a woman. Increasingly, women are deployed in fighter jets because of their ability to withstand G-force, so perhaps it will be a woman who first stands on Mars. I think that Britain should be part of that. The cost may seem large, but we should consider it in proportion to the rest of the money we spend as a nation and, indeed, as a world. If we are not prepared to explore space, push back our boundaries of knowledge and discover things that we did not realise we were going to discover, then what on earth are we about as a species?

Space is an exciting subject and I cannot think of another subject that is so truly inspirational. British Governments, of whichever colour, should play a greater part in it and recognise that they have a role to play in mitigating risk and that private investment alone will not bring it about. If we do that, this country will have a very bright future indeed.

12.27 pm

Patrick Grady (Glasgow North) (SNP): I think this is the first time I have been called to speak in the Chamber without there being a formal time limit on speeches, but I will do my best not to go to infinity and beyond. I thank my co-sponsors of the motion, and the Backbench Business Committee for giving us the time to have this debate at relatively short notice. As my hon. Friend the Member for Central Ayrshire (Dr Whitford) has said, the debate has come at an opportune moment, the day before Major Tim Peake makes his spacewalk.

Adjournment debates secured by the hon. Member for Bracknell (Dr Lee) notwithstanding, I understand that this is the first time since a 2005 Westminster Hall debate that the House as a whole has considered space policy, so this debate is very timely indeed. It is great to hear that today’s important deliberations have been recognised by good wishes from Captain Kirk and Mr Sulu themselves. Indeed, our very own chief Trekkie, my right hon. Friend the Member for Gordon (Alex Salmond), who usually occupies the spot on which I am standing, has sent us his best wishes as well. On space issues, there is a close link between the inspiration provided by both science fiction and science fact. Perhaps I will come back to that later.

It is also appropriate to finish the week in which the English votes for English laws procedures were used for the first time by discussing matters about which there can be no question but that Scottish National party Members have a mandate to speak and vote on. Later today we will discuss the House of Lords, which is reserved. Schedule 5, part II, section L6 of the Scotland Act 1998 proudly and clearly reserves to the Parliament of the United Kingdom, “Regulation of activities in outer space.”
If a Starman waiting in the sky read that, he might think it was quite a claim or question whether Parliament really has the power to regulate the infinite majesty of all creation, although I am sure some Members think that it does. However, the explanatory notes to the legislation make it clear that the reservation applies specifically to matters regulated by the Outer Space Act 1986.

The 1986 Act gave effect to a number of international treaties on the exploration and, for want of a better word, the exploitation—I will touch on that later—of outer space. The principles behind the treaties are hugely important, particularly those in the 1967 United Nations outer space treaty:

“The exploration and use of outer space…shall be carried out for the benefit and in the interests of all countries…and shall be the province of all mankind”,

and:

“Outer space, including the Moon and other celestial bodies, is not subject to national appropriation by claim of sovereignty, by means of use or occupation, or by any other means.”

My hon. Friend the Member for Central Ayrshire spoke powerfully about the role played throughout the cold war by the development of the international space station, which demonstrated that global co-operation was possible even at a time of significant political tension. The ISS has been described as the most complex international scientific and engineering project in history. It is the largest structure that humans have ever put into space. It can be seen on a clear night if not quite with the naked eye, except perhaps through the Prestwick hole, then certainly through binoculars or a home telescope. It was the result of collaboration between five different space agencies, representing 15 countries. It has been permanently occupied since 2 November 2000, or just over 15 years, which is a truly remarkable achievement.

It will be interesting to hear whether the Minister will recommit the Government to such principles of space law today. In particular, will he offer any reflections on the possible impact of recent legislation passed in the United States recognising the right of US citizens to own any resources they obtain from asteroids? A number of academics and observers have expressed concern about that, especially if other countries begin to follow suit. Indeed, Gbenga Oduntan, a senior lecturer in international commercial law at the University of Kent, has said that the US Space Act 2015 represents “a full-frontal attack on settled principles of space law”,

and is “nothing but a classic rendition of the ‘he who dares wins’ philosophy of the Wild West.”

Space should be for exploration, not for exploitation in any sense that excludes anyone from the benefits it can provide, or what the motion calls “scientific, cultural and technological opportunities”.

In drafting the motion, we were very careful to list those aspects of space exploration and opportunity before mentioning the economic impact of the space industry. Indeed, UKspace, the trade association, has said that the Government must “ensure its positioning maintains the balance between economic growth, excellent science and the inspiration of young people”. As we have heard, we have certainly lived through an inspiring era of space exploration. In recent years, there has been huge interest in the Philae lander and the Rosetta mission, the evidence of water on Mars and the New Horizons fly-by of Pluto. I was particularly struck by NASA’s use of the “children will never know” hashtag when images were first beamed back from Pluto. The new generation of children will never know a day when they could not see images of Pluto in such great detail. Sadly, children born today will also never know the thrill of the space shuttle, which certainly inspired me when I was growing up. I remember watching the final launch of Atlantis back in 2011, and thinking about all the other things then going on in the world.

Dr Lee: I apologise for being a bit of a pedant, but the first British-born astronaut to walk in space was Michael Foale when he was on the US space shuttle.

Patrick Grady: That is a fair point. It is important to recognise the huge achievement of all the astronauts of various heritages and from various parts of the United Kingdom. There is certainly no intention to play trumps.

Dr Philippa Whitford: Did not that gentleman change his nationality? He had dual nationality, and did not fly with the Union flag on his suit, as Helen Sharman did.

Patrick Grady: My hon. Friend was absolutely correct to pay tribute to Helen Sharman. I remember that as well. I was particularly young at the time, but I will leave Members to work that out for themselves, if they want to look up my biography.

The shuttle programme was a huge inspiration to many people. It is a very sad loss, but if its end several years ago was a low, we are now going through something of a renaissance. There have certainly been a number of highs recently, as I have mentioned. The fact that 15,000 people attended events to watch the launch of the Principia mission just before Christmas, including those of us in the Jubilee Room and later in Portcullis House, demonstrates how the international space station continues to serve as an inspiration.

Many of us who watched the amazing opening ceremony of the Glasgow Commonwealth Games will remember that, just when we thought it could not get any more exhilarating, a live broadcast was beamed down from the ISS. I was not at the ceremony, but with thousands of other people on Glasgow Green on that great day of celebration. There was a real coming together, with exactly the kind of inspiration that the hon. Member for Bracknell spoke about. It was humanity at its finest: people coming together from all over the world to take part in sporting endeavour and being supported by their fellow human beings hundreds of miles above the ground. It was particularly appropriate because, as we have heard and will continue to hear, Glasgow—and indeed Scotland—plays a significant role in the modern space industry and in space science.

In December 2015, my old university, Strathclyde, hosted the annual Canada-UK colloquium on the future of the space industry, which was attended by the Scottish Cabinet Secretary for Culture, Europe and External Affairs. Delegates visited two companies in the city, Clyde Space and Spire, which specialise in cube satellites technology and data. In the margins of that event, the First Minister
strongly backed the calls that we have heard and will no doubt continue to hear for a spaceport to be located in Scotland. She pledged that the Scottish Government will do whatever they can to ensure that one of the bids is successful.

In my constituency, the University of Glasgow has one of the leading centres for space science and research in the UK, or indeed in the world. Space Glasgow brings together more than 20 academics from a range of disciplines to co-ordinate research, especially under the key themes of exploring and understanding space, mission analysis, risk and technology.

One recent achievement has been the university’s involvement in the launch of the European Space Agency’s LISA—laser interferometer space antenna—Pathfinder spacecraft. The launch in December marked the end of a decade of work for a team from the university’s institute for gravitational research, which helped to develop the craft’s sensitive optical bench. The bench is a hugely complex and important technology. It has a laser interferometer. [Interruption.] My hon. Friend the Member for Glasgow North West (Carol Monaghan) congratulates me on my pronunciation. It was developed, built and tested by the university’s team, and is capable of detecting changes in distance between test masses of as small as 10 picometres. It is an outstanding scientific achievement in its own right, and the images and knowledge that the Pathfinder will produce will no doubt help to inspire generations to come.

Carol Monaghan (Glasgow North West) (SNP): Can my hon. Friend explain to the House what a picometre is?

Patrick Grady: A measurement of picos—[Laughter.] My hon. Friend may be able to enlighten us later, if she catches your eye, Madam Deputy Speaker.

Like any academic discipline, research in space science and technology costs money and requires certainty. I am happy to back calls from researchers for greater transparency in the relationship between the UK Space Agency and research councils on funding decisions. It would be useful to hear from the Minister how the Government are engaging with research departments at the cutting edge of this important technology. Much of this technology has an impact on our daily lives, especially in the west, where we rely on satellite technology for everything from weather forecasting to our mobile phones.

We have spoken of the inspiration that space exploration can provide, so it is important that Governments in the UK and Scotland continue to support science and technological education, as well as initiatives such as dark sky parks. In boasting of our satellite technology which is successful.

Dr Lee: Does the hon. Gentleman know that a piece of British technology has been developed that can be put into space to capture space debris and bring it back to Earth?

Patrick Grady: That is a helpful contribution that demonstrates the point that we are making about the importance of the space industry, not only to the economy but to the greater collective good.

I spoke of the relation between science fiction and science fact. NASA recently collaborated successfully in the production of the movie, “The Martian”, which is about a man stranded on the planet after a mission goes wrong. It is based on a realistic understanding of the technologies and science that would be involved in a mission to the red planet.

I have spent the little free time I have had over the past 18 months reading through Kim Stanley Robinson’s Mars trilogy, which is rightly described as a “future history”. It was written in the 1990s with exceptional clarity and foresight. It was forensically researched, to the extent that after reading it for several hours, one can easily look out of the window and expect to see a Martian landscape unfolding. The trilogy is also a well-observed study of human societies and the possibilities open to mankind in building an economy and polity from scratch. There is much to commend in, and much to learn from, how science fiction authors have used the inspiration of space exploration to reflect on our current earthbound condition.

This is a valuable opportunity for debate, and I look forward to hearing further contributions from Members and a response from the Minister, particularly on the questions of ensuring the neutrality of and common access to space, support for education and science, the preservation of dark skies and the minimisation of space debris. We have talked about nationalities and laying claims. Scotland lays claim to one astronaut so far—Brian Binnie, who was brought up in Aberdeen and Stirling, and has test piloted a number of private space flights. Let us hope that the inspiration from the many space missions, which are growing in number, and not least Major Tim Peake’s, will encourage more young people to pursue careers in the sector and that, before long, we will see more astronauts from Scotland and across the UK who will have the opportunity to contribute to the good of humanity, to explore strange new worlds and, if Hansard will allow a split infinitive, to boldly go where no one has gone before.

12.41 pm

Mrs Sheryll Murray (South East Cornwall) (Con): I rise to put the case for Cornwall. We have heard a lot about Scotland, but we did hear some references to Newquay in the opening speech.

I want to put it on the record and make Members aware that Cornwall is already the home of the Aeronaut. Newquay has a runway that can accommodate the fastest and largest civilian and military planes. Formerly the home of RAF St Mawgan, Newquay is an ideal location for the new space hub.
Cornwall more widely has a lot of knowledge and history relating to space. Goonhilly downs had the first dish, Antenna 1, nicknamed Arthur, which started operating in 1962 and linked with Telstar. That led the way in UK communications. My constituency has the Caradon observatory, which Ken and Muriel Bennett funded themselves. It is in an ideal location. It takes fantastic photographs, thanks to the dark skies over Bodmin moor, that are published in space magazines.

I did not intend to make a contribution today, but I felt that I should point out that Cornwall has an extremely good case. It is one of eight locations that is being considered. I just wanted to make the case, as a Cornish Member of Parliament, and to say that we are still there. Being successful in this bid would not only be good for Newquay, but superb for the county that I call home.

It is always a pleasure to hear the hon. Member for Central Ayrshire (Dr Whitford). I look forward to hearing her speak about health issues, because she brings her wealth of knowledge to the House. Her contributions are always well worth listening to because we learn from them. That is why I enjoy them and I want to thank her. We have found out today that her knowledge goes beyond health issues: it extends to space policy and to places where no man has gone before.

Here we are in the Chamber with the chance to speak about this issue. It is always very nice to see the Minister in his place. I think that I can honestly say, without fear of contradiction, that if the Minister is in the House, I will be on the other side ready to ask him a question, and vice versa.

It is always good to consider this important and too often overlooked issue. Although it is not pertinent to Northern Ireland at the moment, I want to make sure that the Province is part of the Government’s strategy for the space sector. That is why I wanted to make a contribution. I want to put down a marker for Northern Ireland and to ensure that we have the chance to be part of the strategy.

Northern Ireland has one of the youngest workforces in the United Kingdom of Great Britain and Northern Ireland, as the Minister will know. We have a lot of well-educated young people with high skill sets who would benefit from jobs in the space sector. I believe that that would go some way to addressing the brain drain issue of too many of our young people emigrating. I would like to hear from the Minister how the space policy can better connect with Northern Ireland.

Northern Ireland has a proud history of air flight, although it is not linked directly to space policy. Henry George Ferguson, who was better known as Harry, a brother Orangeman, was a Northern Ireland engineer and inventor who was noted for his role in the development of the agricultural tractor. He was also the first Ulsterman and Irishman to build and fly his own aeroplane. The first ever airport in Northern Ireland was in my constituency of Strangford, in Newtownards, and was built in about 1910.

Northern Ireland has a fantastic aerospace industry with Magellan and Bombardier, which has been established for many years. I believe that there is a role for those aircraft companies to play in space policy and development. They can and should be part of it.

The space sector is fundamental to the future UK economy. I welcome the Government’s civil space strategy and the goal that the space sector will contribute £40 billion a year to the UK economy by 2030.

Dr Philippa Whitford: The point that I was trying to make in my opening speech was that the bid talks about a UK spaceport, whereas I think there will be different sectors. One sector that will come in the not-too-distant future is hyperbolic sub-orbital flight. Once we get past the Virgin Galactic model of a plane and a wee rocket, we will have the combination of jet and rocket engines, such as SABRE—the synergistic air-breathing rocket engine—which will go from standstill to orbit and back down. We will be able to fly to Japan in a short period of time. Different sites around the UK may therefore follow totally different routes. That should be enabled, not blocked.

Jim Shannon: I thank the hon. Lady for that significant and important intervention. She shows the vision that all of us in this House should have. There are no barriers to what we can do. Some of the things that are in “Star Trek” are not impossible, so let us look forward to those developments. I look forward to being able to travel from A to Z—from Belfast City to Heathrow—in a matter of seconds. If that is ever possible, we will be
able to get here and back a couple of times and to do business at home and here, all in the same hour. Is that possible? I do not know, but I hope it will happen.

Thinking back on how space has been discovered, I am always mindful of the first time man stepped on the moon. It was one small step for man, one giant leap for mankind. For me, and I think for many others, that showed us the immensity and size of the universe that God created, and it focused our minds on God’s power and the fact that it was not for us as children, and that he is in total control of the universe.

Mr MacNeill: The hon. Gentleman quoted the historic phrase, “One small step for man, one giant leap for mankind”, but what about the seriousness with which the space industry considered the Isle of Man a number of years ago? Those in the know in the space industry said that only the United States, Russia, China and India were ranked above the Isle of Man for the likelihood of getting the next person on the moon. That shows that if the political will is there, a lot can be achieved.

Jim Shannon: I thank the hon. Gentleman for his intervention. We should believe in what we want to achieve, and that goal is achievable if we are determined to make it happen.

The Deregulation Act 2015 is an encouraging development that will allow the UK to be more competitive globally in this future industry. It is important to consider that and to ensure that we are world leaders in offering somewhere for the space industry to do business. We want to be part of that business across the United Kingdom of Great Britain and Northern Ireland. The 2010 space innovation and growth strategy is another welcome development that seeks to create a partnership between industry, Government and academia to develop, grow and make use of new space-related opportunities.

This debate is important because of the possibilities of what can be achieved, which enthuse us all. Although there were encouraging developments during the last Parliament, it is disappointing that space did not receive a mention in the Government’s 2015 manifesto. I am sure that the Minister will correct that when he responds, and clearly set out Government policy and strategy. I hope this is not a sign of the Government taking their eye off the ball.

The Government are hoping that the new regulatory framework enabled by the Deregulation Act will allow the creation of a commercial spaceport in the UK by 2018—again, a marvellous vision of what can happen in the future. That is a welcome development because commercial space travel is an industry in which we can, quite literally, reach for the stars. In “It’s a Wonderful Life”, James Stewart talked about lassoing the moon. We are not going to lasso the moon; we are going to reach it and beyond, and it is important that we have that possibility.

The value of the space sector in the UK has grown from £6.5 billion in 2007 to £11.8 billion in 2014—it has almost doubled, and there is the potential for it to double again. With Tim Peake’s recent mission sure to rekindle interest in the space industry, that trend is sure to continue, and the ability to offer commercial space travel will make us world leaders in the space industry.

Dr Lee: I do not know whether the hon. Gentleman remembers this, but he was one of the few Members of the House who attended my Adjournment debate on microgravity. Prior to that I had been contacted primarily from America by Boeing and various other companies on the subject. They pointed out that the microgravity research industry had a potential $100 billion of growth. The hon. Gentleman is right to point out the future potential for the space industry.

Jim Shannon: I do remember that. It was one of those Adjournment debates that I am known to attend, and I remember intervening along those lines. It was three or four years ago.

Something else that I enjoyed, and that I think was positive, took place last week when Tim Peake was able to make radio contact with young people in a school. The inspiration that that gave to those young people was fantastic, as was the fact that it happened. Those young people were inspired, and they had a photograph and a TV show that showed him in their school making direct contact. I know it was a bit rehearsed, but it was exciting for us to watch. How much more exciting must it have been for the children, both male and female, to have that ambition and inspirational drive to try to be the next Tim Peake in space? As we seek to obtain secure jobs for the future, we need more such encouraging developments, and this has been a welcome opportunity to contribute to a debate on an issue of great importance to the future of our country and its economy.

In conclusion, the new national space policy, the Deregulation Act, and the space innovation and growth strategy are all signs that we are heading in the right direction. The positivity that comes through this debate will be noted not just in this Chamber by MPs, but outside the House and further afield. We can play our part in space travel and policy in future, and I hope that off the back of this debate we can maintain momentum and ensure that those plans turn into real delivery for the “better together” space industry and future economy of the United Kingdom of Great Britain and Northern Ireland.

12.54 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I thank my hon. Friends the Members for Central Ayrshire (Dr Whitford) and for Glasgow North (Patrick Grady) for securing this debate.

Tim Peake’s six-hour adventure tomorrow, as part of a team of two Tims, to replace a solar power connection unit in space will be watched with awe by children and adults alike—hon. Members will be glad to hear that I removed from that paragraph a cliché that has already been used.

Tim’s iconic voyage into space, living and working on the international space station, is beamed into our lives tweet by tweet, which is fascinating. He has paid tribute to David Bowie’s “Starman”, and he sends us extraordinary aerial views of the planet, alongside spacesuit selfies. He really gives a feeling of life on the space station, as well as those iconic visions and views, and he raises our aspirations to the farthest frontiers. Let us make the most of this chance to spark young people’s interest in the careers of the future.
The spirit in which this motion is presented is to be greatly appreciated, and there is perhaps potential for not just a single spaceport site, but for a number of sites across the UK. Members with vested local interests in a possible spaceport site in their constituency will inevitably take the opportunity to set out their individual stalls—that is our representative duty. However, the proposal to ensure that fantastic scientific, cultural and technological opportunities arise from UK spaceport development must benefit the United Kingdom as a whole.

With that semi-apology, I will turn to the possible spaceport site at the former RAF camp near Llanbedr. It is in a coastal location surrounded by sand dunes between Cardigan bay and the hinterland of Snowdonia. The site has a 50-year track record of airspace management and operations. It comprises three main runways, the longest of which is oriented in such a way that flights pass over sparsely populated areas. Unique among all the candidate sites, Llanbedr already has access to 2,000 square miles of segregated airspace over Cardigan bay. The airfield was bought by the Welsh Government in 2004 as a strategic asset, and since 2008 it has been leased by Llanbedr Airfield Estates on a long-term lease.

So far the site has mostly been used for testing, evaluating and developing remotely piloted air systems and unmanned aerial vehicles, commonly known as drones. Its most recent initiative relates to the use of drones for protecting fisheries. The site is included in the Snowdonia enterprise zone, which has facilitated improvements including a £1.5 million spend to upgrade its facilities and infrastructure. The Civil Aviation Authority has rightly identified safety as the overriding operational principle for a spaceport. That applies not only to any members of the public and workers using that port, but also to the “uninvolved public”. That would imply that the combination of relative isolation, coastal location and segregated airspace satisfies those requirements as fully as possible.

It is safe to say—others have already made an excellent case for this—that the economic potential for a spaceport, both in the immediate locality and further afield, is immense. The county of Gwynedd is to a great degree dependent on public sector employment and the leisure industry. The constituency of Dwyfor Meirionnydd suffers from seasonal and minimum wage employment, and although official unemployment figures are low, chronic economic inactivity is a very real issue. The demographics of the area indicate a steadily ageing population, as young people move away for higher education and employment. That is the price we pay for dependency on the seasonal tourism industry, a shrinking public sector, and scant Government investment in well paid employment.

Of course, this is in no way simply a local investment in a far western corner of the United Kingdom. Llanbedr has the potential to benefit the whole of north Wales, with its educational powerhouse in the University of Bangor, Wrexham’s Glyndwr University, Grwp Llandrillo Menai, and Coleg Cambria. Indeed, it goes much further than that, because the northern powerhouse would have that development within easy reach, and it is the nearest site to the international travel hubs of Manchester, Liverpool, Birmingham, Cardiff and London. It is also the closest candidate site to the UK space gateway at Harwell in Oxford.

This has the potential to make a real difference to Gwynedd, and indeed to the economy of the wider area and the UK as a whole, yet we are still waiting for the Government to bring us out of the limbo of expectation by providing the operational criteria for the UK spaceport. It is impossible to move ahead, as we do not yet know what we are bidding for. It is difficult even to quantify, in terms of jobs both locally and further afield, until we know the operational criteria. We need them as a matter of urgency. The uncertainty impacts locally, as caravan sites in the area tell me their customers are reluctant to commit to new contracts until a definite decision is made about the future one way or another.

I spoke to a student at my local sixth-form college, Coleg Meirion-Dwyfor, who happens to live in the next village to Llanbedr. He told me that his fellow students think this is a cloud cuckoo project that will never happen. How could it ever happen in somewhere like Meirionnydd? But then I could see a flash of hope and a realisation that yes, this could happen, this could happen here and I could part of it. Like Buzz Lightyear, we can turn falling with style into infinity and beyond.

As has been mentioned, Tim Peake’s mission on the international space station is a fantastic achievement. I think the whole House and the whole country wish him well as he embarks on his spacewalk tomorrow. His mission is important for a number of reasons. First, he is undertaking practical experiments and research that will have positive applications back on earth, a point to which I will return in a moment. Secondly, as has already been mentioned, Major Peake’s space mission is undoubtedly inspiring and motivating a whole new generation, rather like a previous generation was inspired by the Apollo programme. I remember the inspirational words of President Kennedy:

“We choose to go to the moon...and do the other things, not because they are easy, but because they are hard”.

That inspiration and ambition are incredibly important.

The young people looking at what Major Peake is doing—following his journey and progress on Twitter, Facebook and so on, and perhaps even interacting with him as he conducts experiments in space—will have their eyes opened to the enormous and often unlimited potential available to them in their lives and careers. They might not necessarily want to become astronauts—I still have a wish to be an astronaut; I think everyone in this debate does—but they will see the dizzying potential...
and scope of science, technology and engineering. I hope that the impact of Tim Peake’s mission into space will last for decades, as young people are inspired to go on with their careers in science and research throughout the 21st century.

The third reason why Major Peake’s mission is so important is that it showcases a truly British industrial success: the UK space industry, and that is what I want to focus on. Most people walking the streets today will not be aware, as the hon. Member for Central Ayrshire said, that Britain has a space sector. People will perhaps automatically think of NASA and, possibly, Russia. They might consider a space industry linked with putting people regularly into space or, as the hon. Member for Glasgow North said, with missions such as New Horizons and the exploration of Pluto and the Kuiper Belt. Major Peake’s journey gives us the opportunity to celebrate a great British economic success and highlight what I hope is a shared ambition—it certainly is in today’s debate—to see the sector grow.

I think the Minister would agree that the UK space sector is the very model of the type of modern, successful sector that Britain should be focused on: innovative and high value, and providing well-paid and highly rewarding—in every sense—careers. It taps into Britain’s strengths, based on the very best of science, engineering and world-class British research, but with a very clear nod to British excellence in professional services, such as legal, financial and regulatory work. It is a rapidly growing sector throughout the world—perhaps the best to say above the world—and the British comparative advantage should be used to capture even more wealth and value for this country in the future.

We have been quite canny in this country in identifying precisely where in the space sector, and throughout its value chain, Britain excels. We have skills in upstream activities, such as satellite construction. I visited Airbus in Stevenage and saw the great work that goes on there. I saw satellites being built and walked on the surface of “Mars”, which was absolutely fantastic. Our real strength and potential, however, lie in the industry’s downstream activities, such as user equipment, applications, services and data. Our strengths in professional services such as legal, regulatory and financial services allow Britain to lead the world in raising capital to finance space technologies, as well as the expertise to provide licensing arrangements. It is these downstream activities that will increase demand in the future so that Britain is well placed for future growth.

The hon. Member for Central Ayrshire and others have already mentioned the figures, but it is important to reiterate just how successful the UK space sector has been in recent years. It generates almost £12 billion for the UK economy, which is almost double the value of the sector just a short time ago in 2007. The industry directly employs 37,000 people in this country. That figure rises to 115,000 when one considers the supply chain and supported and indirect jobs. UK space has seen an annual growth rate of 8.6% since 2008-09.

Mr Wright: That is incredibly important. Britain’s unique blend of strong leadership and partnership between industry and Government, through things such as the UK Space Agency and the Space Leadership Council, and our world-class research expertise and strong university base, means we are well positioned to capture as much market value as possible.

Madam Deputy Speaker, I think you were in the Chair yesterday when we discussed, in an Opposition day debate secured by the Scottish National party, some of the issues we raised in our various policy positions. Frankly, if all other sectors in the British economy were performing at the same rate as the UK space industry, this country would be doing well. Productivity is three times the national average, with a value added of £140,000 per employee in the sector. Exports are twice the national average, representing about a third of the sector’s turnover. The sector contributes well for the future. The global space industry is set to grow even further to about £400 billion by 2030. The UK space sector’s ambitions are challenging but achievable; the national space policy’s objectives are for Britain to have a 10% market share in the global space industry, provide £40 billion of value to the British economy and employ an additional 100,000 workers by 2030.

I hope there is a real consensus across the House, regardless of party affiliation, for that ambition, and for backing the Government and building on the back of previous support for UK space, regardless of which party is in government. Tribute must be paid to Paul Drayson, who launched, as it were, much of the Government’s interest in UK space. To be fair, David Willetts continued that policy in an excellent way throughout the coalition Government, providing all-important policy continuity and certainty that transcended Parliaments, and allowed confidence in the sector to grow and gave potential investors the reassurance that has provided much of the success for British space.

Given the characteristics of the UK space sector—a high-value, innovative, productive, export-focused industry that has identified our specific key strengths within the sector and built on that comparative advantage to secure more global market share in the future, assisted by a strong and long-standing partnership between industry, Government and research to provide policy certainty—it is surprising that the Government do not want to shout more about the virtues of an industrial strategy. An industrial strategy has been part of the success of the UK space industry. The Secretary of State seems to have abandoned such aspirations, with the possible exceptions of the aerospace and automotive industries. That seems wrong. I am pleased that the Minister on the Treasury Bench is the Parliamentary Under-Secretary of State for Life Sciences. I would single out life sciences as another great skill for Britain. It is a marvellous sector, so why is it not also classed as strategically important? That approach is very important.

In his autumn statement, the Chancellor announced a movement of research funding away from loans, with the exception of the aerospace and automotive sectors. That runs the risk, as mentioned yesterday, of investment not being attracted to Britain. For such a successful and promising sector as space, that is worrying. Will the Minister consider expanding the definition of the aerospace sector to include space so that it can take advantage of the security of research funding and grants?

Jim Shannon: In seeking to advance the space industry, is it not important to involve universities and their expertise and knowledge? Is partnership with universities not also part of this?

Mr Wright: That is incredibly important. Britain’s unique blend of strong leadership and partnership between industry and Government, through things such as the UK Space Agency and the Space Leadership Council, and our world-class research expertise and strong university base, means we are well positioned to capture as much market value as possible.
Will the Minister accept—I believe he personally believes it—that industrial strategy works and commit to ensuring that the Government embrace such an approach so that sectors such as space and the life sciences can be exploited as much as possible for the benefit of Britain? I mentioned that the national space policy set out an ambition for 100,000 additional jobs in the space industry in the next 15 years—I think we would all sign up to that—but given the skills shortages in engineering and science-based industries throughout the economy, and the difficulty of encouraging girls and young women to consider science, technology, engineering and maths subjects in school, college and university and then as a career, what is he doing to address barriers to growth in the UK space sector? What further assistance, in terms of outreach activities, internships and apprenticeship opportunities, will be provided to motivate and inspire girls and young women to think about a career in space?

In criticising the space industry, it is often said that interest and investment in space is a luxurious folly and that, at a time of austerity and crisis in public services, we cannot afford a space industry: why are we sending a man into space, when patients are lying in hospital corridors? This is a false argument. To a vast extent, the UK space industry is driven by private sector investment—Government investment in the past 15 years has averaged 0.015% of total investment—and the value it creates grows the economy, employs people on good wages and increases tax revenues, thereby helping to fund public services. Research in space or in the space industry has positive applications on earth—for example, satellite technology and food crops or experiments into materials and how they react. Major Peake, while on the international space station, is carrying out experiments to measure pressure in the brain that could have important applications in serious trauma care. Investment in space results in tangible benefits for society on earth.

I am not just talking about the cost-benefit analysis. I was struck by the comments of the hon. Member for Hartlepool (Mr Wright), have talked about, and without making sure we can learn those things, how can we hope to take full advantage of the opportunities to develop ourselves as a race? There are stars out there 1,500 times bigger than our sun, and how much do we know about them? 3c303 is a galaxy with a black hole in the middle of it that has the biggest electrical current ever detected in the universe. There are fantastic opportunities to find out how that happens. What can we learn from that about how we conduct our lives and protect our planet into the future? I was stunned to find out there was a gigantic raincloud out there, floating in space, that is not just the size of the Pacific ocean, but 100,000 times larger than the sun. It is an amazing thing to comprehend, but we do not know enough about these things. We have to invest.

The Scottish Government see huge potential for the space industry in Scotland, and we are pleased that the UK Government and the Civil Aviation Authority do too. We should be exploring these opportunities jointly. The Scottish Government have committed to supporting science and technological development in education and industry, having recognised science’s contribution to a sustainable economy. The hon. Member for Hartlepool talked about opportunities. The space industry, 16% of whose employees are in Scotland, is growing by 7.5% a year. These are encouraging figures, but we must do more. There is a recruitment exercise to ensure that there are members to join the Scottish Science Advisory Council. The Scottish Government have engaged with the world-leading science sector on the post of chief scientific adviser for Scotland and are currently advertising for the position, which is the right thing to do just now. They are continuing to invest in four science centres and to support science festivals in Scotland. They continue to promote the value of science as a career for young people.

In my previous career as a councillor in the highlands, I was passionate about getting our young people interested and encouraging them to lift their sights and see the opportunities available, not just to us as a set of countries on these isles but to them. There are rewarding and meaningful careers and they can build something important for themselves. As a new councillor eight years ago, I saw an advert put out by the European Space Agency calling for the next generation of recruits to come forward. As an enthusiastic councillor, I thought I would put out a press release across the highlands saying, “Young highlanders should come forward.” I was disappointed that it was met with scepticism from my colleagues on the council. They thought it was a mad idea to encourage highland children to get involved in the space industry. I was desperately disappointed by their attitude, but it highlighted to me the need to change people’s attitudes to these opportunities and how they could take advantage of them.
I am pleased to say that one development from that is the science skills academy, which is starting up in the highlands. It is a collaborative enterprise that brings together organisations such as Highlands and Islands Enterprise, the Highland Council and a range of private businesses and engineering firms, as well as other non-governmental operatives in the highlands. It aims to encourage young people from pre-school, throughout their education and beyond, to take advantage of the opportunity of gaining these skills, which directly transfer not just into the aerospace industry but to and from oil and gas, renewables and so forth. These are similar skill sets that can be transferred across. Embracing this into the future provides enormous opportunities. I hope that future attitudes in the highlands will be changed, but there is a job of work to be done in this Chamber, in the Holyrood Chamber and in all the devolved Administrations to make sure that we get the word out to our young people to raise their sights and look for an opportunity.

I am grateful to my hon. Friend the Member for Central Ayrshire for telling us that Helen Sharman was the first astronaut from Britain in space. It is important to repeat that message because we need to encourage young girls and women to consider these opportunities. Tim Peake is a fantastic ambassador for space and I have great respect for what he has already done in a short period of time, but let us imagine the impact if he had been Tina Peake and that message had gone out to young girls and women about such opportunities. When it comes to encouraging young girls and women into engineering just now, there are clear systemic problems in our culture that must be tackled. I call on the Government to join me and others to make sure that we change this attitude over the coming years.

Some 11% of engineers in the sector are women, but 21% of engineer graduates focused on the sector are women. This is the lowest percentage female employment rate in the sector in Europe, and we have the lowest retention rate in Europe. That is at a time when there are significant skills shortages at every level of the industry.

We have heard that many people are not aware of the opportunities in the space or the aerospace sector. I was delighted yesterday to meet Bridget Day, the deputy programme director for the national aerospace technology programme. I crave your indulgence, Madam Deputy Speaker, because I would like to read something she sent to me, at my request. She said:

“I have worked as an Engineer in the Aerospace industry for nearly 40 years. I worked for 30 years in the supply chain for a heat exchanger manufacturer in Wolverhampton, starting as a graduate apprentice and becoming Engineering Director. In my personal experience there has been little progress in encouraging young girls and women into engineering. I currently lead a team of engineers helping aerospace supply chain companies with new technology”—within NATEP, as I have said. She continues:

“In a team of 24 there is only one other woman”.

That is a shocking figure. She continues:

“I know that engineering is considered difficult, dirty, and dying by the general public. This means that parents and teachers often encourage young people away from engineering, thinking that industry is something in the past and not for the future. The increasingly ‘green’ views of our youth are annoyed with industry building on green belt land and taking priority over wild life. So the reputation of industry publicly is not what my experience is. I have had a very varied working life, every day something different, everyday keeping me interested in solving problems with new ways of thinking, new materials, new possibilities. The amount of new possibilities is better than ever before and NOW”—she capitalised it—“is a great time to become an engineer. We are very short of engineers. As a woman in engineering I am often the only woman in the room, usually only 5% are women even at a large event. There is an assumption that I am the secretary and not that I am the boss. My reputation is never assumed, like a man’s often is, I always have to earn it.”

Jim Shannon: If I had been allowed to ask two questions at Women and Equalities questions this morning I would have raised this issue. The Government need to target girls-only schools and introduce the STEM industries, including engineering, to those girls.

Drew Hendry: I thank the hon. Gentleman for his substantive point about engaging young girls and women with these industries, and I absolutely subscribe to that view. As I have said—I will continue to repeat it here until we get it right—this is an issue that we need to tackle together to ensure that girls are able to take advantage of these opportunities.

Carol Monaghan: Does my hon. Friend agree that one serious issue that has not been properly taken up is our major shortage of STEM-qualified teachers. Unless much more attractive and lucrative wages can be offered, this shortage will continue and it will impact on the number of girls coming through.

Drew Hendry: My hon. Friend is absolutely right that education is the key. I mentioned the science skills academy, and the idea behind it is to influence children as they develop and give them these opportunities, but also to try to reach out to society in general and to say to parents and grandparents that they need to talk about this. It is also about saying to education professionals and to those who make the investments that lead to their recruitment that this issue has to be taken incredibly seriously.

Stakeholder activities going on at the moment are to be encouraged. For example, I congratulate The Telegraph on creating the women in space jobs resource, which includes educational resources encouraging women into STEM subjects. Another example is the Royal Society of Aviation, which established the women in aerospace and aviation committee in 2009.

On solutions, we need to increase public awareness of the UK space industry and its value to the economy. We need to increase engagement with young people through projects such as Scottish Space School. There will doubtless be others of which I am not aware, but we need to make sure that this sort of thing carries on. I support calls for the need to concentrate funding on research and development projects. We absolutely need to stop thinking about what is happening today and start thinking about the opportunities for tomorrow. We need to work to increase peer support to encourage female graduates to enter and remain in the sector.

Let me finish by citing Professor Alan Smith, head of the department of space and physics at University College London, who acted as rapporteur for an event hosted by the Scottish Government and the Civil Aviation Authority. He said:

“Scotland has embraced space. Space feels at home in Scotland.”

Let us make sure that all of us and all our children get the opportunity to feel at home in space, too.
1.27 pm

Alain Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to follow my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey, in whose constituency I have very much the privilege of living. He made some excellent points about women and equality in the industry. As a civil engineer, that chimes with me. My profession has seen a lack of women over the years, although it is doing its best to try to remedy it by engaging with schools. My hon. Friend has shown, both yesterday and today, that he is a great advocate for technology, and his enthusiasm certainly shone through in his speech. I congratulate, too, my hon. Friends the Members for Central Ayrshire (Dr Whitford) and for Glasgow North (Patrick Grady) on bringing forward this timely debate. I welcome the chance to participate in it.

Let me start with a confession. Anyone who knows me personally will probably be somewhat surprised that I have chosen to speak in a space-related debate. Unlike the Members who have spoken previously, when I was growing up I never had the same fascination with space. Science fiction movies did not do it for me. Although I was born in 1970, I have still not watched the early “Star Wars” movies—[HON. MEMBERS: “Shame!”] Now I have got that confession out of the road, I should have everybody on my side. At least it shows they were listening to me.

Carol Monaghan: I am concerned that my hon. Friend has not watched the earlier “Star Wars” movies. Is he suggesting that he has watched the later ones?

Alain Brown: I have seen one or two, and I took the children along, so it was a family activity. I could not say what happened in them as I do not recall. The good news is that—in view of the earlier lack of interest—there will be no more puns in my speech.

I appreciate the importance of the science, technology and commercial aspects of the space industry, and I am right behind the United Kingdom Government’s proposal to focus on making the UK the European hub for commercial space flight and related space sector technologies. I also applaud the ambitious growth targets that have been set.

What other reasons have I for speaking in the debate? One of them was touched on by my hon. Friend the Member for Glasgow North (Patrick Grady): it is great to be able to make a speech that is not preceded by the words “From now on there will be a three-minute limit on Back-Bench speeches”—although some Members may wish that there was a three-minute limit on mine.

The main reason for my participation, however, is my wish to give an unashamed plug to Prestwick airport, which I would like to become the United Kingdom’s first space port. It is in the neighbouring constituency rather than my own, but I can appreciate the benefits that it would bring to the surrounding area in general, and many of my constituents are already employed in the aerospace industry.

Unfortunately, my constituency is among the top 15% in the UK in terms of unemployment, and 200 skilled manufacturing jobs have recently been lost from a factory in Kilmarnock, so a jobs boost would be most welcome in my constituency and the wider area. However, despite the headline unemployment rate, Ayrshire in general has a great engineering pedigree, and there are still many successful engineering and manufacturing companies in my constituency and its neighbours. As we heard from my hon. Friend the Member for Central Ayrshire, there is already a cluster of aerospace-related firms around Prestwick, and I know that they could easily expand to service a new space port. We have also heard that nearby Glasgow already contains space technology companies, including Clyde Space and Spire. That would be another advantage of choosing Prestwick.

The UK Space Agency has made clear that its activities are about much more than direct space technology, covering climate change analysis and other beneficial research on such matters as health and ageing, as well as materials innovation and plasma physics. I realise that, given that ongoing work, successful partnerships will already be operating, but there is no doubt that if Prestwick were chosen to be a space port, it could form links with the Scottish universities, which are among the best in the world. That is another advantage. As for transport infrastructure, Ayr Harbour is nearby. Prestwick also has a railway halt, and close links with the motorway network. I believe that it is easily the most accessible location on the shortlist that the Government are considering.

Yesterday I attended a breakfast hosted by the all-party parliamentary group for aerospace. One of the discussion points, which was also raised today by my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey, was education, and preparing kids for qualifications in STEM subjects—science, technology, engineering and mathematics—and technology design. The Scottish Government are making great strides with that in their curriculum for excellence, and the local authority of which I was a member before becoming an MP has produced a STEM programme for primary schools, as well as successfully running a business enterprise initiative for secondary schools.

In Scotland, the wider implementation of the Wood report has led to a recognition that school leavers must have a greater understanding of the working environment and what will be expected of them in that environment, and, crucially, of the fact that higher or full-time further education is not for everyone. Along with the Scottish Government’s investment in modern apprenticeships, that has given Scotland—and Prestwick in particular—a head start when it comes to renewing interest in STEM subjects and technology design.

Ayrshire is also home to the campus of Ayrshire college, which has recently won awards and, moreover, is willing to work in partnership with industry to develop tailor-made courses. An excellent example of that is the partnership that has been established to create courses for wind turbine technicians. That came about because the industry realised that, owing to the growth in renewables, there was not enough qualified expertise for the operation and maintenance of wind turbines. A new £53 million campus is due to open in Kilmarnock, which I expect to present fantastic opportunities for links with the space industry.

Prestwick has one of the longest runways in the UK, and it does not suffer from fog problems. It is often used when flights are diverted because of problems elsewhere. Unfortunately, there are not enough commercial flights from Prestwick to enable it to make a profit, but that does mean that there are no capacity or logistical issues that would prevent the creation of a space port there.
In fact, if that mitigated some of the losses that are currently being covered by the Scottish Government, there would be benefits for Scottish taxpayers, and funds would be freed up for investment elsewhere in Scotland. Ayrshire and Dumfries and Galloway are also home to the Dark Sky project, which could provide more links and other benefits if the space port were located at Prestwick.

The Scottish Government are very supportive and positive about development in this sector, as was demonstrated by Fiona Hyslop’s attendance at the annual UK-Canada colloquium in Glasgow just before Christmas. The conclusions reached at that event will be presented to both Governments, and I am confident that they will underline the strong case that I expect to be made for Scotland in general. I urge Ministers to pay due heed to those conclusions.

Let me now move slightly away from the subject of Prestwick, although I am reluctant to do so. I agree wholeheartedly with the motion: this seems to be one sector for which the UK Government are outlining a positive vision. Like many of my colleagues, I have often complained in the Chamber about the need for the Government to spend more money on social justice, rather than on projects that some people consider to be vanity projects. However, as was pointed out by the hon. Member for Hartlepool (Mr Wright), wider benefits, which could be long-lasting, accrue from this investment.

There is no doubt that Major Tim Peake’s mission could inspire another generation of scientists, explorers, engineers and innovators. If the benefits are to continue, however, and if the proposed space port is to have any chance of being an operational venture by 2018—with no loss of momentum, or of the interest that is currently being generated—the Government must set clear guidelines for the submission of the final bids. The final decision-making process must be transparent and non-political, in order to ensure the best possible value for money and future success.

However, given that the Government like to cut red tape and bureaucracy, if they do not want to go down that route, they could simply award the space port location to Scotland in general or, more specifically, to Prestwick. Alternatively, in the light of the speeches that we have heard so far, we could have a show of hands in the Chamber today. That would solve any problems.

1.37 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): So far, this has been a very interesting debate, and I congratulate my hon. Friends the Members for Central Ayrshire (Dr Whitford) and for Glasgow North (Patrick Grady) on initiating it through the good auspices of the Backbench Business Committee.

The fact that I have had an interest in space from an early age has proved most useful since my election last May, as the Government’s social and fiscal policy is from another planet and completely alien to me. However, we are here to debate a subject which need not be, and, in fact, should not be contentious, and which will hopefully generate a fair degree of unanimity throughout the House.

Like many youngsters, I grew up fascinated by the stars, learning about the different planets, the missions of astronauts, and the work of NASA and other space agencies. I am sure that I am not the only Member present who dreamt of becoming an astronaut. It was either that or a football player. You can be sure, Madam Deputy Speaker, that the one thing that no one in the Chamber grew up to be was a Member of Parliament, yet here we all are: astronaut, footballer, ballerina—rejects all. We may have lost out on our childhood dreams, but that does not mean that we cannot help the kids of today to fulfil theirs.

This is a dream that many children have, both girls and boys. There is something about space that captures the imagination of youngsters from an early age, and while many will never quite reach their dream, thinking big will undoubtedly lead to a fulfilling career. During the summer recess, I visited Gallowhill primary school in my constituency. More than half the kids put their hands up when asked if they wanted to be an astronaut when they grew up. I am sure that other Members will have had similar experiences when visiting schools in their constituencies, and I expect the number to become even higher as children learn about, and are inspired by, the important work that astronaut Tim Peake is currently doing at the International Space Station.

Moving on to the economic benefits of the UK space industry, it will no doubt surprise many outside this Chamber that in 2012-13 the UK space industry contributed £5.1 billion to our economy, which is the same amount as the railways. The latest figure is over £11 billion, and across the UK the space industry supports 68,000 jobs. It is hoped that the industry’s output will grow to £40 billion by 2030.

Locally, the space industry is worth around £16.5 million a year to the Scottish economy; more than 30 companies in Scotland operate in the market. When talking about the contribution that Scotland makes to space exploration, we have to mention the impact and work of Glasgow-based Clyde Space. Clyde Space produces a number of products used by NASA and the European Space Agency. In 2014, it secured £1.2 million in funding to produce power systems that will be used for two ESA satellites.

One of the products of which Clyde Space is particularly proud is its UKube-1. This product was jointly funded by Clyde Space and the UK Space Agency and is the first satellite to be both designed and built in Scotland. The UKube-1 has been described as the most advanced nano-satellite ever made and Clyde is rightly proud of its innovation. I mention that as it underlines the point that there are companies throughout the UK who are producing high-quality products that aid the work not only of the UK Space Agency, but of the ESA and NASA as well.

It is important to note what we are doing to help nurture the astronauts, scientists and engineers of tomorrow, but first I want to make a wider societal point about dreams and ambition. I was struck by something Lord Empey said during a meeting with the aerospace industry yesterday. He was making the point that in Britain we tend to stifle ambition in the young, as opposed to fostering and positively supporting it. For too long a significant section of society—and I include myself in this—have had a play-it-safe, “walk before you can run”, “don’t get ideas above your station” mentality. It has changed, but changed far, far too slowly. I do not pretend to have the answers, but I think we would do well to acknowledge that fact and work towards an equality of ambition and opportunity across all our young regardless of their background. A good start
would be for aspirational industries such as aerospace to formulate a collective strategy and a curriculum enhancement that would engage with children early on and throughout their school career. As I heard yesterday, there are many companies doing good work in this area, but there is an ad hoc approach and very much a postcode lottery for children.

The pupils in my local area of Renfrewshire have been lucky; we have been fortunate that the Mission Discovery programme has come to Renfrewshire for the last two years. It is an educational programme—launched and supported by Renfrewshire council, the University of the West of Scotland and the International Space School Educational Trust—and it provides an exciting opportunity to 15 participants from the first and second year to learn from astronauts and other experts in space and science, as well as recruiting 15 paid mentorship positions for those in the third or fourth year.

Mission Discovery recruits astronauts, astronaut trainers, scientists and NASA leaders to help train local people studying in the area. The programme involves students working alongside space experts to carry out a number of tasks, including formulating an idea for an experiment that can be done in space. Not only the students benefit and enjoy this programme; the experts also value the time working alongside the students. In fact, former NASA astronaut and president of the United Space Alliance, Mike McCulley, said:

“Mission Discovery was, by far, the most comprehensive, interesting, and educational endeavour I have been involved with.”

The Mission Discovery programme was a great success in Renfrewshire. The students gained practical knowledge which aided their studies, and the programme made a real addition to their CVs. Programmes such as Mission Discovery help equip students with the necessary skills to be able to gain a career in the space industry, and that is vitally important as we attempt to grow the industry. Mission Discovery is a fantastic programme and I would urge other local authorities to attempt to bring it to their areas.

The potential of the UK space industry is huge and I expect that, used correctly, Tim Peake’s mission and spacewalk can act as a catalyst for fully realising that potential. To that end, I welcome the “National Space Policy” publication and hope that the Government can work with the sector to improve and increase the opportunities for the UK space industry. The growth of the space industry should not be viewed in a vacuum. If we achieve the goal of capturing 10% of the global market by 2030, that will create real opportunities for us, helping to create 100,000 new jobs for the youngsters I have spoken of and generating £40 billion for the economy.

I have some concerns about whether the Government will achieve the ambitious plans that they have set for themselves; they have not hit too many targets of late. To achieve the goals that the UK Government have set, they will have to commit more public funding to the sector. We have seen in other policy areas that the fixation with austerity has hindered investment, and I worry that this same economic mindset will prevent the Government from achieving the goals set out in the “National Space Policy”.

The amount of public spending allocated to the UK space industry has to increase; in 2013, UK Government spending on civil space research and development ranked seventh among all OECD countries. However, contrary to my natural instincts, I will not end my contribution on a sour note. I wish the Government well as they work towards achieving the vision set out in the “National Space Policy”. Having a vibrant and successful space industry is vital to growing our economy, creating jobs and contributing to our research output, and I hope that the Government can take advantage of the large amount of public interest and enthusiasm surrounding the UK space industry.

1.45 pm

Carol Monaghan (Glasgow North West) (SNP): I want to start by paying tribute to the original spaceman. I am not talking about Yuri Gagarin; I am talking about the legend who was David Bowie, and I am sure the House will join me in sending our condolences to his family.

I grew up in the 1970s and ’80s and there are three things I remember vividly from my childhood. The first was the excitement of the power cuts. That was maybe not so exciting for the industries, but, for me, as a child getting the candles out and wandering through the house in darkness always holds great memories. I remember Margaret Thatcher coming to power, too—probably the less said about that the better—and I remember space. I remember the space programme and the space shuttle programme, which started in 1981, with great excitement.

That excitement took off for me when the space shuttle made a surprise visit to the Paris air show in 1983, and for it to get there it had to piggyback on a jumbo jet. I was at primary school in Glasgow at the time, and we knew the jumbo jet would be flying over at some point in the morning. We had been told that when we heard the jumbo jet we had to stand, quietly put our chairs under our desks, line up at the door and all go carefully outside. Of course all order was abandoned when the noise of the jumbo jet was heard. Chairs were thrown, people climbed across desks, people were knocked down in the rush—[Interruption.] It was the west end of Glasgow. Eventually, out we went to see the incredible sight of the space shuttle perched—precariously, it seemed—on the back of this jumbo.

It was that single event in my childhood that sparked a major interest in me both in science and technology and particularly in physics. It was how I ended up choosing to study physics at university and eventually becoming a physics teacher, so the inspiration offered by space stretches across all strands of society.

At this point, I want to mention another physicist. He is a far more famous physicist than I am and has done great work for space: Professor Brian Cox. It was a great treat for my pupils at school to see clips of Professor Brian Cox taken from his wonderful DVDs “Wonders of the Solar System” and “Wonders of the Universe”. It never surprised me that the academic students would be interested, but what was really surprising to me was that the less academic ones wanted to see him as well, and regularly would say to me, “Miss, are you going to stick on that professor guy?” They enjoyed that. I was lucky enough to be at the Science Museum
on 15 December for Tim Peake’s launch. There were
thousands of schoolchildren there, and their enthusiasm
and excitement reminded me of the incident from my
childhood with the jumbo jet.

One of my colleagues asked me a couple of days ago:
“What is the point of this debate? Is it really that
important? Why does space exploration matter?” Well,
it is absolutely crucial that we have this debate and it is
timeous to have it at this point. I want to talk about the
three aspects of space exploration that I think are most
important. First, there are only two industries that push
innovation in great leaps and bounds: defence and
space exploration. Space spin-offs have found their way
into all aspects of our everyday lives, through materials
such as Teflon, solar cells and robotic arms, which have
led to the development of prosthetic limbs. The basic
memory foam mattress was developed as a result of
providing cushions for astronauts during take-off. There
is also a story about the space pen that NASA spent a
great deal of money developing, only for the cosmonauts
of the time to decide that a pencil would work just as
well in zero-gravity conditions.

Space technology has wide-ranging applications. For
everyone, the damping system on the launch pad has
special fluid dampers to ensure that the launch can take
place in a stable manner, and when the Millennium
bridge just down the road developed vibration problems
in the first couple of days after its opening, it was those
same dampers, taken straight from the shuttle’s launch
pad, that provided the solution. Such applications happen
throughout. Those spin-off technologies do not simply
have an impact on our lives; they also have huge economic
benefits, and it is important that we recognise that.

Secondly, the satellites that are in orbit have become
fundamental to the way in which we live our lives. The
largest satellite in orbit around the Earth is of course
the Moon, which is of fundamental importance to our
lives. It creates the tides, which create great benefits for
life in the tidal areas. Artificial satellites that have been
put into orbit provide us with television from around
the world through satellite broadcasts that come to us
via geostationary satellites in high Earth orbits more
than 22,000 miles above the Earth.

Drew Hendry: Does my hon. Friend agree that micro-
satellite technology is providing some really exciting
opportunities to dramatically reduce the cost of putting
satellites into space while still performing the functions
previously carried out by larger machines? Does she
also agree that, on that basis, there should be much
more investment in innovation in order to take forward
that work?

Carol Monaghan: Absolutely. It is often not understood
that satellite launches take place regularly. The next
such launch is in fact on Sunday, but we have not heard
very much about it in the news. The micro-satellites that
my hon. Friend has just mentioned are providing us
with more and more great services.

Patrick Grady: Geostationary satellites were first
conceptualised as science fiction by Arthur C. Clarke.
This reinforces the point that I was making earlier
about the inspiration that space provides to the creative
and cultural scene, which has a knock-on effect in
scientific applications.

Carol Monaghan: Absolutely. It is really important
that science fiction writers continue to write, because
they often provide ideas and encouragement for creativity
and development.

Satellites are also important in other areas. I have
mentioned television; I could also mention communications,
and weather and climate monitoring. It was satellites up
in space that first photographed the issues with the
polar ice cap, and we have now been able to compare
the photographs that were taken 30 years ago with
those that are being taken now, which are showing the
real impacts on the ice cap.

Dr Philippa Whitford: The United Kingdom obviously
has the potential to be part of a world network of
satellites, in that the geostationaries are likely to be
launched from America, the United Arab Emirates and
Singapore, whereas Australia and the northern hemisphere
will be launching satellites into polar and sun-synchronous
orbits. Obviously, another blatant punt for Prestwick is
that we are further north.

Carol Monaghan: I thank my hon. Friend for that
intervention. Different areas can no doubt provide different
services.

Possibly the most famous satellite is the Hubble space
telescope. I have been asked why we should not simply
view the stars from a dark area of the Earth, such as
Chile or Hawaii. The answer is that the Earth’s atmosphere
is a fluid. Let us try to imagine viewing images through
water in a swimming pool. That gives us an idea of what
it is like trying to view space from the surface of the
Earth. Getting out of that fluid and putting the Hubble
space telescope up there has enabled us to get images
that would never have been considered possible in the
past.

The third really important, and really exciting, aspect
of space exploration is the possibility of living in different
environments. It was thought for a long time that two
things were required for life to exist: an oxygen-rich
atmosphere and liquid water. However, we have now
seen evidence, even on Earth, of life existing in extreme
areas—for example, at very deep pressures in the ocean
and in very cold parts of the world. That gives us real
hope that there might be life in other places, even within
our own solar system. It also gives us the opportunity to
think of living further afield beyond the constraints of
the surface of the Earth.

We have mentioned astronauts already. I have counted
seven British-born astronauts, although I might have
got that number wrong. Two of them are space tourists,
and a number of them moved to the United States in
order to pursue their careers, but what was really exciting
about Helen Sharman and Major Tim Peake is that
they were both living here in the UK. That gives our
youngsters great hope.

We must not forget, however, that space travel is
extremely dangerous, particularly during take-off and
landing. The Challenger disaster in 1986, in which
seven astronauts were killed as a result of faulty seals in
the solid rocket boosters, is an example of that danger.
In describing the dangers of re-entering the atmosphere,
I shall refer again to the fluid I mentioned earlier. Let us
imagine skimming stones on the surface of a lake. That
is what it is like trying to get a spaceship back into the
Earth’s atmosphere. It has to enter at a particular angle
and at a particular speed. If it gets those things wrong,
it will bounce off the atmosphere like a skimming stone. If the angle of entry is too steep, it will burn up very quickly. It is a very precise operation. We also remember the Columbia disaster in 2003.

When I was at the Science Museum just before Christmas with all those children, they cheered and shouted as the rocket was launched. I did not cheer and shout at that point, however, and the people in ground control at the European Space Agency also waited until the rocket had got into orbit proper before the celebrations really started. That is the point at which it is considered to have become a lot safer. We must pay tribute to the bravery of these astronauts. Theirs is a dangerous job, albeit a glamorous one.

As my hon. Friend the Member for Central Ayrshire (Dr Whitford) mentioned, Tim Peake is to do his spacewalk tomorrow. He will be outside the space station for more than six hours, which is no small task. It is highly technical and highly dangerous, and we wish him all the very best.

I have been pleased to hear so many Members talk about the importance of science, technology, engineering and maths and of getting girls involved in those STEM subjects. However, to do that, we need teachers in place, and a serious policy of recruitment and retention of teachers. We need to think about how we will attract people from other areas into teaching.

A few years ago, I was lucky enough to meet a NASA astronaut, who was talking to a group of my school children. He was asked by one, “What do I need to study in order to become an astronaut?” His answer was great. He said, “It doesn’t matter. You just must follow what you are passionate about—be that material science, engineering, physics, chemistry, biology or medicine. Follow what you are passionate about and then other things will follow.” That is an important message for our young people.

Finally, I ask the Minister to commit to the space industry not just financially, but in terms of advertising and ambition. As my hon. Friend the Member for Paisley and Renfrewshire North (Gavin Newlands) said, we must have the ambition and we must say to our young people, “This is for you and it is available to everybody.”

On the back of Tim Peake’s mission, which has been so inspirational to watch, we really need to get the message out there that space is open for business. I now call on the Minister to make it so.

2.2 pm

Yvonne Fovargue (Makerfield) (Lab): I congratulate the hon. Members for Central Ayrshire (Dr Whitford) and for Glasgow North (Patrick Grady) on securing this timely debate and the Backbench Business Committee on allowing it. I also congratulate all hon. Members who have made contributions today on showing such expertise and passion for the subject. I join everyone in paying tribute to Major Tim Peake. We all watched his take-off at the end of last year with fascination and awe, and I wish him every success over the course of his mission, and particularly with his spacewalk tomorrow.

I was particularly excited today to hear that there are ongoing discussions about a live link-up between Parliament and the international space station, not least because I would love to see in Hansard the phrase, “Ground Control to Major Tim”.

As the first UK astronaut to join the international space station, Tim Peake’s journey is a significant milestone in this country’s involvement in space exploration. I hope that this new interest in space exploration and travel inspires young people across the country and helps them to pursue careers in science and technology.

It is appropriate at this time, as the hon. Member for Glasgow North said, to pay tribute to those who lost their lives in the Challenger disaster, particularly Christa McAuliffe, a teacher, who went into space to inspire young people. On 28 January, it will be 30 years since that disaster, and we pay tribute to all those involved.

Tim Peake’s achievement bears testimony to human ingenuity and progress, and it highlights the potential for the successful collaboration between Government and industry. The UK’s new national space policy, which aims to increase the UK’s share of the global space economy to 10% by 2030, has been worked on by specialists from Government, academia and industry. Its commitment to supporting the growth of the commercial space sector, underpinned by our world-class academic research, is particularly welcome. We on the Labour Benches support that kind of partnership, and believe that the Government should be doing much more of the same in other sectors.

Continued support for the UK’s space industry is vital, as many Members have told us. It contributes some £11.3 billion to the economy, and supports a number of vital public services, including medicine, disaster relief, defence and transport. Although we associate the industry with space travel, it also impacts on all our lives on a day-to-day basis. I am talking about things such as satellite television, smartphones and sat-navs—I would never leave the house without my sat-nav. We are benefiting from technology produced by the UK space industry.

The industry is important to all our lives, so we need a long-term strategic goal for the sector. It is disappointing that the space, innovation and growth strategy reports that the ad hoc nature of Government funding for space programmes has hindered strategic planning. Although the Government’s direct investment in the space industry is welcome, it must be accompanied by a wider strategy for skilling up future generations, and ensuring that the UK is leading the way when it comes to research and development.

We have heard from many hon. Members about the importance of the next generation of scientists and engineers. We must equip them with the skills that will allow them to undertake those jobs of the future. Unfortunately, the widespread shortage of skills in science and technology, the Government freeze on 16-to-19 funding and in the adult skills sector, and the huge upheaval in colleges from area reviews will not be helping that aim. I have particular sympathy with those who talk about bringing more women into this sector.

We need to encourage our young girls and women to see that this is not a dirty engineering sector, but an area of great opportunities. I am concerned that we do not do that early enough. When girls are around the age of eight to 10, they are absolutely enthused by science and technology, but by the time they reach 16, the enthusiasm has waned considerably. We need to keep the enthusiasm going. As the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) said, we need to offer encouragement and to look at the careers advice that we give to young women from all backgrounds.
Bob Stewart (Beckenham) (Con): May I just say that it is so encouraging to see the number of women pilots in the Royal Air Force, particularly women fighter pilots who are showing not just that they are the equal of men, but that, sometimes, they can beat them hands down?

Yvonne Fovargue: Obviously, as a female myself, I would say that, quite often in many professions, we have to be not just as good as men, but better than men to prove that we are their equal.

We cannot hope to achieve the Government’s target of growing the number of jobs in the space industry if we are not equipping the next generation with the necessary skills. Will the Minister tell the House what assessment he has made of the impact that cuts to the skills budget will have on the future success of the UK space industry? Furthermore, what is he doing to encourage young women to enter the industry?

If our space industry is to prosper globally, we must be pioneers in the field of research and development, but our public investment in R&D has not kept pace with our international competitors. We spend less on research as a share of GDP than France, Germany, the US and China, all of which are increasing their commitment to science and technology. In 2013, UK Government expenditure on civil space research and development was only seventh amongst OECD countries, well behind some of our competitors.

Investment is vital to science, but so is regulation. It is also important that the Government’s regulatory regime creates an environment that enables growth in the satellite and space sector. Will the Minister explain what is being done to enable new players, such as small and medium-sized enterprises and start-ups, to access the market? As in many UK industries, businesses’ ability to access finance remains a concern. What is the Minister doing to improve access to finance for companies in the space industry?

Throughout the debate, we have heard much about the achievements of space travel and innovation, and the considerable benefits they bring to our economy. Tim Peake’s journey to the international space station has the potential to inspire a new generation and rekindle the passion for space exploration felt by my generation when we saw man first set foot on the moon. This Government have to capitalise on that in the coming months and years and continue to work in partnership with the sector, allowing us all to reach for the stars.

2.11 pm

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I thank you, Madam Deputy Speaker, and the Speaker’s Office for granting the debate, and congratulate the Backbench Business Committee on securing it. I think it shows the House at its very best, capturing the mood of the nation and setting out an inspiring and challenging vision of how in the years ahead this country can do so much more in this exciting field.

As many hon. Members have said, the debate is timely. Major Tim Peake floats in orbit above us, looking down, and tomorrow he will conduct the historic and serious spacewalk. He is the first British European Space Agency astronaut and the first British astronaut to enter the international space station. The debate is also timely because of the sad passing of the iconic David Bowie, whose lyrics in so many ways provided a backdrop to my generation’s childhood and captured, at the time of the Apollo missions, the existential challenge and opportunity of pushing the boundaries of space, time and culture. That provides a rather extraordinary and unpredictable but moving backdrop to this moment in space.

Bob Stewart: I rise as the Member for the coolest constituency in the country. David Bowie lived and played in my constituency, and we are hoping that the bandstand where he played will be saved and restored properly. That is not happening at the moment.

George Freeman: I am glad that my hon. Friend the Member for Beckenham (Bob Stewart), David Bowie’s constituency, rose to speak at that moment.

This debate and story is about more than the space endeavour alone. It is about business—the UK space industry is an £11.8 billion industry, employing 35,000 highly skilled people. It is about extraordinary technology in optics, communications, rocketry and engineering. It is about an activist industrial policy and strategy, for which I am delighted to confirm our support, to encourage leading technologies and industry. I pay tribute to the work done by Paul Drayson and by my great friend and colleague David Willetts, now a Member of the other place, who in 2012 was instrumental with the Chancellor in securing the £80 million for the international space station, which was crucial to securing Tim Peake’s role in it, and in securing the money for the reaction engines programme, on which this country is leading.

This debate is also about science, not just in space, but solar and earth science. Taking in rocketry, engineering, climatology, optics and communications, this is a deep science project to inspire all. It is about women in science, as others have said. Dr Helen Sharman was the first British woman in space, and the Italian Samantha Cristoforetti was the first European Space Agency woman astronaut; she did inspiring work and has become something of a legend and a role model for girls and women in science. It is also about our perception and consciousness of our environment. The “Earth dawn” photo changed perceptions of the fragility of the Earth’s ecosystem.

Bob Stewart: Amen.

The debate on space is also about geopolitics. Who, in the appalling dark days of the cold war and intercontinental ballistic missile threats in which many of us grew up, could have imagined that we would now have an international space station in which Americans, Russians and people from across the world work together for the good of all? It is about defining a new common space for all and a new approach to our defence and security through common leadership. It is not a subject I get to speak much about at the Dispatch Box, but today’s debate makes it possible to talk about mankind’s destiny—the questing spirit deep in us all and in society to inquire, discover, imagine, explore and make possible whole new worlds and opportunities.

This debate is also about the power of ambitious, positive, global, purposive and internationalist leadership to inspire and unite to produce a better politics from us all. No one spoke better on that than JFK, in his inspiring inaugural address in 1961. He said, “we are not only a nation at war; we are a nation at work.”

Bob Stewart: “my fellow Americans: ask not what your country can do for you, ask what you can do for your country.”
He launched America on a mission of internationalism, and two years later, in his Apollo speech, announced that America chose to go to the moon not because it was easy, but because it was hard. He did so in the spirit of internationalism and of appeal to the best instincts of mankind. It is a beautiful thing, I think, that on the moon is left an inscription stating that mankind came to the moon in a spirit of freedom and peace. That mission captures so much that is best about our society and what we want to achieve.

It is for those reasons that the Prime Minister asked that we harness the inspirational power of Major Peake’s mission to inspire the next generation of scientists and engineers and to bring the country together. All of us found it difficult to avoid the excitement associated with the launch and arrival of the first British ESA astronaut at the international space station. We held celebration events in Edinburgh, London, Cardiff and Belfast, at discovery centres throughout the UK, and here in Parliament. The Science Museum in London attracted almost 11,000 visitors, and if the sheer exhilaration of the 5,000-plus primary schoolchildren at the museum translates into an increase in future sciences, Tim Peake’s mission will already have achieved its goal. In all, 35% of the viewing public watched the launch, and a further 3.8 million people watched the Soyuz spacecraft dock with the international space station that evening.

Our Government are providing £3 million of support to the education and engagement programme associated with Tim Peake’s mission, and we have been lauded by the ESA as the country doing the most to invest in and promote educational outreach. We will measure whether the excitement inspires young people to take up STEM subjects—several Members rightly commented on that—and increases public understanding of and engagement with science through an evaluation study being undertaken by York University. It is the first such research since the Apollo effect study in the 1970s.

The Peake mission is possible because of a decision made at the 2012 European Space Agency Council of Ministers meeting by the then Science Minister, David Willetts, which resulted in the UK joining the international space station and the related European programme for life and physical sciences—ELIPS. The UK made a further investment at the Council of Ministers in 2014. The total investment, which exceeded £80 million, provides substantial value for money, giving UK scientists access to a laboratory that has cost others up to $100 billion and is testament to international collaboration in science. The three man crew on the Soyuz, which launched on 15 December, comprised Tim Peake, the American Tim Kopra and the Russian commander Yuri Malenchenko. It is early days, and evaluation of UK involvement is ongoing, but the current results are incredibly exciting.

Experiments for the ELIPS and subsequent experiments undertaken on the space station are selected on the basis of science excellence, which plays to UK strengths. We sometimes forget that this is a massive international set of experiments up in space. In the most recent competition, the UK won more than 10% of awards for experiments, although UK involvement in the space station is at about 5% of costs, so we are punching above our weight. About 40 to 80 scientists across the UK are involved.

Space is not just about national exploration; it is about critical national infrastructure and services, such as weather forecasting, satellite navigation and satellite television. Space-based technology is used for tackling many global challenges. Satellites can assist with tackling illegal fishing, efficient urban and rural land use, resource management, safe implementation of autonomous vehicles, and myriad further uses underpinning new technologies and new markets. For example, over half the essential climate variables needed to understand climate change derive from our satellite observations.

The UK space sector is undoubtedly a massive and growing success story. There are real prospects for the young people inspired by Tim Peake and the Rosetta mission to work in our very strong and vibrant space economy in the future. It is currently worth more than £11.8 billion to the UK economy. That is growing at about 8% a year, which is three times faster than the average non-finance sector. It is characterised by an incredibly highly skilled workforce of more than 37,000 people, half of whom hold at least a first degree. Those direct jobs each support more than two jobs in the wider economy. The sector has a general value added per job of £140,000, three times higher than the UK average.

To reflect the strategic and economic importance of the sector, my right hon. Friend the Secretary of State for Business, Innovation and Skills launched the national space policy on 13 December to coincide with the Peake mission. It showcases how space now impacts on our daily lives, not least in the field of satellite data and information. It describes how the sector is a unique, strategic national capability which delivers science and innovation, national security, essential public services and prosperity. The policy spells out how the UK Space Agency has brought together the roles and responsibilities of 17 different Government organisations and other partners, such as research councils and Innovate UK which are involved with space.

Space-based activity is a long-term endeavour with international collaboration, industrial co-investment, skills development and considerable planning at its heart. Stability and certainty are important, and the national space policy is the Government’s expression of our long-term commitment to seeing it through and to putting in place a policy landscape to support that investment.

The UK’s involvement in space ranges from fundamental underpinning research into the origins of the universe, to understanding and protecting our planet, through to supporting the research that leads to UK companies launching entirely new multimillion-pound telecommunication satellites. Some 25% of the world’s telecommunication satellites are substantially built here in the UK. Satellites operated under the disaster charter and earth observation data procured commercially were critical to effectively targeting the response efforts on the ground in the recent floods.

This is an exciting time for space. In 2016 the UK will be building the main experiment on the Plato mission that will search for new earths orbiting other stars, in pursuit of answers to the profound question about life elsewhere in the universe and will precipitate key markets for UK companies. We look forward to a major European Space Agency Council of Ministers meeting in November/December 2016, where we will negotiate to ensure that
the UK continues to play an influential part and benefits fully from European Space Agency programmes. The programmes that we are looking forward to in particular include the UK-led bioregional project that will involve the capacity of the world’s forests to store carbon. As well as improving our ability to control climate change, this offers a considerable opportunity as UK companies are poised to win contracts to provide the craft that will host the experiment in orbit.

2017 will see the launch of the joint European-Japanese BepiColombo mission which will set out on a voyage to Mercury, using a very efficient ion drive electric propulsion engine manufactured by UK firm Qinetiq. In the field of space flight, through companies such as Clyde Space and SSTL, the UK has become a leader in the manufacture of smaller satellites and has largely secured cost-effective launch by arranging “piggy-back” launches with larger satellites in a competitive launcher market which is not yet sustainable but is growing fast. This is connected to the growth of commercial constellations of tens or even hundreds of low-cost small mass-produced satellites that can provide ubiquitous communications across the globe or near real-time imagery from low earth orbits.

Indeed, we believe that commercial space flight is a market which, when combined with the emerging trend to use large constellations of small satellites, could provide a cumulative economic benefit to the UK of £20 billion by 2030. This will provide new and long-term manufacturing and service jobs and will stimulate high tech growth. This includes exciting developments such as single-stage to orbit launchers, the engines for which are being pioneered by Reaction Engines, a rapidly growing company in Oxfordshire.

This is the context for the UK to explore having a launch capability. We believe there is at least a two-stage process to achieving it. The first part of our ambition is for the UK to become the European hub for commercial space flight and related space sector technologies. The initial focus is on creating the necessary legislative and regulatory framework that will enable commercial suborbital space flights alongside existing civilian and military airspace operations. Alongside this, it is the Government’s intention to select a preferred location for a UK spaceport that will be capable of operating horizontal commercial spaceplanes. We are closely examining what this process will look like, to ensure that it is fair, transparent and robust.

We will seek to draw on established Government approaches to appraisal and will ensure that the preferred location meets a number of key criteria—that it can deliver a spaceport technically capable of operating horizontal commercial spaceplanes, that it will be commercially viable, that it can ensure the safety of the uninvolved public, and that it takes into account the potential environmental impacts of the spaceport and will deliver local and national economic growth. These criteria are likely to form the core of any selection process, though we have not settled on the final criteria.

Drew Hendry: The Minister is outlining an exciting programme of opportunities and economic development. He has heard from a number of Members today about the need to encourage girls and young women to get involved in the industry. Will he take that message away to the Government and do something practical to promote that?

George Freeman: Yes, I certainly will. There are a number of initiatives in place which I have not had time this afternoon to set out, but I will happily take that point on board. We are seized of the importance of promoting women in the sector.

Developing a UK spaceport and a commercial suborbital operation are crucial steps to building the capability and credibility for a UK launch capability, with the aim of launching small satellites from the UK.

I shall touch on some of the key points that hon. Members made. I congratulate the hon. Member for Central Ayrshire (Dr Whitford), whose introductory speech set the scene beautifully. I was delighted that she referred to me as a Minister prepared to boldly go where no Minister has gone before. I pay tribute to my hon. Friend the Member for Bracknell (Dr Lee) who, in his maiden speech, was quick on to this subject and has been a leading advocate and vice-chairman of the space committee. It is great to see the cross-party support for this project.

A number of colleagues, particularly from Scotland, spoke about the importance of the Scottish cluster. In this field as well as in other technology areas, Scotland has a powerful cluster. Despite a number of powerful bids being made from Scotland, Wales and Cornwall, hon. Members would not expect me today to pre-empt the process of selecting appropriate sites, but I can assure them that we will conduct that process fairly, openly and against proper criteria. All their bids have been heard clearly today.

Let me address some of the key questions that have been raised. There was a question about our priorities. I hope my comments setting out our commitment and the commitments set out in the recently launched space programme of opportunities and economic development. We are working widely with industry to identify the key markets that we see delivering the main growth. The Space Leadership Council, jointly chaired by my hon. Friend the Minister for Universities and Science and the president of the UK space trade association, is actively working to develop a set of policies, and the blueprint for growth which was set out in our recently published national space policy sets out the framework that we intend to follow.

There were questions about growth and what we are doing to ensure a joined-up strategy for the sector. We are working widely with industry to identify the key markets that we see delivering the main growth. The Space Leadership Council, jointly chaired by my hon. Friend the Minister for Universities and Science and the president of the UK space trade association, is actively working to develop a set of policies, and the blueprint for growth which was set out in our recently published national space policy sets out the framework that we intend to follow.

On the timing of the announcement of the spaceport location, as hon. Members know, this is an entirely new market. It is moving quickly, but there are complex issues to be dealt with in relation to regulations and the legal basis for safe flights that we need to get right. That work is ongoing, and I hope that my comments today have reassured Members that it is being taken seriously. The Government expect to be able to announce how we see that being taken forward.

Important questions were asked about space debris and regulation. This area is governed by the Outer Space Act 1986. No licence is issued to operators of space assets unless they can show that they are compliant and safe,
and minimising space debris is part of that process. Technical failures do occur, but we remain vigilant. The strategic defence and security review set up a cross-governmental committee, chaired by my hon. Friend the Minister for Universities and Science, to further ensure security in space, particularly in relation to space debris.

A number of hon. Members asked about careers in STEM. We have allocated £3 million to support education programmes to help young people benefit from Tim Peake’s mission, and reaching out to girls and women is an important part of that. The European Space Agency has acknowledged that the UK is doing more to support that work than any other nation in the project. We are providing practical tools for teachers and lecturers.

There was a question about the University of Glasgow and how the Government are engaging with cutting-edge research facilities. Through the work of the Engineering and Physical Sciences Research Council, the Natural Environment Research Council and the Science and Technology Facilities Council, we are actively looking at how we can use those research centres to support this project.

The hon. Member for Strangford (Jim Shannon)—on a previous occasion he described himself as a stalker of mine, because we appear to speak in all the same debates—made a powerful plug for Northern Ireland. The Government fully recognise the benefit that Northern Ireland’s space industry and universities play in our space policy. That is why we were delighted to convene and take part in an event held in Belfast to mark Tim Peake’s launch.

My hon. Friend the Member for South East Cornwall (Mrs Murray) raised the important issue of Newquay airport. My right hon. Friend the Prime Minister has said previously from the Dispatch Box that he recognises the importance of Newquay in this and in the wider Cornish economy. As I have said, we will look at all bids in time.

We have heard a lot of quotes in today’s debate—some more original than others—not least from David Bowie. I wanted to close with one that we have not heard. In “An Occasional Dream” he sang about “tomorrows of rich surprise... Some things we could do.” He sang:

“We can be heroes, just for one day”.

I think that this debate, and indeed this whole topic, captures the sense in which good politics can bring people together to achieve the very highest goals. I am grateful to colleagues for raising it and pleased to be part of a Department that is committed to this sector and to achieving everything that this country can do in this very exciting race.

2.32 pm

Dr Philippa Whitford: We called this debate to celebrate Major Tim Peake’s spacewalk tomorrow, and obviously the incredible work he is doing to engage children and young people. Many Members have spoken about the need to engage girls, in particular. I do not think that there is really a clash between us on whether Tim Peake or Helen Sharman is the first British astronaut; they are people we should be promoting together. There is no friction between them. Indeed, she has given him her copy of Yuri Gagarin’s book to take there as a souvenir. Having spent 33 years in surgery, I know what it is like to be in a man’s world. I remember being told formally during my third year at medical school that women could not do surgery. We have come a long way.

We have heard from Members from all UK nations bidding for their site, which I think is absolutely right. We have also heard about the incredible breadth of the industry, and there are many things that we have not even thought about today. I am grateful to hear from the Minister that the structure and licensing will be looked at, because I think that is really important. I look forward to the day when our hubs are called not aerospace, but aero-space—aero, hyphen, space—and I expect that we will have multiple clusters and hubs. A time may even come when we need more than one space port; perhaps one for tourism and suborbital parabolic flights to Japan or north America, and one for getting satellites up—satellites that will end up being the size of a packed lunch.

I am grateful to all Members who have taken part in what has been a fascinating debate. We want to encourage our young people simply to aim for the stars.

Question put and agreed to.

Resolved,

That this House notes the scientific, cultural and technological opportunities arising from exploration of outer space and the significant contribution the space industry makes to the UK economy; further notes the increased public interest in space exploration resulting from Major Tim Peake’s mission to the International Space Station (ISS); welcomes the global co-operation that has led to the development of the ISS over the last forty years; takes note of the shortlist of airports and aerodromes that could host a UK spaceport published by the UK Government in March 2015; and calls on the Government to bring forward further advice and support for organisations considering developing such facilities so that they might be operational by the Government’s target date of 2018.
**House of Lords Reform**

2.34 pm

Martin John Docherty (West Dunbartonshire) (SNP): I beg to move.

That this House has considered House of Lords reform.

Not since 2011, when the then Deputy Prime Minister presented the case for reform, have Members of the House of Commons been offered the opportunity to debate and discuss the House of Lords on the Floor of this House. Therefore, before proceeding any further, I wish to extend my grateful thanks to the Backbench Business Committee, and to the hon. Member for Harrow East (Bob Blackman) especially, for agreeing to this debate and for some sage advice, which was critical, given my novice plea.

During the general election there were various mentions of House of Lords reform. Critically, the Conservative party limited its vision in its manifesto to addressing only the size of the House of Lords, for clearly size matters to the Tory party. At its present velocity of expansion, the House of Lords will soon exceed the National People’s Congress of China. It has already exceeded the size of the European Parliament, which is elected by over 400 million European citizens. Clearly, Parliament envy will soon see even this House displaced by the Prime Minister's expansionary tactics.

I know that at the previous general election the British Labour party took a more pragmatic view. I give credit where credit is due by recognising the work the previous Labour Government did to limit the hereditary peerage, although that work was sullied by the cash for honours scandal uncovered by my hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil). I wonder where my Labour colleagues are today.

At least on these Benches we have spoken with one voice. At the general election the Scottish National party placed our proposal before the entire community of Scotland: “Abolish it!” If this Parliament is to work as an effective and legitimate legislature in the British state, its upper Chamber should resemble less the congress of a communist state and more the revising and advisory role of a Parliament of a 21st century liberal democracy.

Kelvin Hopkins (Luton North) (Lab): I agree with the hon. Gentleman about abolition, which is a theme I wish to speak about later. Does he agree that the power of patronage of Prime Ministers to appoint people they choose to the House of Lords is even more pernicious than having hereditary peers, who at least have the advantage of being independent?

Martin John Docherty: I am grateful to the hon. Gentleman for that intervention. He need not worry, because I will get there.

Let us return to the hope of many Members of this House—a hope that is shared, in particular, by my hon. Friend the Member for Perth and North Perthshire (Pete Wishart), who cannot be here today—that any future reform of the upper Chamber should not only consider its size, but limit it and remove with haste its ability, as an unelected and unaccountable Chamber, to generate legislation. That is an affront to my constituents and an aberration at the heart of the British political system.

Only a few months ago the Government were keen to play down any reform agenda. Their latest antics have the right hon. Member for Tatton (Mr Osborne) as Citizen Camembert rather than Chancellor of the Exchequer, and the Prime Minister playing the good cop and leading man as the Black Fingernail. This is indeed a farce, if not a “Carry On”.

While many Members across this Chamber would seek a long-term resolution of the undeniable illegitimacy of the upper Chamber in its present form, the Government tinker at the edges with the Strathclyde review, a botch job done in jig time for Christmas. Although the review offers a way forward, it seems to confuse the role of the House of Lords. Is it to be a mere stamper of Government policy, or is it a revising Chamber that tackles the Government on the tough subjects of the day? Critically, all options would offer an additional burden on the workings of this House and highlight the behemoth that is the Palace of Westminster. If the report were at least linked in some way or form to improvements in working practices such as electronic voting, which would allow us in this place to deliberate more robustly, in more depth, and with reduced recourse to statutory instruments, it would have been a slightly more useful document. For the record, however, I wish to commend Lord Strathclyde and all those involved for seeking to overcome the Government’s obstacles.

While the report is welcome, it highlights the Dickensian, if not medieval, machinations and dubious working practices of this Parliament. It accidentally shows the Alice in Wonderland antics of the so-called liberal democratic practices of the mother of Parliaments. If the review was worth the paper it was written on, it would be my hope, and that of my hon. Friends, that it would seek to uphold the nature of our polyarchy and at least promote its first pillar, namely that control over Government decisions about policy should at all times constitutionally be invested in elected officials—Members of this House elected by their constituents, from whom they derive their political mandate.

Patrick Grady (Glasgow North) (SNP): I congratulate my hon. Friend on securing this debate and apologise for being unable to stay for the whole thing. He speaks about the legislative powers of Members of the House of Lords. Does he agree that even more pernicious and insidious is the soft power that is held by unelected Members? They can spend much time in all-party groups, have access to Ministers behind the scenes and all the other trappings that are not visible or even open to scrutiny through live coverage of the Chamber because they happen behind the scenes.

Martin John Docherty: I could not agree more. The way that operates within this Parliament is pernicious.

Sadly, I believe that in this Parliament, at least, the aspiration and will for change are a lost cause, given that in the previous Parliament alone the Prime Minister appointed 200 new unelected, unaccountable members of the peerage, and a further 45 in the short period in which my hon. Friend and I have been returned to this House. Appointees covering the great and the so-called good include, of course, large-scale donors to political parties and former bigwigs of county halls the length and breadth of the country.
Of the peerage, let me turn specifically to a certain cadre—the archbishops and bishops of the established Church of England. While much has been made of likening their position to that of the theocrats of the Islamic Republic of Iran, my direct challenge to them is this: they have no place in debating—or voting on, should it occur—the civic or religious life of Scotland. I draw Members’ attention to early-day motion 952, submitted by my own hand and signed by many of my hon. Friends from Scottish constituencies, which calls on the Lords Spiritual to desist in their well documented, historical interference in the affairs of the community of Scotland since the times of our late and noble King David. Their interference must end if this Parliament is truly to reflect the broad kirk of representation and communities of this political state.

Let us turn our gaze on the other members of the peerage of the realm. Yes, I will admit, through gritted teeth, that within their ermine-clad utopia there are a few souls who work hard. Yet, as exposed by my hon. Friend the Member for Perth and North Perthshire in a debate held in Westminster Hall on this very day one year ago, we can see the limited work of so many who stipulate that their position is to stand for Scotland in the upper Chamber. The peerage has no constituency—we all recognise that—and yet they purport in that unelected Chamber to ensure that our constituents’ needs are met. One prime example is those peers who have given attendance and full participation a cursory glance and claim substantial sums of taxpayers’ money for the privilege of access to the Bishops’ Bar.

May I ask the hon. Gentleman, and his colleagues, whether he would like to have a member of the SNP in the House of Lords? I think that would be good idea.

Martin John Docherty: I certainly agree with my hon. Friend. For as long as I am the Member for West Dunbartonshire and a member of the Scottish National party, that is what I will be sticking to—saying no to seats in the unelected Chamber.

Martin John Docherty: I am grateful to the hon. Gentleman for a good laugh, but the answer is no.

As per convention, I shall name no names, but I direct hon. Members to acquaint themselves with the debate held in Westminster Hall on this very day one year ago, where the record of the peerage is seen to be damming indeed.

Dr Andrew Murrison (South West Wiltshire) (Con): The hon. Gentleman is delivering a great deal of passion in his speech; it is just a pity that his passion is not shared by the public at large, or indeed, evidently, by Labour Members. What would he say to those who do not necessarily disagree with some of what he is saying but for whom, nevertheless, this is a low priority?

Martin John Docherty: Democracy is never a low priority in the Scottish National party. That is why the people and community of Scotland returned my hon. Friends in such numbers.

Alison Thewliss (Glasgow Central) (SNP): Does my hon. Friend agree that there is little democracy in the fact that those who have been rejected by the electorate can then find themselves along the corridor from us, making law?

Martin John Docherty: I could not disagree with my hon. Friend on that very important matter.

The upper Chamber and its shenanigans reflect more than the debauched imperial Roman senate than a functioning democratic parliamentary Chamber, bowing and scraping in a place in which the modern world is seen as an inconvenience. Since my election to this House, I have visited the unelected, unaccountable Lords, where I took my place in the Members of the House of Commons’ balcony—a lofty vantage point across which to view the stoor and the oose of ages. It would seem that their lordships are followers of the Quentin Crisp school of housework. Like him, they firmly believe that after the first four years, the dirt doesnae get any worse. Four years of accumulating dust is nothing compared with the accumulation of centuries of privilege and unaccountability. It must end.

There are those who will see this as nothing other than Celtic hyperventilation against a conspiracy of anomalies, arrogance, absurdity, vanity and venality that poses as a pillar of the mother of Parliaments—and they may be right.

Patrick Grady: It is not simply a matter of vanity. In 2005, as I am sure Members are aware, the Scottish National party had a democratic vote at its conference never to accept seats in the House of Lords, confirming a convention that had been in place since the 1970s. At no point in the party’s history has it ever considered taking a position in the unelected Chamber.

Martin John Docherty: I certainly agree with my hon. Friend. As I said, all this could be seen as pure Celtic hyperventilation about the unaccountability of the House of Lords, yet there are Members from beyond the Celtic fringe—although I wonder where they are today—who find the unelected and unaccountable nature of the House of Lords an affront to liberal democracy.

Wayne David (Caerphilly) (Lab): I congratulate the hon. Gentleman on what has so far been a very colourful speech. He has been very clear about the SNP’s position, but his partners in this House are Plaid Cymru, which does have Members in the other place.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): We do not have a separate jurisdiction.

Martin John Docherty: My very hon. Friend has given the answer from a sedentary position: Wales does not have a separate jurisdiction. That in itself is a disgrace and one of the main concerns for my hon. Friends in Plaid Cymru.

As I said, all this could be seen as pure Celtic hyperventilation about the unaccountability of the House of Lords, yet there are Members from beyond the Celtic fringe—although I wonder where they are today—who find the unelected and unaccountable nature of the House of Lords an affront to liberal democracy.

Kelvin Hopkins: May I inform the hon. Gentleman that there are some English people—I am English from generations back on all sides—who believe we should have one democratic Chamber, not an unelected Chamber full of place persons and hereditaries?

Martin John Docherty: I am grateful to the hon. Gentleman. I do, of course, count Cornwall in the Celtic fringe.
Any debate that links the Government and Her Majesty's Opposition to some of the most damning political consequences and incompetence, as highlighted in the last Parliament by my hon. Friend the Member for Na h-Eileanan an Iar, will fill even those Members—those hardy souls—with dread. Cash for honours sends a collective shiver down the spine of this House and, indeed, our parliamentary system. I seriously doubt that we have seen the last of it, not only in the upper Chamber but even here. The appointment process exposes beyond doubt the privileges of those Members of the House of Lords. In reality, there is no substitute for democracy and direct election.

Chris Law (Dundee West) (SNP): I am delighted to join the Chamber to hear my hon. Friend's speech at such late notice. Does he agree not only that this debate is vital—it is a sheer disappointment that more Members are not here—but that it is incredibly perverse that we are about to reduce the number of democratically elected MPs in this Chamber from 650 to 600, at the same time as the House of Lords is ever increasing?

Martin John Docherty: I am grateful to my hon. Friend for his interjection. He raises an important point. I am grateful that the Front Benchers of Her Majesty's Opposition are here, but where are the great reformers? Where are the Liberal Democrats, the great changers of the British constitution? They are in the House of Lords.

As to the future—I wish to address my hon. Friend's question directly—one clear clarion call should go out to the British Labour party and the British Liberal party: no more appointments. Enough. Stop. Renew, here today, the commitment to reform—not piecemeal; not lacklustre; not fiddling while the parliamentary democracy of this political state is sullied by the illegitimacy of the House of Lords. Be clear. Be concise: no more Labour or Liberal peers. Call the Government's bluff. Call the bluff of the unelected, unaccountable mire of cronies and warmenhers. Join us in demanding an end to Labour or Liberal peers. Call the Government's bluff.

Madam Deputy Speaker (Natascha Engel): Order: There are nine Members who wish to catch my eye before 4.30 pm, which is when I want to bring in the Front Benchers to wind up. That calculates at roughly 10 minutes each, so if Members can informally keep to about 10 minutes, that would be great.

2.56 pm

Martin Vickers (Cleethorpes) (Con): I congratulate the hon. Member for West Dunbartonshire (Martin John Docherty) on securing this debate and on his interesting, entertaining and, I think it is fair to say, at times angry speech, quite a lot of which I agreed with, because I would sweep away the House of Lords and replace it with an almost entirely elected Chamber.

I accept the fact that, as my hon. Friend the Member for South West Wiltshire (Dr Murrison) said in an intervention, the issue is not exactly top of the charts for our constituents. I have only one constituent who writes to me about it and other issues, such as the changes to the Act of Settlement.

Dr Murrison: My hon. Friend is an extremely assiduous constituency MP and I suspect he spends most of his weekends knocking on people's doors to get their views. Is he able to recall the last time a constituent on the doorstep badgered him on the subject of House of Lords reform? I am really struggling to remember the last time a constituent troubled me on that matter.

Martin Vickers: My hon. Friend is right. I cannot recall anyone on the doorstep raising this particular issue, even when it was being debated day in, day out in this Chamber. The fact that it is not on the public's agenda suggests that it will not be on the Government's agenda—and, of course, it is not. The fact that the public do not care a great deal gives the Government an opportunity to kick it into touch.
Had I been here in the late 1990s when Tony Blair was tinkering with the House of Lords and sweeping away most of the hereditary peers, I would probably have been opposed to that, as a typical traditional Conservative. It would appear to me that they were doing no great harm, and if we are to be ruled by an unelected body, I would rather it be an unelected House of Lords than an unelected European Commission.

The reality, however, is that we cannot go on as we are. Changes, both significant and minor, have been made to our constitution over the centuries and we have tended to muddle along and accept them. On the whole, I think that the system has evolved into one which, with all its faults, gives us a better existence and life. We are well governed and have a functioning, honest judicial system and the like, so I think we have a lot to be thankful for with regard to the way in which things have evolved over the centuries.

Personally, I would go for a 90% elected upper House—or senate, as I would want to call it. The hon. Member for West Dunbartonshire addressed the issue of bishops, archbishops and so on. My remaining 10%, the unelected Members, would be faith leaders. Mostly, they would be Christian leaders, since we are a Christian nation, but they would include representatives of the Church of Scotland.

Peter Grant (Glenrothes) (SNP): As a practising Christian, I must say that I am not comfortable with defining any nation as a Christian nation, or indeed as a Jewish or an Islamic nation. Is it not more correct these days to say that we are a group of nations historically ruled by people who in their words purported to follow Christianity, but whose actions were very far from the true teachings of Christ?

Martin Vickers: It is certainly true that there are now fewer practising Christians throughout the UK than there were in the past. As the hon. Gentleman rightly says, however, our heritage is of a Christian nature and the eternal virtues taught by the Christian Church are the basis of our society.

Martin Vickers: In essence, however, it is fair to say that Scotland is becoming almost a unicameral nation.

It is often said that we benefit from the expertise of experts, many of whom are ex-experts. Many people at the other end of the corridor have a great deal of expertise and a lot to offer society, but that does not necessarily mean that they should be Members of the legislature. Over the years, Governments have found ways of including all sorts of people they wanted to bring into the process of governance—by establishing royal commissions, boards of inquiries and committees for this, that and the other—and it would be perfectly possible to get eminent lawyers, scientists and doctors into a group that provided the expertise that those of us in this Chamber certainly need.

Dr Murrison: I am very pleased that my hon. Friend has raised the issue of experts. If the public think about the upper House, they often think of it as a Chamber full of experts. Many of them are experts, but the trouble is that there is nothing more “ex” than an ex-expert. That point supports the argument he is advancing. To avoid the ex-expert phenomenon, should we put a limit on the number of years for which peers serve?

Martin Vickers: I certainly agree that, if we are to continue with an appointed or predominantly appointed House, a time limit would be desirable.

The point about such experts is that they tend to be London-centred experts. The reality is that an expert—a doctor, a scientist or whatever—is far more likely to be appointed to the upper House if they are from Kensington than if they are from Cleethorpes. There are exceptions. A few weeks ago, I was privileged to attend the swearing in as a Member of the upper House of the leader of North Lincolnshire Council, which covers part of my constituency. Not only has Baroness Redfern, as she now is, served the community through elected office, but she has roots deep in the Isle of Axholme, the part of North Lincolnshire from which she comes. However, peers such as the noble Lady are few and far between. It is a very metropolitan gathering.

It is often said that if there were two elected Houses, there would be power grabs by one House over the other. One mistake in the Bill that was introduced three or four years ago was that it said that the powers of the upper House would stay pretty much the same. That is fine, but it should be laid down in statute if we are to move in the direction that I am suggesting. Other countries seem to manage with two elected Chambers that rub along reasonably well, without constant power grabs by one or the other. It is important that the lower House should retain the power over financial matters. Any conflicts between the Houses should not be passed over to the judiciary. That is why the situation should be laid down clearly in any statute.

As I said in response to my hon. Friend the Member for South West Wiltshire (Dr Murrison), whether there is an appointed House or an elected House, there should be time limits. If I recall correctly, the Bill that was brought forward by the then Deputy Prime Minister in the last Parliament proposed terms of 15 years. Perhaps that was too long, but it would give people, although many of them may be party people, the independence that is necessary in an upper House.
Bob Stewart: I seem to remember that under the proposed legislation that was introduced in the last Parliament the elected Members of the House of Lords would have been elected by huge electorates of 3 million or 4 million people. Inevitably, people elected under such a system would say, “I had 2 million people voting for me and you had a poxy 66,000. Whose mandate is more important?” That was one of the problems that I had with the proposed legislation in the last Parliament.

Martin Vickers: I agree. I was not happy with that part of the proposals.

I am an advocate of first past the post when it comes to elections to this House, but I acknowledge that some form of proportional representation would be more appropriate for an elected upper House. Having said that, we must accept that people do not identify with massive areas or regions, such as those to which my hon. Friend refers. They tend to identify with their town or village and their county, as well as with their country. We need to devise a system that recognises those innate loyalties.

In closing, I urge the Government not just to tinker. I suspect that we will have more tinkering with the Strathclyde proposals, which I am not particularly enthusiastic about. The Government should go for it. I would rather have a Conservative Government reforming the House of Lords, because Conservatives recognise the value of evolution within the constitution and do not want to go for a big bang change. We have an opportunity to think carefully about this matter over the next year or two and to put forward serious proposals. We must recognise that an appointed House—an unelected Assembly—is not acceptable in the 21st century. It is time to think seriously about the way forward. I urge the Minister to acknowledge that it should be a Conservative Government who put forward the proposals. I very much hope to hear some dramatic proposals at the end of this debate.

3.9 pm

Steven Paterson (Stirling) (SNP): It is a pleasure to speak in this debate, and I will start by reading an amendment that was moved in this place during a debate on the House of Lords by a former leader of the Labour party. He wholeheartedly agree with the sentiments of that amendment that was moved in this place during a debate on the House of Lords by a former leader of the Labour party. It was to add the words, “the Upper House, being an irresponsible part of the Legislature, and of necessity representative only of interests opposed to the general well-being is a hindrance to national progress and ought to be abolished”.

I wholeheartedly agree with the sentiments of that former Labour party leader, Mr Arthur Henderson. He tabled that amendment during a debate on the House of Lords on 26 June 1907—never let it be said that Westminster rushes to reform. Predictably, the amendment was defeated, although it was part of a national debate that led to the introduction of the Parliament Act 1911, which made the supremacy of the elected Chamber over the unelected Chamber clear and beyond doubt. That was a very good thing, but we must go further.

I contend that radical change to the constitution is overdue, and that there is no place for a bloated, unelected Chamber of retired politicians, cronies and placemen in the modern day. It is 105 years since the Parliament Act, and I ask the House—not before time—to embrace democracy in all that we do. That means moving to an elected second Chamber and the abolition of what we currently have. Democratic change is normal, and we must move towards that.

We must bring the governance of the United Kingdom into line with the 21st-century standards of democratic accountability to be found across the developed world—we would all like to think we are part of that. In 2016 we have a Tory Government who are committed to the protection of this unelected, unaccountable, political establishment, and whose only desire to reform the House of Lords stems from the Lords’ own efforts to stymie and oppose Government legislation. That problem was created because the previous Government were so effective at stuffing the place with their own appointees, and this Government would rather stuff more voting fodder into the already bloated second Chamber in order to get their way. Perhaps they are not content with the fact that the UK has the second largest appointed parliamentary Chamber after the Chinese National People’s Congress, and they want to show the world that when it comes to undemocratic and unaccountable government, nobody does it better than the UK.

In 2015, 45 new peers were appointed to the House of Lords, including 26 on the Government side. Make no mistake, the House of Lords is not impotent, despite the fact that the Parliament Act 1911 has only been used, I think, seven times. The Chamber possesses the ability to halt legislation that affects no fewer than 64 million people. That is not the democratic will of the people; it is the will of 821 unelected, permanent peers, 92 of whom hold their seat for their entire lives simply through an accident of birth.

Mr Douglas Carswell (Clacton) (UKIP): A small clique in Downing Street gets to determine who sits in the Lords. Does the hon. Gentleman agree that that gives rise to a fundamental unfairness and means that there is no correlation between the number of votes cast and the composition of the Chamber? For example, it is possible for a party to get 4 million votes in an election, but have zero appointed peers. Is that fundamentally unfair?

Steven Paterson: I understand the hon. Gentleman’s point, and I think that it is fundamentally unfair and that we must move to democracy. Appointing peers is ridiculous and disgraceful in this day and age.

Dr Murrison: I am noting the hon. Gentleman’s comments on appointees, and such appointments are ultimately made by people who are elected. The concern that people overseas have, particularly in countries that are developing their democracies, is that here in the mother of Parliaments we still have as part of our legislature Members of the House of Lords who are hereditary peers. Although I have the greatest affection and admiration for many of them individually, and they give great service, it is a rather difficult thing to explain to people in other countries who are growing their democracies and who look to the United Kingdom for a lead.

Steven Paterson: The hon. Gentleman makes a very good point, and we must move to democracy. That means that the hereditary peers—they really do stick in the craw—will be among many who have to go. We should have elections to determine that, and perhaps we
should be holding conversations about how, not whether, we do that. I would certainly like us to move towards that point.

Bob Stewart: I support the idea of UKIP having a Member of the House of Lords. It is rather sad that there is no UKIP Member of that House, and I look forward to it happening. May I suggest that it might give the hon. Member for Clacton (Mr Carswell) a certain amount of pleasure if that Member’s first name was Nigel?

Steven Paterson: I will let the hon. Member for Clacton (Mr Carswell) speak for himself on that one. My own view is simply that, whatever the country, people should get the representative Government they vote for. Whether I happen to agree with the hon. Gentleman’s party or not, if people vote for it then that is who they should get as a Government—that is what I believe in terms of democracy.

How does the crooked, anti-democratic nature of the House of Lords manifest itself? To answer that, let us consider for a moment the curious case of the quite inappropriately named Liberal Democrats. The Liberal Democrats were hammered at the ballot box—not before time, many of us would say. That happened first in Scotland in the 2011 Scottish Parliament elections, when they were reduced to a rump of five MSPs out of 129, and was followed up at the UK general election last year when they were reduced to a rump of just eight MPs out of 650. In a democracy, the people speak and the message is sent. That is not the end of the story, however. The Liberal Democrats defy democracy thanks to the House of Lords. There are an incredible 111 of them along the corridor there sitting—or sleeping—on the red benches, grazing, collecting their tax-free £300 when they pass go, occasionally contributing to the debates and maybe even voting. They are down at the other end of that corridor, unelected and unaccountable. They are Westminster’s own political zombies. We really have to move forward. They are not elected and the people’s views must be paramount.

Some would say that the House of Lords provides access to expertise that cannot be found among MPs in the House of Commons. I acknowledge, because I have met some, that there are some Lords who certainly have expertise, but there are many hon. Members in this place and it cannot be beyond the wit of this place to place and it cannot be beyond the wit of this place to find experts on a range of issues.

Kelvin Hopkins: The hon. Gentleman talks about expertise. It would be possible to have an advisory body of experts. The Lords have legislative power—that is the difference.

Steven Paterson: Indeed. The hon. Gentleman is absolutely right. There are a number of things we could do and that suggestion is certainly one of them.

One of the many problems with the House of Lords is that it is stuffed to the gunnels with former politicians who failed to win seats but are none the less looked after by the powers that be. One of my predecessors as MP for Stirling, he was democratically chosen by the people of the constituency to serve in that role. He has now spent 17 years in the unelected Chamber along the corridor. This illustrates a fundamental problem. There is a long, long list of such former political big beasts out to pasture at the end of the corridor; former elected politicians of such inestimable stature as Jeremy Purvis, for example. There are then those apparently picked at random, perhaps for saying the right things at the right time to help the party in government, or making the requisite donation to their political party.

Wayne David: The hon. Gentleman makes many trenchant criticisms of the other place, a number of which I agree with. In the interests of even-handedness, however, does he accept that the House of Lords does some good and effective work in holding the Government to account, and that from time to time it makes a very principled stand, such as on tax credits?

Steven Paterson: Even a broken clock is right twice a day, but that does not mean you do not need a new clock.

Margaret Thatcher, at the end of her term as Prime Minister, said: “I calculate that I was responsible for proposing the elevation to the Lords of some 214 of its present numbers.” My problem is that some of those 214 are still there after all this time: unelected spectres interfering in legislation to this very day. The serious point here is that they have legislative authority over the lives of millions of people across the UK with no democratic mandate whatever. Radical democratic reform or outright abolition of this tired, antiquated and undemocratic institution is necessary and long overdue. Just as successful reform was passed in 1911, reform in 2016 must effectively represent the necessary change to bring our democracy, kicking and screaming, into the 21st century.

3.19 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I congratulate the hon. Member for West Dunbartonshire (Martin John Docherty) on securing a debate on this most overdue of reforms to the UK’s political system. As he said, what might seem like Celtic hyperbole to some, to others is passion to mend that which is wrong.

As we have heard, membership of the House of Lords is fast approaching 1,000. As we have also heard, it is one of the largest Chambers on earth, second only to that in China, which, it is worth remembering, has a population 28 times the size of the UK’s. Of course, not one of the 1,000 peers in the other place is elected by the public, although a few are elected by their peers, which is interesting. The House of Lords does not reflect the political views of the people or society in general. Over three quarters of peers are male and over half are over 70. I wanted to work out their combined age, but it was far too difficult, and we would have got into dinosaur aeons, I suspected. Seats are guaranteed for bishops of the Church of England, but not for the Church in Wales or the Church of Scotland, let alone for any other faith. Do the Government consider a non-Christian to be less of a citizen than a Christian? I hope not, but the existence of the House, in its present form, suggests otherwise.
I was astounded to learn that the fudged compromise whereby 92 excepted hereditary peers, who survived the cull of 1999, not only continue to attend the House of Lords and influence the democracy of the UK, but are replaced by yet more hereditary peers in in-house elections. I thought they were a tail that would gradually disappear, but, no, they are self-perpetuating. The evident democratic injustice of people being there because they were born to that position is perpetuating itself. The House of Lords is crying out for reform.

Plaid Cymru sees no place for a patronage appointments system in a modern democracy. None the less, for as long as decisions affecting Wales continue to be made there, we will push for Wales to have an equal voice in that Chamber. After all, we are not as fortunate as Scotland. Wales has not had a separate legal jurisdiction since 1536.

Wayne David: I hear what the hon. Lady says about the Acts of Union in 1536 and 1542, but what on earth does that have to do with membership of the House of Lords?

Liz Saville Roberts: Most of the laws made here also affect Wales, and if we are to influence them, we must take part. We have long been cursed with the “for Wales, see England” mentality, although things have changed since 1999 and might well change again in the elections this spring.

The House of Lords should be elected through the single transferrable vote system, with a Welsh constituency and weighting to ensure that Wales is heard in all matters. Some value the apparent freedom with which the second Chamber can hold the Government to account, but I remind them that more than 70% of peers vote along party lines and that 25% of those appointed since 1997 are former MPs who either resigned or were voted out by the public. It is the only legislature in the world where losing an election helps a person win a seat.

I appreciate that many in the other place are considered experts in their fields, but we have heard mention of the ex-experts. I do not accept that this is an argument against democracy. If they are experts in their fields today—as opposed to 20 years ago—they should be persuaded to stand for office in a local public election. I also suggest that the House takes note of figures from the Electoral Reform Society, which found that 27% of peers had “representational politics” as their main profession prior to entering the Lords. Most of them were MPs. A further 7% were political staff, and twice as many peers worked as staff to the royal household than worked in manual or skilled labour, which is extraordinary, given that most people work in the latter.

Bob Stewart: I am listening intently and enjoying this debate a great deal, because I agree with so much of it. Would it be a good idea for sections of society, such as doctors, teachers, dustbin men—if that is the right term these days—and nurses, each to have a part of the House of Lords that they appoint, so that they can decide who represents them?

Liz Saville Roberts: Were we to legislate for such a thing, we would need to consider that in detail, but we ought to consider whether these representative bodies actually represent society, and we should be judging them accordingly.

The House of Lords is not the oracle of all-encompassing knowledge that many would have us believe. I remind Members that while the Houses of Parliament include almost 1,000 Lords and, at present, 650 MPs—it is interesting to note that the number of Lords is going up and the number of MPs down—the Welsh Parliament, which is responsible for the NHS, education, economic development and many other vital policy fields in Wales, has only 60 AMs. When we discount Welsh Government Ministers and other office holders, only 42 of those 60 AMs are available to hold the Welsh Government to account and scrutinise legislation. That is 42 Members to scrutinise everything from the NHS to education, from business support to inward investment, and—soon—to hold the Government to account on income tax policy. That is 42 Members in Wales in comparison with the Palace of Westminster in England, which has in excess of 1,500 MPs and peers holding the UK Government to account on their performance.

I suggest that a proportionately elected second Chamber with a drastically reduced number of peers, coupled with an increase in the size of the Welsh Parliament, would make the UK a far more modern, balanced and effective democracy. This debate has indeed shone a light on the long-overdue need for reform, but it is now up to the Government to bring forward proposals to ensure that our democracy adheres to modern standards and reflects society and its views.

3.26 pm

Kelvin Hopkins (Luton North) (Lab): It is a pleasure to speak in this debate, which I greatly welcome. I particularly enjoyed the speech by the hon. Member for West Dunbartonshire (Martin John Docherty). It was entertaining, but also serious, making many important points. The House of Lords has, of course, been in the news again recently, and the Government are clearly threatening change to rein in our allegedly noble colleagues. Yesterday’s debate in the other place seemed to suggest that even Conservative peers were not entirely happy with what the Government want to do. My interest in speaking today is to argue for a unicameral Parliament. The majority of legislatures across the world are unicameral, and some European nations—Sweden, for example—have chosen to become unicameral. We should at least discuss that possibility and, I hope, move towards that system in time.

When I first entered the House in 1997, the New Labour Government—I emphasise New Labour with a capital N—established a royal commission to consider possible reforms to the House of Lords. Shortly into my time here, I attended a Labour party so-called regional policy forum—I am sure that Mr Deputy Speaker would understand what regional policy forums were like. It was in Watford on a Saturday afternoon with about 25 to 30 party members attending. A chairman had been allocated by the party machine, and we were addressed by a learned professor from the royal commission.

The terms of reference set out by the Government for the royal commission made no mention of abolition of the House of Lords as a possible option. I asked why that was, and suggested that abolition should be a possible option for discussion. Another member suggested that we should have a show of hands to test opinion and see how many members at the meeting favoured abolition—an innocent little test of opinion. At this, the chair became
very agitated and said, icily, that there would be no votes. Clearly, not even a show of hands in Watford among a small number of Labour party members on a Saturday afternoon—it was no doubt raining outside—was allowed to express a majority view that we should abolish the House of Lords. I suspect that there was probably a majority for abolition in that room, but it was not to be discussed. It was clear that our leaders wanted to keep the House of Lords in some form and that discussing possible abolition was not to be tolerated. It was most interesting.

Some reforms were later enacted by the Blair Government, and remain in place, but abolition is still not being discussed. Some longer-standing Members may recall the later discussions and debates on reform, and the series of votes on possible alternatives that took place in March 2007. One Division effectively permitted a test of opinion on possible abolition of the House of Lords. Among Labour Back Benchers, 169 of my hon. Friends voted for a bicameral Parliament, but 155 of us voted against that, effectively in favour of a unicameral Parliament and the abolition of the House of Lords. That was almost half of the Labour Back Benchers, showing a substantial body of support for a unicameral Parliament. The fact that this option was deliberately excluded from consideration by the earlier royal commission was, I think, a scandal and clearly a political fix.

I tabled an early-day motion to that effect at the time, which received the support of 50 Labour Members, some 14 of whom are still Members today. It was clear that that was due to the simple fact that the Prime Minister at the time wished to retain his power of patronage to appoint Members to the Lords, for a number of reasons. I might add that, subsequently, many argued strongly for an appointed House of Lords, and for retaining a substantial proportion of appointed Members even if it became democratic.

One of those reasons was obviously the ability to offer Members of the House of Commons the prospect of elevation to the Lords, both as a means of keeping control and reducing the potential for rebellion in the Commons and, possibly, to help to persuade older Members with safe seats to agree to retire at a convenient time for the party machine to slot leadership supporters into those safe seats.

Peter Grant: I do not know whether the hon. Gentleman recalls that, last time there was a major review of the boundaries in Scotland, the Kingdom of Fife was reduced from five parliamentary constituencies to four. The then Member of Parliament for Dunfermline, East, by the name of Gordon Brown, found himself without an obvious successor seat. The MP for Kirkcaldy agreed to retire from the House, Mr Brown became the MP for Kirkcaldy and Cowdenbeath, and very shortly afterwards the former MP for Kirkcaldy became a Member of the House of Lords. Is that the kind of democratic process to which the hon. Gentleman was referring?

Kelvin Hopkins: I do not wish to mention particular examples, because there are still hon. Members here who may or may not have experienced this process, but in my party I want individual Members to have the power, rather than party machines, and I certainly do not want leaders to have the power to select candidates.

I used the word “possibly” about selections of this kind because I cannot prove that such things occurred, and I do not wish to imply any criticism of other hon. Members who may have been selected in strong party seats. That may, of course, occur in other parties as well. It is clearly the case, however, that successive Prime Ministers, before and since, have jealously guarded their powers of patronage. I want to see those powers taken away in the interests of a more vigorous, intensive democracy in this House and outside, and to rein in the excessive power of the Executive.

I think that this is a serious matter, and I hope that, as and when we come to discuss the possible future of the House of Lords, the possibility of a unicameral Parliament and getting rid of this patronage will be raised again.

3.32 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I pay tribute to my hon. Friend the Member for West Dunbartonshire (Martin John Docherty) for securing the debate and opening it in his own inimitable and passionate style, and to the Backbench Business Committee for allocating time for it.

I am grateful for the opportunity to discuss how and why the second Chamber should be reformed to allow Parliament to work more effectively and democratically for the electorate throughout the United Kingdom. In its current form, the House of Lords can only be seen as an affront to democracy, and it has no place in a modern democratic decision-making process.

Since my election in May, I have become familiar with the strange traditions that surround this place. There are many outdated rules and conventions that range from the slightly odd to the ridiculous, and from trivial matters such as fancy dress to much more important issues like 15-minute votes which stifle the democratic process. However, the most outdated relic with which we have to deal is the unelected second Chamber of peers. What does it say about us that here, in the 21st century, we need to rely on an undemocratic body that includes religious leaders, defeated MPs, party cronies and donors to oversee and scrutinise the work of the democratically elected representatives of this place?

That bloated and out-of-date Chamber is the second largest legislative body in the world, with 821 peers. It is second only to the National People’s Congress in China, which has a similarly undemocratic basis. The number of peers in the House of Lords is growing continually, and after the recent election we saw the Government appointing party loyalists to “serve” there. Kenneth Gibson, a Member of the Scottish Parliament, has obtained figures showing that nearly 75% of those appointed to the Lords since the election are defeated, retired or deselected MPs, or former advisers. The United Kingdom also stands out among other western democracies in giving religious leaders seats in its legislature, as of right.

The Scottish National party does not put forward any individuals to be appointed to serve in the House of Lords. We have a long-standing opposition to that costly, undemocratic and bloated Chamber, and will continue to oppose it at every opportunity. In contrast, all the other parties regularly put forward individuals to serve as peers. In fact, 586 of the serving peers come from one of the main political parties that are represented in this Chamber.
As well as the long-standing democratic outrage, there is the equally long-standing financial cost of having such a ridiculous Chamber. In 2014-15 it cost nearly £95 million to run the House of Lords, with over £20 million going on Lords expenses and allowances. If we contrast that with the £87 million it cost to run the Scottish Parliament, we can easily see why so many of our constituents are royally fed up with the Chamber.

Kwasi Kwarteng (Spelthorne) (Con): I appreciate that the hon. Gentleman is new to the House. I have been here for five years now and I just want to say that not a single constituent of mine has ever mentioned the House of Lords. How many of the hon. Gentleman’s constituents have brought up this subject?

Gavin Newlands: This point was made earlier on. Although many other issues do come up and this is far from being the No. 1 topic of conversation on the doorstep, it has certainly come up many times, and I am about to come on to the question of public levels of support.

It is clear to most people that the second Chamber needs radical reform if we want to be able to call ourselves a true modern democracy. In a YouGov poll of September 2015 people were given a range of options, and it found that 41% believe the House of Lords should be entirely elected, but crucially only 5% thought that the system was acceptable in its current format.

Even though the recently published Strathclyde review did not comment on the composition of the House of Lords, it provides an ideal opportunity to discuss the future of the House of Lords in more detail. This review was hastily announced by a Government in a petty huff following their humiliating defeat on tax credit cuts in the Lords. It is clear that this review was set up to curb the second Chamber’s ability to hold this Government to account. These issues need to be properly debated, not pushed through hastily without the revising Chamber having full powers of scrutiny.

The UK Government want to muzzle the Lords in the same way as they have already muzzled charities and others who have criticised welfare reform and austerity. I accept that the Government have a majority of MPs in this Chamber; however, they should not confuse that with having a majority of wisdom. On matters of parliamentary procedure and set-up, the Government should be willing to listen to, and work with, those with different views, whether they be other MPs, parties or Parliaments, outside organisations, or indeed the second Chamber.

The SNP does not support the current approach to the House of Lords, how we pay those who attend and the privilege associated with it, but we have to acknowledge that on occasion the Lords can be useful, for example in helping to force the recent tax credits U-turn. The recent Lords review on the impact of the planned cuts to employment and support allowance led by Cross-Bench peers is another example of the kind of invaluable review of policy that we need a second Chamber to take forward.

I do not support an unelected second Chamber and believe fervently that the House of Lords must be abolished. In such an eventuality, there is the option of having a unicameral Parliament, as outlined previously, with a beefed-up Committee structure somewhat like that of the Scottish Parliament, rather than a bicameral set-up. However, for the purposes of this debate I have presumed there is a settled will for having two tiers. Whatever arrangement we have, we need to be able to properly scrutinise and hold this Government to account.

I have to be honest and admit to being very conflicted when we are forced to rely on the unelected Chamber to defend the welfare state against the cuts planned by this Conservative Government. It took the House of Lords, as flawed as it is, to tackle the planned cuts. It may well be down to the second Chamber to face the Government again as they seem determined to cut ESA, further penalising disabled people, some of whom lobbied Members in Westminster Hall yesterday.

It highlights the absurdity of the UK’s current constitutional arrangement that we are relying on unelected peers to protect us from some of the worst aspects of this Government’s policy agenda. This situation has caused a lot of anger in Scotland. Why are we forced to rely on unelected peers to defend our fellow citizens and their families? Scotland has seen unprecedented levels of democratic engagement during and after the referendum, so the idea of having to rely on this outdated, out-of-touch and undemocratic institution to defend the welfare state does not sit well with people—and it does not sit well with me.

The second Chamber in its current form is nothing more than an affront to democracy, and the way successive Governments have used the patronage system to reward party loyalists is only the tip of the iceberg. We recently learned that once again friends of Cabinet Ministers have been rewarded for their services with a place in the Lords. The numerous former MPs, special advisers and party aides who were awarded peerages after the election make the House look like a dumping ground or a retirement plan for party cronies. The numerous expenses scandals involving the Members of the second Chamber also do nothing to improve people’s image of the Lords.

Whatever my feelings on this issue, however, I recognise the benefits of having a second Chamber at Westminster with the current Government in office. We do not need to reinvent the wheel. A range of reviews have been carried out into the current set-up, and several organisations have done a lot of work on the issue and come up with several options. Groups such as the Electoral Reform Society and the University College London constitutional unit have carried out in-depth research into the House of Lords and possible alternatives to it. We need a comprehensive and transparent debate on this matter in Government time, but I imagine that this Conservative Government would be reluctant to grant such a debate, judging by the way in which they have rushed through the Strathclyde review.

Labour and the Conservatives have been guilty in the past of failing to follow through on their intentions to reform the House of Lords. The introduction of the Parliament Act 1911 was the first indication of any Government’s intention to reform the Lords, but after 105 years we are still waiting for any real reform to take place. The recent tax credits U-turn shows that the second Chamber has its place, but we need a Chamber that can hold the Government to account and properly scrutinise legislation. At the moment, the House of Lords is just one more outdated Westminster relic that should be consigned to history. Until that happens, and until we have a second Chamber that actually works, I will continue...
to speak up for change. It is time to ensure that we have a modern and flexible democracy by abolishing the medieval House of Lords. We need to look ahead, not backwards.

3.40 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): When I first wandered into the Chamber today, I thought I had come into the wrong debate, because the Annunciator shows the title of the debate as “House of Lords reform”. Neither my colleagues nor I believe that there can be any reforming of something that is so deeply undemocratic and rotten to the core.

There is no doubt that the general public across the UK are deeply disengaged from and alienated by much of what goes on in this place. It is dangerous for democracy when the very people it is intended to serve lose so much interest and faith in it. We can come up with warm words and grand ideas about how to tackle that, but perhaps the single most important thing we can do to repair some, although not all, of the damaging rift between those of us who serve and those whom we seek to serve would be to hear the calls—a deafening din in Scotland—to abolish the House of Lords. It is no better than a carbuncle on the face of democracy across the United Kingdom, and there is a deep sense of frustration with it across communities in Scotland. It has already been pointed out that this archaic, outdated and medieval and anachronistic institution has no place in any state that purports to be a modern, enlightened and forward-looking democracy. Just to be clear, we do not simply object to the personnel in the House of Lords, although we do; we do not recognise its legitimacy or its right to legislate over the citizens of the UK.

Kelvin Hopkins: I agree very much with what the hon. Lady is saying. The hon. Member for Spelthorne (Kwasi Kwarteng) suggested earlier that this subject never came up on the doorstep. Does she agree that that is because people’s first concerns are jobs, housing, poverty and the health service? However, if people are asked about the House of Lords, many would say that we should abolish it.

Patricia Gibson: I absolutely agree with what the hon. Gentleman has just said. When people talk to us on the doorstep, their priorities are of course job security, benefit sanctions and putting food on the table, but if we scratch the surface, we find that the House of Lords is universally hated, across the UK in my view. There might be small pockets of support among what might be called traditionalists, but for the ordinary man and woman in the street, the House of Lords is an affront to modern democracy.

What I am about to say has already been mentioned earlier in the debate. That is one of the disadvantages of being so far down the speaking list. It is bad enough that the House of Lords is unelected, but it really is quite incredible to think that we are the only state in the world apart from Iran that has clerics pontificating on legislation. That further illustrates the absurdity of this relic.

Despite all the plaudits and feeble attempts to justify the other place, perhaps by those who have pals or cronies there or those who seek to retire there themselves when the voters reject them, it cannot be justified to retain those who are unelected. They have often been actively rejected by the voters. It is arguably worse that some of them have shied away from presenting themselves to the voters at any time at all, despite having political ambitions. That really makes the House of Lords a laughing stock in the eyes of the rest of the world.

Steven Paterson: Does my hon. Friend share my disappointment that this Government, who made their one MP from Scotland Secretary of State, had to aggrandise or ennoble someone and put them in the House of Lords to fulfil the role of deputy—Under-Secretary of State—in the Scotland Office?

Patricia Gibson: Indeed, I wholeheartedly agree with my hon. Friend. I wish to add my disappointment at the fact that the Leader of the Opposition, who considers himself to have very left-wing credentials, has co-opted Members of the House of Lords into his shadow Cabinet. That is a travesty if ever there was one.

I may have been a huge fan of the political novels of Anthony Trollope in my formative years, but I have no wish to live in the 19th century. Madam Deputy Speaker, if you will indulge me for just a moment, I feel that I must share some figures with the House. My hon. Friend the Member for Paisley and Renfrewshire North (Gavin Newlands) has shamed me into doing this, and matrimonial relations would become strained if I did not mention the fact that the distinguished—certainly he is in my house—MSP for Cunninghame North unearthed some figures that showed that nearly 75% of appointments to the Lords are defeated, retired or deselected MPs or former advisers. After every election, we actually hear the stampede towards the ermine, from this place to that place. If this matter were not so serious, I would be laughing. We have hereditary peers and Church of England bishops—I have often wondered whether that means that God is an Englishman.

Martin John Docherty: Does my hon. Friend agree that if God were a Scotsman, he still would not want a place in the House of Lords?

Patricia Gibson: Absolutely. We have in the Lords cronies, party donors, party-placed men and women—although there are fewer women than men—failed politicians, and retired politicians who are looking for a wee hobby in 2016. Perhaps that was fitting in Anthony Trollope’s time, but, for the love of God—Madam Deputy Speaker, forgive me—let us get a grip. I bet that when we do get rid of this relic, just like the smoking ban we will wonder why it took so long and why we waited so long. No one on these Benches is saying that there are not some folk in the House of Lords who are well intentioned or who have much expertise and skill to offer their country’s legislative process. No one is even saying that we should not enter into a debate about the relative merits of a second Chamber to revise legislation. That is a debate that we could and should have in the future. What we are saying is that anyone who seeks to pontificate over, revise, introduce or influence legislation in our Parliament should be elected by the people whom they purport to serve. It is as simple as that.

I am almost embarrassed to repeat the numbers for China’s National People’s Congress—as I have now made comparisons with China and Iran, I can see that we are in good company with those beacons of democracy.
Alison Thewliss: In his book “The Point of Departure”, the late Member of Parliament for Livingston recalled an incident at a Europe-Africa summit. A president of one African country said that they could not be criticised for failing to introduce full democracy after only 50 years of independence when Britain had failed to get rid of the hereditary principle after 500 years.

Patricia Gibson: As I have said, we are becoming a laughing stock all over the world.

In addition—and this is a very, very serious point—we are told that these are austere times. We cannot afford to help the so-called “benefit scroungers”, but we can afford to help the “strivers”—and the House of Lords is full of them. We must punish families with more than two children, because everyone knows that if a person has a third child, they are clearly trying to get money out of the taxpayer. Yet here we have in the House of Lords what many of my constituents would call a trough. It is costing £94.4 million. This dripping roast, as my constituents would call it, costs more than the Scottish Parliament—elected, accountable, forward-thinking, enlightened and representative of the people—and has even more Members than the European Parliament.

In my view, Clement Attlee was being extremely kind when he described the House of Lords as “like a glass of champagne that has stood for five days”.

I much prefer the analysis that the best cure for admiring the House of Lords is to go and look at it. When we sanction vulnerable folk on benefits who are five minutes late for an appointment at the jobcentre, when we hammer women born in the 1950s by moving their retirement age further away, when my constituents see Scotland’s budget being squeezed and we hear this being called “a sustainable economic plan”, I and many others ask how that sustainable economic plan impacts on the waste, the affront to democracy, the dripping roast that is the House of Lords—and these people dare to pontificate on Scotland’s constitutional future. Even the Lords themselves hardly take it seriously: attendance is around 60%, although it has improved recently, perhaps because the dripping roast is drying up and much must be sucked in the dying moments of the House.

What a tragedy it is that the 2015 Conservative manifesto indicated that the party did not consider House of Lords reform a priority. No, let us instead prioritise bashing the vulnerable and taking benefits away from the poor. The Strathclyde review was a wasted opportunity—then again, turkeys do not vote for Christmas. They can tinker at the edges all they like; they will never make any Chamber?

Of course, reform of the House of Lords is not a new idea. The proposal to elect Members directly was first made over 100 years ago. It is probably due for a Second Reading any day now. Much more recently, when the lords a-leaping refused to play ball with the current Government and kicked out the proposals on tax credits, the Government sprang into action and ordered a review—nay, a rapid review, and who better to chair a rapid review of the relationship between the two Houses of Parliament than a former Leader of the House of Lords, a hereditary peer who had never been elected to any Chamber?

The outcome of the rapid review was—anon. Members should not get too excited—a new procedure. This new procedure would “invite the Commons to think again”.

But Lord Strathclyde did not leave it there. Oh no. With the full force of Parliament he wielded his mighty pen and suggested—yes, suggested—that a review should take place, to be known henceforth as “son of rapid review”.

The Government responded and allowed a full debate—in the House of Lords. On the back of this earth-shattering outcome, we all went home for Christmas and forgot all about rapid review and his offspring.

Not surprisingly, MPs continue to ask questions regarding the reform of the House of Lords. As recently as 14 September 2015 the Prime Minister responded to such a question by assuring us that he will be “looking, with others, at issues such as the size of the Chamber and the retirement of peers.”

By size I presume he meant the number rather than the dimensions, as he is the Prime Minister who has created more peers than any other Prime Minister since the system was overhauled in 1958. I can only presume that he has looked, with others, and decided that we do not have enough.
[Ronnie Cowan]

There are many ways in which the House of Lords could be reformed—a Chamber composed of Members elected directly by the electorate, set terms for elected Members, a significant decrease in the number of Members, a secular Chamber, a fair distribution of seats for the UK’s nations and regions, and measures to encourage a more diverse range of candidates, designed to represent civil society and minorities. There are many possible changes that could improve the House of Lords, but rather like the old joke, “How many psychiatrists does it take to change a lightbulb?”—one, but the lightbulb has to want to change,” the House of Lords has to want to change, and this place has to want to change it.

Is reform required? Unquestionably. Are there many practical ways in which this could be done? Of course there are. Is there a will? If there is a will, let us hope that it did not bequeath a hereditary peer to the next ermine-robed incumbent in a long line of ermine-robed incumbents. Let us make this will a testament to reform. I appeal to this Government. If they genuinely want change, they should put it on the agenda and make it happen. If not, if they are content with the status quo, they should stand up and say so.

3.57 pm

Peter Grant (Glenrothes) (SNP): I commend the Backbench Business Committee for making time for this debate and congratulate my hon. Friend the Member for West Dunbartonshire (Martin John Docherty) on his outstandingly passionate speech. I hope he will not mind my mentioning that he has had other reasons over the past week for earning our warm congratulations and best wishes. We all wish him well in the new life that he is leading. All the best to him.

My hon. Friend started the preparations for the birthday of Robert Burns by quoting from not only the greatest work that Robert Burns ever wrote, but arguably the greatest humanitarian work in the history of literature. I was a bit disappointed because I thought he was going to continue with a section of that song that would almost sum up this debate in a few words:

Ye see yon birkie ca’d a lord,
Wha struts, an’ stares, an’ a’ that,
Tho’ hundreds worship at his word,
He’s but a cuif for a’ that.”

I have to confess, Madam Deputy Speaker, that I was very careful indeed not to check the dictionary before I came in here because I have a nasty feeling that if I had done, I would have realised that the word “cuif” could not be used in the Chamber. I am not entirely sure what it means.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Gentleman should know that as far as I am concerned, anything said by Robert Burns can be used in this Chamber.

Peter Grant: I am very grateful indeed, Madam Deputy Speaker, not least because I intend to quote the bard later on.

I find it astonishing that when we started the process of review of and consultation on how to repair the fabric of this undoubtedly magnificent and historic building, it was based on the assumption that Parliament would continue to operate in exactly the same way as it presumably always has done. May I suggest that a golden opportunity was missed to start to reform the processes of not only this Chamber, but the second Chamber?

Indeed, this might be an opportunity to ask ourselves why we need a second Chamber at all. Other modern, inclusive, democratic countries manage perfectly well with one Chamber. If we think about it, the argument that the second Chamber is good at scrutinising and checking the actions of the first Chamber suggests that we are saying that the first Chamber is not doing its job, so perhaps we should literally get our own House in order and then consider whether we want another House just down the road.

Kelvin Hopkins: I agree with what the hon. Gentleman has said. In my speech I mentioned Sweden, which has abolished its second Chamber. Does he appreciate that Sweden has not become undemocratic as a result? It is as democratic as it was before.

Peter Grant: The hon. Gentleman makes a valid point. Imagine that this Parliament had historically consisted of a single, elected Chamber. Then imagine that someone comes along and suggests that we need a second, unelected Chamber in order to become more democratic. They would be laughed out of court.

I think that there are options available to us if we are prepared to look at having a second elected Chamber, assuming that we need a second Chamber at all. That would give us a chance to elect the House of Lords on a different electoral cycle from that of the House of Commons, in order to avoid the temptation for Governments to time their announcements and legislation with a view to getting re-elected in a few years’ time. It would give us the chance, importantly, to elect a second Chamber by a different electoral method to help even out some of the undoubted inequalities that exist in the first-past-the-post system. Yes, the SNP benefited from that system at the general election, but the system was not fair when it worked to our disadvantage, and it is no fairer when it works to our advantage.

Comments were made earlier about the place of the representatives of the Church of England in the House of Lords. I will defend and warmly commend the actions of a number of Churches and faith groups in helping to act as a social conscience of our nations. I think of the important work that various Churches have done in critiquing benefit sanctions and nuclear weapons, or in reminding us that the refugee crisis is about human beings, not burdens on our benefits system. I hope that faith groups, including humanists, who in my view are a legitimate faith group, will continue to do that. However, in this day and age they should have an automatic right to make laws that apply to the majority of citizens in these islands who choose to follow a different interpretation of their faith? I fully appreciate that that will be a difficult conversation for many, but it is one that we really cannot shy away from for very much longer.

It can be argued that there is a benefit in allowing people from all walks of life to play a part in scrutinising legislation, rather than just the relatively narrow “political elite”. There are two problems with that argument. First, the House of Lords is not a representative sample; if anything, it is more dominated by the political elite.
than the House of Commons. Secondly, the House of Lords does not just scrutinise legislation; it can block it. It can even initiate legislation and ask us to scrutinise it.

As the hon. Member for Luton North (Kelvin Hopkins) mentioned, if there are benefits in having experts who are not Members of Parliament, or lay people, advising and scrutinising legislation, why not set up a system that allows appointed people to scrutinise and examine, but not to legislate or to overrule the will of the democratic Chamber? That is an option that I think is well worth further investigation.

There will be those who appeal to a deity called tradition, as if tradition was always a good thing. I think that tradition is important. Our traditions are what make us who we are, and if we lose sight of who we are, then we really are in trouble. But if we allowed tradition to be the judge of what happens in future, we would still be sending children up chimneys and down mines, and we would still be exploiting slaves from other parts of the world. More topically, if we continued to judge things according to the traditions that applied in this Chamber for so long, the right hon. Gentleman the Secretary of State for Scotland would have had to resign this week. Thank goodness we have moved away from traditions that were indefensible 300 years ago and are no more defensible today.

What does it say about democracy in this Parliament when the only organisation that consistently blocks any kind of proper reform of the House of Lords is also the one with the biggest vested interest in not reforming it? Most people in these islands simply cannot understand that. Even those who are not 100% convinced that the Lords should be abolished cannot understand why, when what is supposedly the sovereign Chamber in Parliament takes a decision to reform the House of Lords, the Lords itself can block any attempts to do so.

Even without legislation that can still be blocked or delayed indefinitely by the Lords itself, party leaders could give commitments that would get rid of some of the potential abuses, which, let us face it, we all know have happened. Although it is not possible to point to an individual appointment and know for certain that it was based on financial transactions, or on a deal made when somebody was still a Member of Parliament, the fact that the system can be vulnerable to that kind of abuse means that in the eyes of the public it very probably has been abused in that way in the past.

Let us look at the three worst abuses, which cause a lot of concern. I invite the Minister not to commit to dealing with them but at least to give serious consideration to how the parties could, right now, start to make the appointment system of the House of Lords a bit more acceptable, pending a proper and rapid review sometime in the next two or three hundred years. First, politicians who get kicked out by the democratic process can come back, arguably better off than they have been here, by being appointed to the House of Lords. Why not ban appointments of former MPs to the House of Lords, at least for a period of five or 10 years afterwards?

Secondly, there seems to be a high correlation between new appointments to the House of Lords and previous donors to party coffers. I am told that about 25% of all recent appointments by the Prime Minister were of people who had made substantial donations to the party coffers. I do not object to people giving money to causes they believe in, but there is an issue there that damages the reputation of this place in the eyes of the public. Why not set a limit and say that anybody who has donated above a certain amount to a political party cannot then take a place in the House of Lords, again possibly with a five-year or 10-year cooling-off period?

Finally, there is an abuse of the system that we have seen here. Page after page of improvements to the Scotland Bill put forward by the people who were elected to represent Scotland were rejected by MPs who have no mandate to represent Scotland, and then promptly reintroduced by those same MPs through their friends in the House of Lords. When the amendments came back to the House of Commons a short time later, the people who had voted against them trooped through the Lobby to vote for them. That is a wrong use of the process. Why not invite the Government to consider the possibility of putting themselves under a voluntary ban whereby they will not introduce major legislation in the Lords unless it has been passed by this Chamber first, and will not introduce large numbers of significant amendments in the Lords when they have had the opportunity to have them considered in this place first?

Even those changes would not go far enough for me, or for a lot of people, but they would at least start to show the people of these islands, in good faith, that the Government are serious about tackling an appointments system, in particular, that has no place in a representative democracy.

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Earlier, someone referred to Westminster as the mother of Parliaments. I have heard the story that once, during a hustings debate probably somewhere north of the border, somebody announced in a very pompous manner that he was proud to serve in the mother of all Parliaments, and a voice from the back asked him if he had any idea who the father was. I am not going to say which of those comments I prefer.

I started by quoting the greatest poem, or song, that Robert Burns ever wrote, but I think that the greatest piece of writing by Robert Burns is, surprisingly, not a poem or a song, but a piece of prose:

“Whatever mitigates the woes or increases the happiness of others—this is my criterion of goodness. And whatever injures society at large, or any individual, in it—this is my measure of iniquity.”

The way that Members of the Lords are appointed right now means that we have an iniquitous situation in this Parliament. If the Lords is not prepared to accept fundamental reform, then it can, will and must be abolished.

4.9 pm

Kirsty Blackman (Aberdeen North) (SNP): I am delighted to speak on behalf of the SNP in this Backbench Business debate on the House of Lords. I am pleased that my hon. Friend the Member for West Dunbartonshire (Martin John Docherty) secured the debate, although I am rather glad that he spoke some time ago, so that everyone could forget how brilliant his speech was by the time it came round to mine.

As has been mentioned, this issue is not something that gets people exercised. However, I would suggest that, in Scotland, membership of the SNP is not insubstantial. There are quite a few members of the SNP, and at the SNP conference in Aberdeen, at which there were 3,500 delegates, there was a huge cheer when it was suggested that the House of Lords should be
abolished. This is something that gets members of the SNP excited. It is something that genuinely gets mentioned on the doorsteps when we knock on doors. It is perhaps not the first thing that comes up—absolutely not—but parliamentary and constitutional reform come up a lot on the doorsteps in Scotland.

I am particularly pleased that this debate follows the one on space policy, because this place—these Houses of Parliament—is in another world from the one I normally inhabit. I have spoken to people previously about why they should dislike the House of Lords. Within the SNP and among people I have spoken to, there is a visceral, immediate dislike of the House of Lords, but people should not dislike it because the Lords swan along in ermine robes; they should dislike it because of the level of power that the House of Lords has.

This is not a way to run a democracy. Nobody creating a democratic system afresh would come up with the undemocratic, unwieldy and unaccountable second Chamber that we have. The hon. Member for Cleethorpes (Martin Vickers) mentioned that the UK muddles along, and that is what has happened. It has happened with parliamentary reform and, as I will mention a little later, with reform of the Standing Orders in this place as well.

This is bicameralism at its worst. Of the 192 parliaments recognised by the Inter-Parliamentary Union, 77 are bicameral and only the UK, Belgium, Zimbabwe and Lesotho have hereditary legislators. Belgium does not really count, though, because its hereditary legislators are related to the monarch and do not vote on anything, so the wonderful United Kingdom—proud defender of democracy; the mother of parliaments—is a member of a very select group that allows landed gentry to make law for our countries. Zimbabwe and Lesotho and us—there is nothing good about this situation.

I would like to take Members back to 1997. It is some time ago now, and things have changed a fair bit since then: I was still in primary school, Hanson were topping the charts with “MMMBop” and the Labour party was popular in Scotland. The Labour manifesto in 1997 said:

“The House of Lords must be reformed…the right of hereditary peers to sit and vote in the House of Lords will be ended by statute.”

Despite a massive majority for the Labour party in 1997 and a clear manifesto commitment to rid our democratic system of hereditary peers, nearly 20 years on we still have 92 of them—92 Lords who are allowed to make legislation because their family owned land.

I was talking to a peer recently about hereditary peers. The defence mentioned was that there was a hereditary peer who could trace her family back 400 years. The nature of humankind is that all our families can be traced back 400 years; otherwise, we would not be here. It is ridiculous, patronising and wrong to argue that a tithe paid to a monarch hundreds of years ago should qualify any individual to make legislation. The Conservative Government make all sorts of claims about working hard being the best way to get on in life and achieve a high-salary job, for example. There is a wilful downplaying of the inbuilt advantage accorded to those whose families owned large country estates. Many of those estates were won by force and held by oppression. There is not a meritocracy in these islands. Working hard does not necessarily get anyone anywhere; where they are born and who their family are does.

Having said that and made clear my absolute disagreement with any system that accords a higher level of importance to anyone simply because of an accident of birth, I want to make clear my absolute lack of regard for the appointments system for life peers. Cross-Bench peers tell me how rigorous the process is for appointing them. I agree that it is thorough and they have to have the Prime Minister to ensure that non-Cross-Bench peers—or even Cross-Bench peers, for that matter—are appointed in that way. There is also no compulsion on the Prime Minister to ensure that non-Cross-Bench peers—or even Cross-Bench peers, for that matter—are appointed in that way. There is also no limit on the size of the Chamber, and one of the best ways to receive an excellent salary for life is to donate money to either the Conservative or Labour parties and be appointed to the House of Lords.

I want to expand on what my hon. Friends the Members for North Ayrshire and Arran (Patricia Gibson), for Paisley and Renfrewshire North (Gavin Newlands) and for Glenrothes (Peter Grant) have said about former parliamentarians. Since 1997, 152 former parliamentarians have been ennobled. Twenty of them were given peerages within five years of losing an election to the House of Commons. So within five years of being rejected by the electorate, they were given a seat in the other House to make legislation for the people who had rejected them. It is a ridiculous situation.

The reforms enacted in 1999—which I admit we were good and took us a step along the way, but nowhere near far enough—did have an effect on the behaviour of the House of Lords, including on the turnout figures. However, they also made the House of Lords more powerful, because peers felt that they had more of a right to be there and to make decisions about legislation, but that is not the case. The House of Lords is still an unelected legislature and it should not be making laws for this country. There is no accountability. Members of the public cannot access the Lords—they do not know who they are. Peers are out of touch. There is no compulsion on them to listen to people in the general community. What they learn about the general community is often garnered from newspapers, and we all know that they are not a true reflection of society.

The House of Lords is also massively lacking in diversity, which has been mentioned by various Members. Only 26% of peers are female, which is even worse than the figure for this place. The record in the House of Commons is deplorable, but the record in the House of Lords is much worse. In June 2015 there were more people who had been peers for more than 30 years than there were peers under the age of 50, and there were only two peers under 40 among the entire 800-odd Members of the House of Lords. That compares hugely unfavourably with elected politics in the UK. It does not constitute representative democracy.

The youngest age at which a current Member of the House of Lords received a life peerage was 32. Although I fundamentally disagree with appointments for life, it is bizarre that half of our legislature should exclude anyone who I would class as young. It is no wonder that, as a result, young people do not trust the democratic system. They look at this place and they see a bunch of old
people who they cannot relate to. If we look at elected Members as a whole, we will see that we are still woefully unrepresentative.

As has been said, some peers, particularly Cross Benchers, work very hard, but that cannot be used to legitimise the existence of the second Chamber, which is incredibly expensive. Some Cross Benchers have been, and continue to be, very active in their areas of work and fields of expertise, but there is no check on that. As the hon. Member for South West Wiltshire (Dr Murrison) has said, people become ex-experts—their expertise goes away—very quickly.

The House of Commons has utterly failed to amend or rewrite the Parliament Acts to make any meaningful change to the House of Lords, which has not happened for the best part of 20 years. Actually, we have not made much change to the powers of the House of Lords since the Parliament Act 1911 and, subsequently, the Parliament Act 1949, which just tinkered with it. As I have said on previous occasions, I do not believe that the procedures of the House of Commons are fit for purpose. Given the opportunity, I would tear up the Standing Orders and start again, dramatically reducing the Executive privilege accorded to the Government of the day, thus requiring them to use their majority far more often.

The situation in the House of Lords is even worse. It is all done on the basis of convention. The Government got into such a pickle over tax credits because there is a convention—there is nothing in legislation—that the House of Lords does not vote on such things. On paper, the House of Lords is an incredibly powerful institution, and that is something we need to change.

The House of Lords is not a revising second Chamber. Nobody who makes the case for a revising second Chamber can hold up the House of Lords as the place that can revise legislation. It can still introduce primary legislation. It is not elected, but it can introduce legislation on behalf of the people of this country. It should not do so.

**Martin Vickers:** The hon. Lady is making a powerful speech. As she knows from mine, I share her ambition to do away with an unelected second Chamber. However, can she explain her party’s support for membership of the European Union, where real power lies with the unelected European Commission? The European Parliament is really a sideshow.

**Kirsty Blackman:** I would be delighted if the House of Commons had the ability to sack the entire House of Lords. In fact, I think the Conservative Government would have been quite keen to sack the entire House of Lords earlier in the Session.

**Martin Vickers:** I just remind the hon. Lady and her colleagues that this Chamber has the power to sack the Government.

**Kirsty Blackman:** I am coming to the end of my speech, so I will now wrap up. The power of the House of Lords is dramatically greater than it should be. It has the ability to appoint people who have been rejected at the ballot box. People troop into that House rubbing their hands with glee at the untaxed £45,000 a year they can now earn. The expenses system and the payments system for the House of Lords—getting £300 a day, which is classed as an allowance, and is not taxed—are abominable. That should not be happening.

The composition of the House of Lords is ridiculous. It is unrepresentative, and in no circumstances should it include hereditary peers and those appointed by religious organisations, whether from the Church of England or of any other religious organisation. I do not think there is any place for religious appointments in a legislative system. Lifetime appointments to any legislature are undemocratic. There are peers sitting there who have been peers for 70 years, which is an incredible length of time. Some of them are no longer active, but they still have the right to troop into the House and vote. How good is a peer at voting if they have been a peer for 70 years? They have a length of experience behind them—fair enough—but most people want to sit with their feet up and watch TV by the time they get to such an age. Appointments for high hejins and party donors are wrong and should not be happening.

The House of Lords is beyond reform. People have tried to reform it in the past, but it is still not an elected, accountable second Chamber. We need to abolish it.

**Wayne David** (Caerphilly) (Lab): I genuinely congratulate the hon. Member for West Dunbartonshire (Martin John Docherty) on opening the debate and on his very colourful and well-informed speech. I must say that many good points have been made. I emphasise the point made by the hon. Member for North Ayrshire and Arran (Patricia Gibson), which is that we must have a debate. It is very important to recognise the complexity and difficulty of reform, and we must begin by having an honest debate.

I congratulate Scottish National party Members on the consistency and uniformity of their arguments, by and large. They showed discipline. The number of times I heard reference to China’s National People’s Congress, I would not like to say. The hon. Member for Inverclyde (Ronnie Cowan) did talk about reform, rather than abolition. I welcome that because it is healthy to have a difference of emphasis within a political group, if not a complete difference.

Few people would genuinely say that our parliamentary system does not need fundamental change. It is important to remember that the biggest change to the composition of the second Chamber came under a Labour Government, when we secured the abolition of most of the hereditary peers. That was the start of a reform that we must complete as soon as is practicable, and it must be a
radical reform. I say radical reform, rather than abolition of the second Chamber, because I am not convinced that we should move away from a bicameral parliamentary system.

Kelvin Hopkins: Clearly we have a difference of view on this. My hon. Friend says that there has not been enough discussion about reform. There has been a lot of talk about reform, but there has not been much of a debate about the alternative of having a unicameral Parliament. That is what I want to see.

Wayne David: I respect my hon. Friend’s view. That is one of the discussions that we need to have in this Chamber. He is perfectly right that we need to discuss not just how reform might be brought about, but whether we even need a second Chamber. I am of the view, although I am willing to take part in a debate, that we should have a bicameral system. There is a need for a second Chamber to scrutinise, modify, suggest amendments to and delay legislation, although I think that legislation should always emanate from this House.

It is deplorable that we are seeing two sustained attempts not to introduce more democracy into the second Chamber, but to exercise control over the second Chamber’s ability to hold the Executive to account. It is important to remember that this Government have appointed more Conservative peers than Margaret Thatcher did in her 11 years as Prime Minister. There is also a debate taking place about Lord Strathclyde’s report, which I would argue is all about undermining the ability of the other place to hold the Government to account.

We know why the Government are trying to control and weaken the Lords. It is not because they believe in democracy or because they have accepted the arguments of the SNP, but because they do not like to be scrutinised or challenged, no matter where it comes from. The issue is not the primacy of the House of Commons over the House of Lords; this is about the Government trying to minimise challenge and push aside opposition.

In the last Parliament, a great deal of time and effort was spent on debating reform of the House of Lords. Sadly, it came to nothing because the Liberal Democrats refused to have a constructive dialogue with reformers on the Opposition Benches and because—it is important to remember this—the Prime Minister did not deliver on his promise and Conservative Back Benchers defended the status quo.

What is needed now is a nationwide debate about the kind of democracy we need for the 21st century. The 19th-century, highly centralised nation state based on London is surely a thing of the past. Decentralisation must be the order of the day, not just to Scotland, Wales and Northern Ireland, but to the regions, cities and localities of England. There is therefore a strong case for a second Chamber—call it a senate if you like—made up of representatives of the nations and regions of the UK, possibly with people drawn from local government as well. Such a second Chamber might be made up of indirectly elected representatives or directly elected representatives. It would have the advantage of providing informed scrutiny by individuals drawn from all parts of the United Kingdom. It is a shame that most Members of the other place are either drawn from, or have a focus on, London and south-east England. That cannot be acceptable.

When we talk about fundamental change to our constitution, it is important to remember three things. First, there must be debate and dialogue between all political parties and, if possible, a high degree of consensus about what kind of changes are needed. If it is believed that political advantage is a motive behind any constitutional change, that change will not work effectively and will ultimately fail. Secondly, it is important not to see Lords reform in isolation from other changes that are needed for our democracy. I have already referred to devolution, but I believe that in our country there is a widespread thirst for popular engagement. No longer are people prepared simply to sit back and allow those who are unelected to make important decisions. It is therefore important to have a broad perspective when considering changes to our democracy.

Thirdly, we must not believe that there can be a top-down approach towards political reform, or that we are the repository of all knowledge on these matters. The people of our country need to be fully engaged in the debate on democratic renewal, and that is why we believe that there needs to be a people’s constitutional convention. Such a convention ought not to be made up of the great and good; rather, it should draw in people from all walks of life and all parts of the country. It must be focused in its discussions, and it must also inspire and enthuse people so that we give our democracy fresh life and inspiration.

4.31 pm

The Parliamentary Secretary, Cabinet Office (John Penrose): I add my congratulations to the hon. Member for West Dunbartonshire (Martin John Docherty) on securing this debate, and I thank the Backbench Business Committee for granting it. I think he said that it was his beginners plea when he made his case, but he knocked any sense of being a beginner into a cocked hat with his speech. He hoped that we would forgive his tendency for Celtic hyperventilation—I think that was the phrase he used. He was also kind enough to mention that he counted Wales and certainly Cornwall as part of the Celtic fringe. I may not represent Cornwall but I have a Cornish name, so I am glad to hear that he would include me in that group. I will try not to hyperventilate either, and the hon. Gentleman made a powerful and good case.

We also had the opportunity to compare and contrast our debate with the previous debate on space policy, which contained many quotes from David Bowie. In this debate we had many quotes from Robbie Burns. I will leave Members here present and those reading Hansard later to come to their own conclusions about the relative merits of those two bards, one ancient, one modern. I suspect that they will both be clasped firmly to different people’s hearts during this debate.

Let me echo a point made by a number of colleagues during the debate and ask: where on earth are the Liberal Democrats? Where have they got to?

Martin John Docherty: The House of Lords!

John Penrose: Many of them are in the House of Lords. They are reduced to a small number of MPs, and none of them is here today. I regard that as a real
tragedy because in the last Parliament, and in previous Parliaments, they—they have not been the only ones—were pressing the case for reform of the Lords and other constitutional reform. All of a sudden, when they are hugely over-represented in the House of Lords relative to their representation in this House, they are nowhere to be seen. They are Macavity’s cat when it comes to reform of the Lords and this debate. That is a tragedy, and people will draw their own conclusions about their relative levels of interest.

The hon. Member for West Dunbartonshire encapsulated a series of criticisms about the Lords, which have been widely echoed by many Members. I will not go through them all in huge detail when summing up the debate, but broadly speaking he made the point in a variety of different ways that the level of democratic legitimacy in the House of Lords is incredibly low. The only group that are elected are the 92 hereditary peers, and they are elected from an electoral college.

There are other criticisms—that the House of Lords is very large, and the bishops and hereditaries should not be there—that buttress the central charge of a lack of legitimacy and democratic principle in the Lords as it is currently constituted. I agree and that is reflected in my personal voting record on the issue. The hon. Member for Luton North (Kelvin Hopkins) mentioned the series of votes on the issue in the 2005 Parliament. It was my first Parliament and I voted consistently for anything that would increase the level of democratic involvement in the House of Lords. In the 2010 Parliament, we had an incredibly long and drawn-out attempt to reform the House of Lords. I do not think that anyone could claim that there was not a determined attempt—probably the most determined attempt for several generations—to reform the House of Lords and to make it more democratically legitimate. I voted consistently throughout for those reforms, even though the form of election might not necessarily have been to everybody’s taste—even mine. They were a step in the right direction, however, or at least they would have been had they been passed. I cannot argue, therefore, either from a personal or Government point of view, that the central charge is not valid. That is why the Conservative party’s election manifesto said we remain committed in principle to reform. Our approach is not driven by an opposition to constitutional reform. All of a sudden, when they are not there—that buttress the central charge of a lack of legitimacy, and our democracy would

Kelvin Hopkins: The Minister talks about making the House of Lords more democratic, which is second-best to abolition. How will he deal with the real problem: prime ministerial patronage?

John Penrose: If I can ask the hon. Gentleman to hold his horses, I hope to come back to that later. I am sure he will pick me up on that if I do not address it sufficiently.

At this point, I should declare a small, non-financial family interest. A couple of years ago, my wife was appointed to the House of Lords. When she was appointed, I had to point out to her that I had a long track record of voting multiple times to abolish her, and anybody like her, from the House of Lords in due course. She has forgiven me and I am sure the House will be delighted to hear that relations over the family breakfast table are not too strained. However, I can reassure hon. Members that my personal views have not changed, despite the family involvement. Given the chance, I would vote to make them far more democratically legitimate.

I started by assuming, I think not necessarily entirely correctly, that the SNP was exclusively and purely a unicameralist party. I think we have heard support for that view during the debate from many SNP Members, the hon. Member for Luton North and, to some degree, my hon. Friend the Member for Cleethorpes (Martin Vickers). I hope I am not putting words in anybody’s mouth, but I think I heard some degree of qualified willingness to at least consider a more democratically legitimate second Chamber as an alternative to the perhaps favoured unicameralist view.

Peter Grant: Just to clarify that point, the view of the SNP and the Scottish Government was that, had we won the referendum last year, we would not have needed a second Chamber in Scotland because the Scottish Parliament works effectively. This Parliament, in the view of the SNP, is not working effectively and so a second Chamber is beneficial, but it must be democratically elected.

John Penrose: That is very helpful in clarifying the SNP’s view and it leads me to talk about opportunities for reform. I, and the Government, would certainly favour keeping a second Chamber and making it more effective if the opportunity ever presented itself. There are huge advantages to having an effective second Chamber here. I say that because often the level of scrutiny imposed on any Government by the second Chamber is not a comfortable experience. It has not always been a comfortable experience for previous Labour, Conservative or even coalition Governments. Even though it is not necessarily easy or comfortable—on occasions it can be incredibly frustrating—I believe it is democratically justified and desirable, and that it results, at least in Westminster, in better law. I went along to the Lords yesterday and stood at the Bar, listening to its debate on the Strathclyde review. I challenge anybody to say it was not a high-quality and capable discussion, conducted at a high level and very clearly expressed. It has a great deal to offer, regardless of its legitimacy, and our democracy would be the poorer without a revising second Chamber.

As colleagues on both sides have said, however, we need to be careful about the Lords’ powers and composition. The problem is agreeing not on the need for reform but on how we do it. As the hon. Member for Stirling (Steven Paterson) said, we should be discussing not whether change is needed but what kind of change could be achieved. That is where we all come up against a serious and fundamental practical problem. While many people agree that some kind of reform and improved democratic legitimacy for the upper House is vital, agreeing on its form and creating a democratic consensus about what it should look like—as opposed simply to agreeing that there should be something—is a great deal harder. And that is what politics is all about; it is about forging the necessary democratic consensus. I think the hon. Member for Caerphilly (Wayne David) mentioned the need for a democratic debate.

We need to forge a democratic consensus not on the need for change but on the form it should take. That is where the previous attempt in the last Parliament came
unstuck. There were far too many competing recipes for what the revised House of Lords might look like and a plethora of different approaches. It came unstuck not because of a lack of ideas but because there were too many ideas and not enough people agreed on any one of them, and therefore the opponents of reform won through.

Wayne David: I agree with the Minister. Do we not need to learn the lesson that, if any good fundamental reform is to take place successfully, there must be cross-party dialogue and debate and an attempt to find consensus across the House?

John Penrose: I would broaden out that point. It is hugely helpful, although not essential, for any constitutional change to be made with some cross-party agreement, if only because—this is one of the fundamental points of Britain’s unwritten constitution—people need to be happy not just with how things work when they are in government but when the shoe is on the other foot and they are in opposition, because they need to bear it in mind that at some point they might not be in government. Good Governments and good Oppositions remember it is of point and proceed with caution and agreement wherever possible. It is not always possible, but when it can be done, it should be.

The challenge is not to agree that change is necessary but to define precisely what form it should take and to form a sufficiently large consensus to overcome the forces of inertia, which, if we are not careful, naturally tend to win—I do not know whether it is inertia or entropy, but either way, it is what happened last time.

Alison Thewliss: Will the Minister agree that part of the difficulty in arriving at a consensus is the many vested interests served by the Lords and the history of the appointees to it? It would be useful to bring in members of the public to open up the outlook on what a new constitutional arrangement might be.

John Penrose: That is one of the principles that underlie the support of the many people who are in favour of an increase in democratic legitimacy. With a democratically elected second Chamber, it is much, much harder for the forces of reaction and special interests to win through, because the antidote to most of those things is normally greater democratic involvement. So I think the hon. Lady’s question enclosed its own answer, if I can put it that way; I certainly support her point.

Our problem therefore is choosing—not if, but how. There are currently too many different forms of possible election that could be looked at. There is the alternative vote, for example, and dozens of different forms of proportional representation. I regularly get letters from people who are cleaving to one or more of dozens of different kinds of electoral system. I am not sure what the democratic consensus would be on which one would be right, but I know that without a democratic consensus on choosing one, we will not be able to win the argument and get it done.

My hon. Friend the Member for Beckenham (Bob Stewart) interestingly suggested something based on occupation rather than on geographical constituencies, and all these ideas are possible. They would all create alternative franchises that would not clash directly with the one used for this Chamber. Finding a non-clashing democratic mandate would be an advantage, but until such a thing can be done, we are inevitably on the back foot.

Kirsty Blackman: I hope the Minister is not saying that because it is so difficult, we should not do it. As the hon. Member for Cleethorpes (Martin Vickers) suggested, now might be a good time for this Conservative Government to think about taking this forward. If hardly any Members keen to maintain the House of Lords in its current form are willing to pitch up, it clearly means that there is an appetite for reform. Now is the time.

John Penrose: The hon. Lady made a series of powerful points, many of which I agreed with, but on that particular one I am respectfully going to disagree with her for a couple of reasons. We have heard from a number of different sides that the level of unprompted interest in the Dog and Duck in reform of the House of Lords is remarkably low. It might be quite high if we went along to the Bishops Bar, but that is probably the only bar in the entire country where that topic of conversation would come up naturally. Members of all parties are right to say that, when prompted, many people will agree that it is important to reform the Lords in some way. Without that prompt, however, it ranks a long way down people’s lists of priorities.

We need to form and forge a democratic consensus, but it is difficult for all of us to do so when the issue is low down the list of priorities because other things are more urgent, more immediate or loom larger. It would be wrong to overstate the appetite for reform and wrong to ignore the practical difficulties of achieving it. I do not want to assume that because something is desirable but not simple, it can therefore be wished for and produced with a wave of a magic wand. We all understand, as elected politicians, how hard this is, and we can all see the trail of failed attempts to make big reform changes. We have seen how difficult equally talented politicians, some of them extremely talented politicians, have found it.

That said, there is a possibility for smaller steps to be made. In the last Parliament, there was a series of small reforms. I do not want to let anyone get the impression that we think that small reforms are a substitute for more thoroughgoing things, but in many cases they represent progress in the right direction. It would wrong to let the best be the enemy of the good. When in the last Parliament, the House of Lords chose to change the rules on the retirement of its Members, this House agreed with it and it was a step in the right direction.

Many other issues are currently being discussed in the House of Lords, led by senior parliamentarians at that end of the building, including further reduction of the size of the House of Lords, looking at retirement ages and doing all sorts of other things. Those might not be to everybody’s taste as a complete answer—many certainly do not deal with the point about democratic legitimacy—but they are steps in the right direction, and I think we should encourage their Lordships to proceed with them. We must not be guilty of saying that just because it does not fulfil our perfect world scenario, we should not give it at least the time of day.
I encourage House of Lords Members as well as hon. Members here present and others elsewhere—anybody who is interested—to try to address the question of how to achieve greater democratic legitimacy. What kind of franchise can be chosen that will not clash with the franchise of this Chamber? What levels of powers do we think should be approved for the upper Chamber?

Incidentally, there has been some criticism of the Strathclyde review today. Let me gently suggest to those who are critical that, while they may wish that the review had a broader mandate, at its heart is the aim of making the primacy of the elected House apply. I hope that Members can at least agree that that is desirable. The outcome will of course depend on which of the options are followed, but the current formulation would move us towards a much more regularised and clearly defined system of powers between this House and the upper House. A series of options are being considered in respect of the length of stay of those who are currently in the upper House, under the existing system, along with such matters as retirement ages. All those things are vital, but if we are to have reform, I urge all Members who are present today to try to create a democratic debate, and perhaps form a democratic consensus, with the aim of reaching a conclusion.

I want to give the hon. Member for West Dunbartonshire a chance to sum up the debate for a couple of minutes—and perhaps to give us a little bit more Robbie Burns; I do not know—so I shall do something unusual for a politician, and sit down and keep quiet. I thank everyone who took part in the debate for their useful and thoughtful contributions. I should also respond to some of the comments made by the hon. Member for Glenrothes (Peter Grant), because he asked me particularly to do so. He made a number of specific suggestions about people who might or might not be appointed to the House of Lords. I will take that as a submission, and will relay it to those in the House of Lords so that they can consider it as part of their current deliberations.

I look forward to hearing the hon. Member for West Dunbartonshire sum up the debate.

4.51 pm

Martin John Docherty: I thank the Minister for participating in the debate, and I thank the hon. Member for Caerphilly (Wayne David) for informing the House about how we can make progress in the reform of an upper Chamber. I should make it clear, however, that for me and for my fellow SNP Members, the mandate from the constituencies of Scotland is that the reform must begin with the abolition of an unelected, unaccountable peerage which can generate legislation in that other place.

I also thank the hon. Member for Cleethorpes (Martin Vickers), the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts)—I managed to say that very quickly—my hon. Friends the Members for Paisley and Renfrewshire South (Mhairi Black), for North Ayrshire and Arran (Patricia Gibson), and for Inverclyde (Ronnie Cowan), the hon. Member for Luton North (Kelvin Hopkins), who is no longer in the Chamber, my hon. Friend the Member for West Dunbartonshire sum up the debate.

John Penrose: Will the hon. Gentleman clarify his point about former MPs? Would he draw any distinction between those who were defeated and those who have retired?

Martin John Docherty: No.

Members of the House of Lords should be automatically forced to retire by the age of 80. Even members of the Roman Curia are forced to retire as cardinals of the Roman Church. Fundamental, real change requires abolition.

This is an issue in Scotland. It may not be seen as an issue in the rest of the United Kingdom of Great Britain and Northern Ireland—and I know that the hon. Member for Strangford (Jim Shannon) would have been present if he could have been—but to us it is an issue of inequality that is at the heart of our liberal democracy. I reject the House of Lords, because my constituents told me to reject it—for they are nothing, at that other end of the Corridor, but a bunch of sleekit, cow’rin, tim’rous beasties, and their time is up.

Question put and agreed to.

Resolved.

That this House has considered House of Lords reform,
Hinkley C Connection Project

Motion made, and Question proposed. That this House do now adjourn.—(Margot James.)

4.55 pm

James Heappey (Wells) (Con): I am grateful for the opportunity to raise this important local issue in the Chamber today. I should start by saying that, while I am very critical indeed of the plans for connecting Hinkley C to the national grid, my support for Hinkley C itself is unwavering. I congratulate my hon. Friend the Member for Weston-super-Mare (John Penrose)—who has just done a fine job at the Dispatch Box and is leaving the Chamber—my right hon. Friend the Member for North Somerset (Dr Fox) and my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger), who have been engaged in the battle over these pylons for many years, as have my predecessors as the Member for Wells. I also congratulate, and pay tribute to, the councils and parish councils, particularly Mark, Badgworth and Biddisham, the Allerton and Cross and Compton Bishop parish councils, which have all worked tirelessly to represent the views of their parishioners over the past seven years so that their objections can be known. Equally, I congratulate the campaign groups and the fantastic public engagement that has meant that church hall and village hall after church hall and village hall have been filled with people wanting to make very clear their views on this pylons line.

With the announcement looming, therefore, I wanted to raise today a few issues that I think are yet to be resolved. I know there are certain constraints on the Minister given that the Department acts in a quasi-judicial role in this decision, but I hope she will be able to consider the issues I raise, and talk about the technical issues even if not in specific reference to the Hinkley Connection project itself. I am also grateful for the response I have had from my noble Friend Lord Bourne to the letter I wrote to the Secretary of State last week, in which he has assured me that the representations that have been made to the Department since the conclusion of the planning inspector inquiry—and which I assume will be included—will be considered.

My remarks will fall into three areas: first, Government policy as I see it; secondly, the fact that these pylons are untested and unwanted; and thirdly the importance of visual amenity and the impact that damaging that would have on our local economy.

It is clear from the Secretary of State’s recent speech which reset the Government’s energy policy that there is enthusiasm for marine energy generation. Offshore wind is the method that has been mentioned most keenly, but I think I am right in saying that there is an excitement for the opportunities presented by tidal and wave technologies, provided that—the Minister will nod, I am sure—they do not ask for too much money in delivering them. None the less, if marine energy generation is to be a key part of the Government’s vision for the renewables sector in the future, it stands to reason, given the fantastic natural resource in the Bristol channel and the Severn estuary waiting to be harnessed by these technologies, that we might put in place a transmission infrastructure now that will service everything that might come in the future, rather than just Hinkley Point itself.

Yesterday and the day before I was with the Select Committee on Energy and Climate Change on a trip to Brussels, and although the “team Juncker” banners around the place were not too welcome to these Euro-sceptic eyes, our meeting with Vice-President Šefcovic, who is responsible for energy union, was very refreshing indeed. He made some very interesting points about the plans that the EU and the Governments of the UK, the Netherlands, Denmark, Belgium, France and Germany have for a North sea energy grid. If we are looking at putting infrastructure in place under the North sea to facilitate marine generation and interconnection between the different countries that surround the North sea, why should it be so difficult to do so in the Bristol channel and the Severn estuary?

5 pm

Motion lapsed (Standing Order No. 9(3)).

Motion made, and Question proposed, That this House do now adjourn.—(Margot James.)

James Heappey: If Vice-President Šefcovic speaks with such conviction about the opportunities for subsea interconnection and transmission in the North sea, I do not see why it should be such a leap for National Grid to become excited about it elsewhere. Indeed, National Grid shares my enthusiasm and that of the Government for marine energy generation. In its “Future Energy Scenarios” document, it talks keenly about the opportunities for tidal and wave energy, and indeed for offshore wind off the south-west of England and the south Walian coast and out into the Irish sea.

There is a disparity in the timelines that National Grid has used in its submissions for this planning application. It has done a cost-benefit analysis over 30 years, as far as I can tell, yet its “Future Energy Scenarios” document clearly sets out the opportunities for tidal and wave energy generation over the next three, four, five and six decades, so that extends to 60 years. The transmission line itself will extend far beyond that, so if we apply National Grid’s own policy, there will be an opportunity to see the cost of connecting Hinkley C to the grid not just as a cost but as an investment because it aggregates the cost across all that might come in the future. Elsewhere, National Grid has been much more on the front foot with regard to undersea solutions. It has spent £1.1 billion connecting Scotland to England through the western link, which includes converter stations at either end, of the kind that it says are too expensive to construct in Somerset.

Ludicrously, National Grid also has a visual impact provision project, which is using £500 million of bill payers’ money to take down existing pylons and put the cables underground, yet this project will put up new pylons on equally sensitive landscapes. I have looked at the plans, particularly those for the Dorset area of outstanding natural beauty, and it is clear that there are pylons outside that AONB that will be removed because they can be clearly seen from within the AONB. That will also apply in the Mendips. The cables will go underground through the constituency of my hon. Friend the Member for Weston-super-Mare, but anyone who sweats their way up to the top of the Mendips will see pylons stretching for miles in every direction.

Then there is interconnection. I am going to be slightly cynical and suggest that National Grid’s rampant enthusiasm for interconnection—which is under the
sea—compared with its utter disdain for going under the sea in the Bristol channel, might have something to do with the opportunity to raise revenue from interconnection. I sincerely hope that that is not the case, but I have an inkling that National Grid applies its enthusiasm for interconnection using undersea technologies only when there is a revenue-raising opportunity attached to it.

As far as I can see, there is also an inconsistency in the existing legislation, which needs updating. The Communications Act 2003 clearly states that when a mobile phone mast is put up anew, there is a statutory requirement for the visual amenity to be considered. In the legislation governing the siting of pylons, however, there is no such provision. We just have the out-of-date Holford rules, which I will come to in a second. What we have seen in the mobile phone industry is that, because there is a statutory requirement to consider visual amenity, there has been a very clear effort to camouflage masts. Masts have got smaller and smaller, and more is spent on where they are sited, but, as far as I can tell, National Grid has not shown the same effort.

Let me turn now to the Holford rules. Rather than going through all of them, I will draw out a couple of the key points. The Holford rules are guidelines, and it is important that we note that. The siting of pylons comes down to guidelines, but the siting of mobile phone masts comes down to legislation. Rule 1 of the Holford rules says:

Avoid altogether, if possible, the major areas of highest amenity value.

That includes areas of outstanding natural beauty. I have said already that I see a clear inconsistency in putting pylons underground through the AONB, but not necessarily through the land that immediately abuts it, no matter how important that might be to the overall effect of the AONB.

Rule 2 says:

Avoid smaller areas of high amenity value, or scientific interests by deviation.

It clearly sets out the importance of missing out sites of special scientific interest. The Somerset levels have many areas that have been so designated.

Rule 4 states:

Choose tree and hill backgrounds in preference to sky backgrounds.

But we are talking about the Somerset levels here; there are no hills and there are no trees. Rule 5 says:

Prefer moderately open valleys with woods.

The same applies.

Rule 6 says:

In country which is flat and sparsely planted

we should keep high voltage lines to a minimum as far as possible so as to avoid a ‘concentration or ‘wirescape’.

As other transmission lines are in close proximity to the new line, and the wires in the new pylons are more concentrated, that rule simply cannot apply and is another flaw in National Grid’s plans.

If the decision next week is not to our liking in Somerset, I wonder whether the Energy Bill, which will come forward shortly, might be an opportunity for my right hon. Friend the Member for North Somerset (Dr Fox) and I to reintroduce the amendment that he proposed to the previous Energy Bill that sought to insert in that legislation the same provision for pylons as currently exists for mobile phone masts. Will the Government consider working with us on that, as that would give us an opportunity retrospectively to use that legislation to amend the decision next week if it is not to our liking in Somerset?

I wish to talk about the T-pylon. Although National Grid is very chuffed with it, we in Somerset have real concerns about it. The Minister’s constituency is not too far from the National Grid’s test centre in Nottinghamshire. It is a beautiful part of the world. With its rolling hills, it is quintessentially rural England. This is where National Grid has tested the T-pylons. I have seen photos of them, and I have seen videos on National Grid’s website bragging about their brilliance. My observation is that the terrain looked a whole lot more hilly and a whole lot more dry than the flat, wet Somerset levels.

I am very concerned indeed about whether these pylons are ready to be employed under tension on a very wet landscape with a very high water table and where the weather will bring all sorts on pressures for them. There is also a danger that if they require additional concrete, it could affect the ability of that land to drain, and could therefore cause flooding. Equally, if it is decided that more concrete is not needed and if the sort of floods we saw in the winter of 2013-14 arrive so that the foundations of the pylons are under water for anything up to two months, will the foundations stand the test of that flood and remain solid; or are we risking leaving our newest nuclear power station without a grid connection because of the inappropriateness of the design?

The security of these pylons is another issue. Any number of terrorist organisations would delight in the opportunity to hit our infrastructure, and taking out a pylon might seem a reasonably easy way of doing so. I am sure that the lattice pylons that have been employed across our grid over many decades will be well tested in this area. I hope that the Minister can reassure us that the T-pylons have been similarly tested.

National Grid claims that the T-pylon is a wonderful concession to the people of Somerset and that we are hugely fortunate to be the first to receive it. It is a concession in National Grid’s eyes, but no one else’s. The lattice pylons that would have conveyed 420 kV of electricity would indeed have been the height of Nelson’s column—they would have been monsters. The new T-pylons, though, are still the same height as the roof of Westminster Abbey, so we are not talking about any massive improvement.

Their height is not the aspect that people least understand, though; it is their width. I wonder whether the camera operator for the Chamber has it in him to zoom out, because it needs to be understood that the width of the T-pylons is the width of the Chamber—not the floor of the Chamber, but wall to wall, from the back of the Press Gallery to the back of the Strangers Gallery. That is the size of the T-bar, plus the hanging rings on to which the wires go. Indeed, the hanging diamonds to which the transmission lines connect are about 10 metres in height. That means that if the T-bar and the hanging diamonds were to be put into this Chamber, they would fill it from floor to ceiling, from wall to wall. These are monsters, and we are seriously considering putting them across one of the most beautiful parts of this country.
What is more, lattice pylons are 90% air, whereas T-pylons are solid structures. They concentrate the wirescape and are solid white pillars—exactly like wind turbines. That leads me to my final point, which is about visual amenity.

We have rightly been rejecting applications to build windfarms across the country because of the impact they would have on our landscape. Locally, in the immediate vicinity of the proposed pylon line, we have rejected applications for two small windfarms, at Pilrow and Huntspill. I applaud the Government and the planning inspector for making those decisions, but how ridiculous it is that having turned down those big white pillars, which are roughly the same size—in some cases smaller—than T-pylons, we are now seriously considering next week approving dozens of exactly the same thing, strung out over 40 miles of the Somerset countryside. It makes no sense to me. The pylons, in effect, constitute a giant windfarm. Surely the same logic should apply.

No attempt has been made to value the visual amenity of the landscape. Everything has been about the cash involved in going underground or undersea, yet the land has huge value. The view from the AONB is important, the sites of special scientific interest are important, and the landscape is valued and loved by local residents. Surely that has a value, too. More important still, and perhaps offering a more quantifiable value, is the fact that this area is the shop window not just for Somerset but for the whole south-west. I do not know whether you have ever holidayed in the south-west, Madam Deputy Speaker, but if you have, you will know that you trudge your way along the M4 corridor or down the M5 from the midlands, you queue to get through Avonmouth, and then you come up over the hill and are released into the south-west of England. The Somerset levels extend before you; Glastonbury Tor is off in the distance in the east, the sea to the west.

Every holidaymaker who goes to the south-west of England—I do not flatter myself that millions are watching this evening—will know the stretch of motorway that I am talking about, because for so many it is where their holiday in the south-west starts. The visitor economy in Somerset is worth £1.3 billion a year. The pylon line will run almost parallel with the M5 in exactly the part of the country I have been describing. As people come over the Mendips they will crest the hill, and instead of the magnificence of the Somerset levels, with the sea and Glastonbury Tor on their right and left, they will see these giant white monoliths. It would be unforgivable to allow Somerset’s shop window to be spoiled in that way.

Madam Deputy Speaker, I know that today you have been treated to some wonderfully highbrow cultural references—Bowie and Burns. I am afraid I am going to lower the tone by quoting Sebastian the lobster from Disney’s “Little Mermaid”. You will forgive me, Madam Deputy Speaker, for addressing you as “darling” just for the purposes of this quote:

“Under the sea, under the sea
Darling it’s better down where it’s wetter,
Take it from me.”

Don’t just take it from me, though, Madam Deputy Speaker. Take it from my colleagues in constituencies along the pylon line, from my predecessors, and from the district councils, the parish councils and the thousands of Somerset residents who have engaged in the consultation process and made their opposition clear throughout.

Not enough consideration has been given to the strategic options that are available for other ways of transmitting power from Hinkley to the grid. Those have been resisted throughout on the basis of cost, yet there is the western link connecting Scotland and England, there is interconnection going on all over the place, and there is the visual impact provision project of the national grid taking down pylons elsewhere. The proposal has been resisted throughout on cost, yet no consideration has been given to the value of this land for other industries, most notably tourism.

Going under the sea is commonplace elsewhere, yet it has never been seriously considered for Somerset. We have turned down wind turbines on visual amenity grounds, yet we are considering dozens of solid white pillars as high as Westminster Abbey and as wide as this Chamber, and we are going to string them out across 40 miles of the most beautiful countryside in the United Kingdom.

We do not know what is in the Planning Inspectorate’s recommendation. It may well be that this, my longest speech in the Chamber, will have been in vain because good news is already on its way, but if it is not—I appreciate that the Minister can give no indication today; I would not put her on the spot and ask her to do so—I ask that if bad news could possibly be on the horizon, all the points that I have raised today and that have been raised in this place by my predecessors and my colleagues in neighbouring constituencies are looked at one last time, and that a delay in making the decision be considered while those matters are looked into. I know that we would all be delighted to come and see the Minister to discuss our concerns further.

There is precedent. I was searching hard and saw that a pylon line between Llandinam and Welshpool was refused, despite the planning inspector’s recommendation, because it would have impacted adversely on the visual amenity and on the environment, and other methods of connection did not appear to have been adequately considered.

Next week Somerset will rejoice or the decision will be reviled. Those pylons are untested, untried, unpopular and unwanted. We should be going under the sea, investing in infrastructure for the future and protecting a wonderful landscape. I hope next week to discover that the Minister agrees.

5.17 pm

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I congratulate my hon. Friend the Member for Wells (James Heappey) on securing this debate on the Hinkley Point C connection project. He has spoken with enormous passion and I agree that he lives in a beautiful part of the country. He has made a powerful speech, and I know that this project is a matter of great interest to his constituency as well as to others along the proposed route of the electric line.

I know that my hon. Friend recognises that the delivery of new energy infrastructure is essential for ensuring that the lights are kept on and bills are kept low for UK businesses and domestic consumers. I am aware that energy infrastructure projects of all sorts can
have real impacts on local communities. It is also the case, however, that such projects can bring real benefits, so finding the right balance between the impacts and the benefits is a key issue in decision making by the Secretary of State.

Hon. Members will be aware that consent for the proposed Hinkley Point C nuclear power station, which would have a generating capacity of 3.2 GW, 7% of the UK’s electricity demand, was granted by the Secretary of State in March 2013. EDF and CGN signed a strategic investment agreement in October 2015. EDF has confirmed that it will take a 66.5% stake in Hinkley, with CGN taking 33.5%, demonstrating a clear commitment from both parties.

Nuclear power offers clean, affordable, safe and reliable energy and is vital to the UK’s cost-effective transition to low carbon generation. Existing nuclear plants across Britain currently provide around 16% of the electricity generated in the UK, but most existing plants are due to close by 2024. The Government have therefore prepared the ground for new nuclear power stations through a package of reforms and regulatory measures that remove barriers to investment and give developers confidence. Alongside gas and renewables, new nuclear is therefore an important part of our energy mix, now and in the future.

As part of delivering new electricity generating capacity, new transmission infrastructure is also needed. Network companies, such as National Grid, submit proposals for need and funding for new network infrastructure to the industry regulator, Ofgem, and for planning consent to the relevant planning authorities. These proposals are based, through stakeholder engagement, on an assessment of requirements for existing and new generation and, of course, the costs and impacts of different connection options. Network companies seek to identify opportunities to provide savings for the consumer by giving consideration to future possible connections in an area to ensure that the most efficient overall design is delivered. In doing so, an assessment of the risk of future connections not materialising is required to avoid stranded or underutilised assets, the cost of which would ultimately be passed on to consumers.

This approach is reinforced by the Government’s national policy statements for energy, which set out the framework for factors to be considered when consenting to an infrastructure project of national significance. They make it clear that, for electricity networks, proper consideration should be given to other feasible means of connection, including underground and subsea cables. This includes costs, environmental impacts and network operability issues. The Government do not have a preference on the various network options. Instead, we expect network companies to use the most appropriate technologies available for the particular project, in line with planning and regulatory requirements.

New T-pylons have been proposed for some sections of the route. I have heard loud and clear my hon. Friend’s message that he is not a fan of T-pylons. They were developed following an international design competition held in 2011 by my Department, alongside National Grid and the Royal Institute of British Architects, to help identify a new pylon design that would meet transmission safety and reliability criteria and would also belong to the 21st century. The winning design was produced by Danish architects who have since worked with National Grid to develop and test prototypes that have informed the final design being proposed for parts of the connection.

The T-pylon is an interesting design. It is around 15 metres shorter than existing transmission lattice pylons and has the potential to reduce the impact on the landscape. I welcome this innovation as an alternative option that National Grid can use when designing overhead transmission lines in future. However, whether they are ultimately used as part of specific transmission projects, including Hinkley Point C, will be subject to both regulatory and planning approval.

The Planning Inspectorate completed its examination of the application for development consent for the Hinkley Point C electric line connection last July. The application is now with the Secretary of State for a decision. Hon. Members will understand that, as the decision is now under consideration in the Department, I cannot take part in any discussion of the pros and cons of this particular proposal.

In a previous debate in March 2012 on electricity transmission in north Somerset—before the Hinkley Point C connection application was submitted to the Planning Inspectorate—the then Energy Minister encouraged individuals and organisations with an interest in the proposal to engage with National Grid. I know that a number of hon. Members took note of that encouragement and were among the many people who made representations to the Planning Inspectorate during the examination of the Hinkley Point C connection application. Prior to examining the application, the Planning Inspectorate indicated that it would cover a broad range of topics that it considered to be of importance in assessing the potential impacts of the proposed connection. The topics on which views were to be sought included flood risk, landscape and visual effects, socioeconomic effects, traffic and transportation, and public rights of way. The inspectorate’s report was submitted to the Secretary of State on 19 October 2015, along with its recommendation on whether consent should be granted or refused. It will now be for the Secretary of State to consider her decision in the light of that report and all relevant information. She intends to announce her decision no later than 19 January 2016, which is the end of the three-month decision-making period set out in the Planning Act 2008.

Large energy infrastructure projects inevitably attract considerable interest from people who may be directly affected by the proposals, as well as people who have views on energy projects in a more generic way. In the case of Planning Act applications, it is for the Secretary of State, as decision maker, to consider all the arguments that are made for and against these projects and that are set out in the Planning Inspectorate’s report.

James Heappey: I sense that the Minister is moving away from a discussion of the T-pylon on to other things. Before she does, may I push her to clarify the technical issues that I raised about exactly how the T-pylon has been tested in a landscape similar to that in which it might be employed in Somerset, and the security concern I raised? Those are technical issues rather than planning issues, and one would hope that the Department already has the clarification at its disposal.

Andrea Leadsom: I am grateful to my hon. Friend for raising that again. As he is aware, the design has been tested and piloted, but it is absolutely the case that there
[Andrea Leadsom]

will not be any compromise on any issues of safety and security—I can assure him of that. On the very specific technical points, I can write to him with further evidence. He should rest assured that whatever transmission method is used, it will be properly tested and robustly measured against all possible threats.

I assure all hon. Members that the Secretary of State’s consideration of the Hinkley Point C connection application will be rigorous and fair, taking into account all the many issues that have been raised by those who are for and against, and in the Planning Inspectorate’s report. I hope that hon. Members are reassured that concerns raised by interested parties about the Hinkley Point C electric line connection are being thoroughly considered throughout the planning process.

I thank my hon. Friend again for his constructive and thoughtful remarks. He has done the people of north Somerset proud by raising this issue in such an impassioned way. I can assure him that they and he do not have too much longer to wait for the decision.

Question put and agreed to.

5.28 pm

House adjourned.
Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Defence and National Security (EU)

2. Daniel Zeichner (Cambridge) (Lab): What assessment he has made of the potential effect of UK withdrawal from the EU on defence and national security. [903050]

Mr Julian Brazier: This Government believe we can and will succeed in reforming and renegotiating our relationship with the European Union. The cornerstone of our security, however, is NATO, while the EU plays a significant role in complementing NATO—for example, in imposing sanctions on Russia. Defence remains a sovereign issue.

Daniel Zeichner: The Prime Minister recently told us that he was “in no doubt that for Britain the European question is not just a matter of economic security, but of national security too”.

Was he right or wrong?

Mr Brazier: The Prime Minister was quite right that our relationship with our European partners plays a very important role in defence.

Dr Andrew Murrison (South West Wiltshire) (Con): Will my hon. Friend remind the hon. Member for Cambridge (Daniel Zeichner) how many times, in the 10 years since its inception, that the EU battle groups have actually been deployed?

Mr Brazier: The EU battle groups have not yet been deployed. The EU does have five significant common security and defence policy missions at the moment, complementing areas where NATO has chosen not to become involved.

Tom Brake (Carshalton and Wallington) (LD): Will the Minister comment on the impact of UK withdrawal from the EU on the Anglo-French military relationship? He will be aware that many joint programmes are under way. Are they likely to be affected if the EU pulled out of the EU?

Mr Brazier: I see no reason why they should be.

Johnny Mercer (Plymouth, Moor View) (Con): The Minister will have seen in the press at the weekend that yet another veteran is struggling to access the care that she deserves. On top of the King’s College report last week, does he agree that now is the time for the Government, after having put so much in, to undertake a radical reform and address the care required in the veterans sector?

Mr Brazier: I share my hon. Friend’s concern in this area. He may wish to put a question on that to the excellent Under-Secretary of State for Defence, my hon. and gallant Friend the Member for Milton Keynes North (Mark Lancaster), who has responsibility for veterans, shortly.

Mr Speaker: Well, he cannot do so now. The operative word is “shortly”, but how shortly remains to be seen. That is not in the mind of the hon. Member for Plymouth, Moor View (Johnny Mercer), nor at the moment in mine.

Martin John Docherty (West Dunbartonshire) (SNP): Will the Minister advise the House what impact a Brit exit, if there is one this year or next, would have on our armed services personnel currently in operations with the European Union overseas?

Mr Brazier: As far as I can see, none.

Mr Speaker: Splendid pithiness.

Mr David Nuttall (Bury North) (Con): The Minister is quite right to remind the House that the cornerstone of our national security is our membership of NATO. Does he agree that if the British people vote to leave the European Union, as I hope they do, there is absolutely nothing to stop this country working with our European neighbours and co-operating on defence matters, should they choose to do so?

Mr Brazier: My hon. Friend is quite right. We all agree—in fact, both sides of the House used to agree—that the cornerstone of our defence is a nuclear-armed NATO. He is of course right in saying that, in any scenario, we will continue to co-operate with the other members of the EU, the majority of whom belong to NATO anyway.

Toby Perkins (Chesterfield) (Lab): I am glad to hear the Minister give his support to what the Prime Minister said about European co-operation. On that note, will he describe a single way in which less co-operation with our EU partners is going to increase our national security?

Mr Brazier: Nobody is suggesting less co-operation on defence matters with our European partners or anyone else.

Toby Perkins: It is all very well for the Minister to say that, but the Typhoon Eurofighter project is just one example of how working together with our European partners creates thousands of jobs, boosts exports and secures crucial sovereign capability. Will the Minister, who is supposed to be a member of a Government that are looking to boost the UK defence industry, give us an example of a single UK defence industry manufacturer that boosts the UK leaving the European Union at the moment?
Mr Brazier: The Typhoon, which the hon. Gentleman gives as an example of collaboration, was a collaboration between NATO countries. I am not sure that I fully followed the remainder of his question. It was something about defence manufacturers. Let us be clear: NATO, and not the EU, is the central plank of our defence policy.

Military Assistance (Ukraine)

3. Robert Neill (Bromley and Chislehurst) (Con): What plans has he to increase military assistance to Ukraine. [903051]

The Minister for the Armed Forces (Penny Mordaunt): Our military training in Ukraine will continue throughout the year and we have plans to increase our footprint. I can announce today that we plan to gift a further 3,500 individual first aid kits to Ukraine’s armed forces. Our gift responds to a specific request from Ukraine and will be delivered in the spring.

Robert Neill: Of course, when Ukraine gained independence, it voluntarily gave up the option of keeping nuclear weapons from the former Soviet Union. Aggression by Russia and destabilisation have been its sole reward. Following the NATO summit in Wales, British troops have been deployed in a training role in Ukraine. Will the Minister update us on the success in improving the training of the Ukrainian armed forces to make sure that they have a fair fight against Russian-backed aggression?

Penny Mordaunt: My hon. Friend is right to point out how our commitment to the continuous at-sea deterrence helps us to have influence. I assure him that we are on target for the training of 2,000 Ukrainian troops by the end of this financial year.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I am sure that the first aid kits are very welcome in Ukraine, but if we are serious about supporting Ukraine, which is under such pressure from the pernicious regime of President Putin in Russia, surely we should be doing much more visible work for it. For instance, we could tighten the sanctions on Russia. That is what it does not like and what has proven to be successful. We should tighten the sanctions week by week, month by month.

Penny Mordaunt: The hon. Gentleman will be aware that that is what we are doing. We have argued for sanctions through our work with NATO. We are doing much more than supplying first aid kits. We are doing a huge amount of capacity building in those armed forces. We have given them a huge amount of equipment, particularly to protect them from the cold weather in which they are operating. They are very grateful for that. We stand ready to assist them further and I will be visiting the country shortly.

Andrew Gwyne (Denton and Reddish) (Lab): Ukraine has been on the frontline of the expansionist agenda of Putin’s Russia, but it is not alone in that in eastern Europe. What assistance is the United Kingdom giving through NATO and the European Union to a number of countries, particularly the Baltic states, to combat the expansionism they face from Russia?

Penny Mordaunt: We do a huge amount of operational and practical work, such as on Baltic air policing. We have also been very active through our diplomatic channels, through both NATO and the EU, to hold Russia’s feet to the fire on these issues. Progress is being made. There has been recent progress, with fewer violations of the ceasefire. We will continue to act both practically and diplomatically.

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Mr Keith Simpson (Broadland) (Con): The Secretary of State will be aware of suggestions that part of the way to constrain Daesh is to use back-door diplomacy. Does he agree with Canon Andrew White of Baghdad, who said in an interview:

“You can’t negotiate with them. I have never said that about another group of people. These are really so different, so extreme, so radical, so evil”?

Does that put into context the suggestion from the Leader of the Opposition?

Michael Fallon: Like my hon. Friend, I was surprised to hear the suggestion that somehow one could negotiate with Daesh, or even that Daesh has some “strong points”. The House will recall that those strong points include the beheading of opponents, burning prisoners alive, throwing gays off buildings, enslaving young women, murdering innocent British tourists in Tunisia, and slaughtering young people on a night out in Paris. I fail to see any particular attraction.

Mr David Hanson (Delyn) (Lab): For the benefit of the Secretary of State, I do not think that Daesh has any strong points, but I would argue with the Prime Minister’s central argument about there being 70,000 so-called freedom fighters ready to take on Daesh on the ground in Syria. On Tuesday at the Liaison Committee the Prime Minister still could not defend that figure. Can the Secretary of State do so today?

Michael Fallon: Yes I can because it is not my figure or that of the Prime Minister: it is an assessment produced by the Joint Intelligence Committee, independently of Ministers. I say gently that if the right hon. Gentleman does not think that there are that many freedom fighters in Syria, how does he think that the civil war has lasted for five years, given that the Syrian army is more than 200,000 strong? People have been fighting the Assad regime.

Richard Drax (South Dorset) (Con): Does my right hon. Friend agree that a significant assault by ground forces, preferably local troops, is the only way to deal with Daesh in the longer term?

Michael Fallon: Yes. In the end, Daesh will only be prised out of cities such as Mosul in Iraq or Raqqah in Syria by local forces. We have already seen some success in the recovery of Baiji and Ramadi in Iraq, and I hope eventually we will see such success in other cities along the Tigris and the Euphrates. In the fullness of time I hope we will see similar action in Raqqah, but that does not mean that we should not now be getting on with a full deployment of airstrikes to deal with the infrastructure that supports Daesh.

Brendan O’Hara (Argyll and Bute) (SNP): I, too, welcome the hon. Member for Islington South and Finsbury (Emily Thornberry) to her place and wish her well in her new post. I know that we are in agreement on important areas of defence, and I look forward to working constructively with her and her team over the coming years.

Does the Secretary of State agree with the Prime Minister, who told the Liaison Committee last week that in the case of civilian casualties,

“if people make allegations we must look at them”?  

Michael Fallon: We do an assessment after every British strike of the damage that has been caused, and check very carefully whether there are likely to have been casualties. Of course, that is taken into account in planning and approving the strike in the first place. It so happens that, in the first year and a bit of operations, we are not aware of any civilian casualties so far in our strikes in Iraq or more recently in Syria, but they are military operations—we do everything possible to reduce the risk of civilian casualties, but it is not possible to eliminate it entirely.

Brendan O’Hara: I thank the Secretary of State for that answer, but can he therefore confirm that the Ministry of Defence will accept evidence of civilian deaths from other sources outwith UK military personnel and local friendly forces? Will he assure the House that the evidence from highly credible organisations such as the Syrian Observatory for Human Rights, Airwars and the White Helmets—groups that work on the ground and that are very often the first people on the scene—will be considered when calculating civilian deaths in future?

Michael Fallon: Let me assure the hon. Gentleman that we will look at any evidence brought forward in open source reporting by other organisations in the assessment we make of each of the strikes in which our aircraft are involved. I have replied directly to one of the organisations he mentions—Airwars—pointing out that there is no particular evidence to back up the assessment it made in that particular case.

Mr Jonathan Djanogly (Huntingdon) (Con): Will my right hon. Friend give the House an update on the military and non-military support that is now being provided to opposition fighters in Syria?

Michael Fallon: Along with other countries, we have been supplying non-lethal equipment to those fighters and we played a part in the initial training programme that was organised by the United States, and we remain ready to do so. In addition, we are working with those groups on a route to a political settlement in the talks that are now under way under the so-called Vienna process.

Emily Thornberry (Islington South and Finsbury) (Lab): I thank the Secretary of State and the hon. Member for Argyll and Bute (Brendan O’Hara) for their generous welcome to this job. The Secretary of State has the honour of having perhaps the best job in Westminster. Mine is the second best. Hopefully we will change roles fairly soon. He can be assured that difficult questions will be asked and that we hope to work with the Government where we can for the sake of the security of people in Britain.

Senior military personnel have repeatedly warned that the RAF has been at full stretch, and that was even before the air strikes on Daesh began in Syria. A squadron of F-35s has only just been ordered, but will not come into service for several years. In the meantime, the air campaign against Daesh will be dependent on 40-year-old aircraft. Can the Secretary of State tell us how long he believes the air campaign can safely be maintained? What would happen if a new threat emerged? Would the RAF have capacity for any operations further than those to which the Government have already committed?
Michael Fallon: I thank the hon. Lady for her initial remarks. I note her ambition to move from the Opposition side of the House to the Government side, which was presumably shared by the two previous shadow Defence Secretaries that I have so far come across. Let me just say to her gently that a defence policy of nuclear submarines with no nuclear weapons, that regards Daesh as having “strong points”, and that wants to end the Falkland islanders’ right to self-determination, may be Labour’s defence policy, but it will never be Britain’s defence policy.

In respect of the hon. Lady’s question, the RAF is deploying a range of aircraft on Operation Shader in the middle east, including modern Typhoons and unmanned aircraft alongside the Tornados to which she referred. I can confirm that the RAF is well able to sustain that effort.

Successor Submarines

5. Michael Fabricant (Lichfield) (Con): What assessment has he made of the effect on UK security and the economy of building four Successor ballistic missile submarines for the nuclear deterrent; and if he will make a statement.

The Minister for Defence Procurement (Mr Michael Fallon): The nuclear deterrent is the cornerstone of the UK’s defence security policy. Maintaining continuous at-sea deterrence requires four ballistic nuclear submarines. The UK’s defence nuclear enterprise is gearing up to deliver the Successor replacement to the Vanguard class submarines. It will not only keep Britain safe but support over 30,000 jobs across the UK in England, Scotland, Wales and Northern Ireland. It makes a significant contribution to the UK economy.

Michael Fabricant: Thirty thousand jobs! I thank my hon. Friend for his answer. Notwithstanding proposals for nuclear missile boats or submarines without nuclear missiles, does he not accept that there are something like 17,000 nuclear warheads around the world, with some possibly threatening us? What is my hon. Friend’s assessment of the likely risk to national security should we not proceed with the four missile submarines?

Mr Dunne: My hon. Friend is quite right to highlight the importance of the deterrent to our national security. We have seen—I think he was referring to comments made in the past 24 hours—the most extraordinary contortion emerging from the champagne socialist salons of Islington. The idea of spending tens of billions of pounds to build but not arm a strategic deterrent betrays the new kind of politics from the Labour leadership: a lurch back to the discredited unilateralism of the 1970s and a breathtaking lack of understanding about how to keep this country safe, with consequent threats both to national security and to tens of thousands of jobs across the UK.

Mr Kevan Jones (North Durham) (Lab): Does the Minister agree that the issue is about not just the number of jobs involved in the Successor programme, but the high-skill nature of those jobs? Despite ill-informed comments from my own party at the weekend with regard to those jobs, does he also agree that we cannot simply turn them on and off like a tap when we need them?

Mr Dunne: I would like to add my tribute to the hon. Gentleman’s stalwart work, both on the Government Benches when he was a Defence Minister and on the Opposition Benches when he was a shadow Minister; it is a sorry state of affairs to see him sitting right at the back of the Back Benches today.

The hon. Gentleman is, of course, quite right to point out that this is a long-term endeavour: to design and build a nuclear-enabled submarine takes decades. This is a 35-year project from initial conception to commissioning. Those skills not only take a long time to develop; they cannot be switched on and off. They are at the very forefront of engineering capability in this country. Building a nuclear submarine is more difficult than sending a man to the moon.

19. [903068] Byron Davies (Gower) (Con): In the light of the astonishing comments made yesterday by the Leader of the Opposition on having a submarine-based nuclear deterrent without actually have any deterrent involved, does my hon. Friend agree that in an increasingly uncertain world it is crucial to continue the decades-long consensus held on our nuclear deterrent?

Mr Dunne: I am grateful to my hon. Friend for the considered way in which he made the point that this House is here to deliver national security to the United Kingdom as a whole. It is in all our interests to share a common objective to maintain, at the cornerstone of our defence, a continuous at-sea deterrence posture. We much hope that, when it comes to a vote, colleagues from across the House will be able to recognise the consensus on this issue.

Mrs Madeleine Moon (Bridgend) (Lab): The replacement of the nuclear deterrent is, of course, a sovereign decision of the United Kingdom and its Parliament. However, deciding not to proceed would have repercussions across NATO. Will the Minister tell us what he feels the repercussions would be for NATO, and for Britain’s standing in NATO, should we decide not to go to manitge?

Mr Dunne: Our deterrent is a NATO asset, so the NATO alliance depends in part on our ability to make that asset available should the need arise. Our NATO allies are taking a very intense interest in the deliberations of this House and the hon. Lady is right to highlight that.

Kevin Foster (Torbay) (Con): Does the Minister agree that all NATO countries are part of the NATO nuclear alliance, which is based on the three members who are in possession of weapons; and that to spend all the money on a nuclear deterrent, but not actually have one at the end, would be the worst option of all?

Mr Dunne: I have already indicated that I think it is completely farcical to spend tens of billions of pounds on a weapon that can never be used and therefore can never fulfil its deterrent objective. I completely agree with my hon. Friend.

Douglas Chapman (Dunfermline and West Fife) (SNP): In what circumstances does the Minister intend to use the nuclear deterrent?
Mr Dunne: I think this gets to the heart of the confusion that lies at the centre of Scottish nationalist party policy. The deterrent has been in use every single day—and night—for the last 53 years.

Flooding

6. Jake Berry (Rossendale and Darwen) (Con): What support the armed forces provided for the response to recent flooding (a) in Lancashire and (b) elsewhere. [903054]

The Minister for the Armed Forces (Penny Mordaunt): Approximately 1,700 soldiers were mobilised to support the flood response efforts in Lancashire, Cumbria and Yorkshire. Additional support was provided by an RAF Chinook helicopter, a Royal Navy search-and-rescue Sea King helicopter and the use for temporary accommodation of Victoria barracks in Scotland. This was a tri-service response and included both regular and reserve forces. I am sure the whole House will want to join me in paying tribute to the tremendous effort of our armed forces and for the support they provided, especially over Christmas and the new year.

Jake Berry: I associate myself with my hon. Friend’s comments about giving support to our armed forces, who provided a fantastic response to the Boxing day floods in Lancashire. Will she explain what further steps are being taken to ensure that the armed forces are held at a heightened state of readiness in case we see a return of the floods later this winter?

Penny Mordaunt: I thank my hon. Friend for his kind words about our armed forces, which afford me an opportunity to thank the public, too, for the great efforts they made to express their gratitude—largely in calorific form, I understand—to all of our armed forces. I assure my hon. Friend that we remain engaged with other Government Departments and with our network of regional liaison teams with local authorities, which is something we do permanently. The UK stand-by battalion remains at high readiness and we are able to provide further support very quickly if the need arises.

Rachael Maskell (York Central) (Lab/Co-op): I witnessed for myself the crucial role that the services played during the floods over the Christmas period. Without their intervention, the situation would have been far more serious. The British Army and the rest of the forces were seen yet again at their best, despite being overstretched. In the light of the fact that the Army has been cut by 20,000 personnel in the last five years, that there is a 10.6% shortfall in the number of reservists, and that the civilian staff will be cut by 30% before the next election, will the Government explain how they can ensure being able to provide a comprehensive response to future national emergencies, let alone international crises?

Penny Mordaunt: I must correct the hon. Lady. It is not true that we have a shortfall in reservists; we are actually ahead of target in recruiting them. Close to 9,000 individuals have stepped forward in the last year alone, so we have a very strong pipeline in recruiting. We can give assurances to the British public up and down the country when such terrible events happen because we have taken the decision to invest in defence—in our kit and in our people—and keep our armed forces strong. That is how to reassure people. As we saw over the Christmas period, we were able to generate enormous numbers of people when the need arose in short order. They did a terrific job, and I think any suggestion to the contrary fails to take account of the facts.

Philip Davies (Shipley) (Con): May I start by thanking you, Mr Speaker? The feedback from the Beckfoot school students who attended the session you ran last week in my constituency has been universally positive, and I am most grateful to you for that.

I ask the Minister to pass on my sincere thanks and those of my constituents to the armed forces for their magnificent support for my constituents during the recent flooding. They came over Christmas at very short notice to help out on a whole range of tasks. They were a lifeline to many of my constituents, and we would all like to place on the record our sincere thanks for everything they did for so many people at that difficult time.

Penny Mordaunt: I thank my hon. Friend for his kind words. They will have been heard by those who went to his constituency, but I will also pass them on.

Soft Power

7. Sir Edward Leigh (Gainsborough) (Con): What steps he is taking to develop defence soft power and influence. [903056]

8. David Warburton (Somerton and Frome) (Con): What steps he is taking to develop defence soft power and influence. [903057]

The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier): The strategic defence and security review made defence engagement a funded, core MOD task. We are building our capacity to address global security concerns at source by influencing partner countries. This includes strengthening the defence attaché network and developing a professional defence engagement career stream, to attract the very best. Furthermore, each Army adaptable brigade is now aligned to a specific region for training and influence purposes.

Sir Edward Leigh: Will the Minister make a comment about increasing our security in the Baltic region in relation to soft power?

In the context of soft power, may I apologise on behalf of my right hon. Friend the Member for New Forest East (Dr Lewis), the Chair of the Defence Committee? My right hon. Friend cannot be here this afternoon because he is attending a memorial service for Lieutenant Commander David Balme, the hero who boarded U-110 during the war and got the code books and the Enigma machine out. They were then sent to Bletchley Park, which interests me because my parents met at Bletchley school students who attended the session you ran last year. I am most grateful to you for that.

Mr Brazier: We are very conscious of the importance of the Baltics. Most of the ministerial team, including the Secretary of State and me, have been to visit them. My hon. Friend will be well aware of the air patrols and everything that we have done there, and of our programme of exercises.
As for Lieutenant Commander Balme, Churchill once famously said that the only campaign that kept him continuously awake at night was the convoy campaign in the western Atlantic. Without Bletchley Park, we would almost certainly have lost it.

David Warburton: As chair of the all-party group on the British Council, I am well aware of the importance of soft power. Does my hon. Friend agree that it is only through a continuing investment in both hard and soft power that we can continue to play a leading role in protecting the world order on which our security and prosperity very much depend?

Mr Brazier: My hon. Friend is quite right. We are sending training missions which are doing vital upstream work in a large number of countries, helping to deliver the environment that is needed to prevent future wars and conflicts.

Diana Johnson (Kingston upon Hull North) (Lab): What role does the Minister think human rights advisers have in developing our influence?

Mr Brazier: Human rights advisers do play a role. Specifically, the armed forces now contain a number of advisers who specialise in giving advice on gender matters, such as protecting women in conflict. One or two of them have put themselves very much in harm’s way by giving advice in dangerous theatres.

Kirsten Oswald (East Renfrewshire) (SNP): Since taking office in 2010, the Prime Minister has overseen the granting of more than £5.6 billion-worth of military licences to Saudi Arabia. Does that mean that he is exercising soft power or hard power?

Mr Brazier: We have one of the strictest regimes in the world for controlling exports. I would say that exporting to a key ally at a dangerous time in the middle of the world for controlling exports. I would say that exercising soft power or hard power?

Mr Brazier: I will pass my hon. Friend’s ingenious idea to colleagues and we will look at it for him.

Mr Brazier: I do not accept that. The Major Projects Authority report to which the hon. Lady referred is more than a year old, and the figure that she identified as the target—35,000 trained reservists—must be reached by April 2019. We are moving fast in that direction.

23. [903072] Mr Richard Bacon (South Norfolk) (Con): Given that the Self-build and Custom Housebuilding Act 2015 is now on the statute book, does my hon. Friend consider that one way to recruit additional reserves—and, indeed, other members of the armed forces—would be to create a help to build scheme, so that service families find it easier to obtain a piece of land and build a house?

24. [903073] Mary Glindon (North Tyneside) (Lab): As the Government are still short of their target on trained reserves, does the Minister acknowledge the concerns raised by his hon. Friend the Member for Basildon and Billericay (Mr Baron), who has warned that these cuts are leading to severe capability gaps in our armed forces?

Mr Brazier: We had to take some painful decisions when we took over in 2010 as part of the coalition Government, because the country was spending £4 for every £3 coming in. After the reshaping, we have now moved to a position where, despite there still being some tough decisions to take, this country has committed to spending 2% on defence and to a large expansion of its equipment programme.

Mark Pawsey (Rugby) (Con): My hon. Friend will recall his visit in June last year to a newly established reserve unit at D Company 4 Para at Edward Street in Rugby. Is he as pleased as I am to note that that unit is well ahead of position where, despite there still being some tough decisions to take, this country has committed to spending 2% on defence and to a large expansion of its equipment programme.

Mr Brazier: Yes, it does. It was a huge privilege to be there for what was actually the re-inauguration of reserve paratroopers in Rugby, and, even more so, to have the opportunity to meet an Arnhem veteran there.

17. [903066] Mr Jim Cunningham (Coventry South) (Lab): What impact have the changes to allowances and pay had on the reserves—and more importantly, on the regular forces?

Mr Brazier: The largest changes in pay have actually been to reservists, where we have introduced holiday pay for the first time. We have also introduced a pension for the first time; it was previously only available to those who mobilised. I think it is fair to say that the changes in the regular pay arrangements, which are basically a simplification, have also gone down well.

Danny Kinahan (South Antrim) (UUP): May I thank the Minister for the recruiting we are allowed to do in Northern Ireland? Just under 7% of the reserve forces are from Northern Ireland, which represents 3% of the population. Might the Minister look at recruiting more from Northern Ireland, so we can carry on being the backbone of the armed services?
Mr Brazier: Northern Ireland has always been an excellent recruiting ground for both regulars and reservists, and I am conscious also of the fact that, beyond the statistics, as the hon. Gentleman mentions, a higher proportion of people from Northern Ireland have been mobilised than from any other part of the UK.

Nuclear Deterrent

10. Mr David Jones (Clwyd West) (Con): What recent representations he has received against replacing the independent nuclear deterrent. [903059]

Michael Fallon: First, let me strongly condemn the nuclear tests conducted by North Korea, which seriously threaten regional and international security. I can assure my right hon. Friend that this Government will not gamble with the long-term security of our citizens. We remain committed to maintaining an independent nuclear deterrent. The only thing a nuclear submarine without nuclear weapons is likely to deter is anybody who cares about our security from ever voting Labour again.

John Woodcock (Barrow and Furness) (Lab/Co-op): If the UK were to go down the route of decommissioning its warheads, in the so-called Japanese style, and then reconvert them into warheads, in the so-called Japanese style, would it have the capacity to obliterate the United States? If the UK were to decide it needed to recommission them at some future point, is it the Government's assessment that it could do so and remain compatible with the non-proliferation treaty?

Michael Fallon: First, let me make it clear that Japan does not have nuclear-powered submarines and does not have nuclear weapons, so talk of some Japanese option is entirely farcical. So far as the hon. Gentleman's question is concerned, we have no intention of decommissioning.

Nigerian Armed Forces (Training)

11. Richard Fuller (Bedford) (Con): What plans he has to increase training support to the Nigerian armed forces to help to tackle Boko Haram. [903060]

The Minister for the Armed Forces (Penny Mordaunt): We are fully committed to supporting Nigeria in its efforts to defeat Boko Haram. During his visit in December, the Secretary of State committed to a major increase in UK support to the Nigerian armed forces with the intent of more than doubling the number of British personnel deploying on training tasks in the coming year.

Richard Fuller: The strategic ties between the United Kingdom and Nigeria are of the first importance to our country. Will the Minister provide more details of the UK troop deployments she envisages over the next 12 months to assist Nigeria in combating terrorism?

Penny Mordaunt: We expect up to 300 military personnel to provide assistance over the forthcoming year, including 30 RAF personnel who have been deployed this month to deliver force protection and training to the Nigerian air force, and more than 35 personnel from the 2nd Battalion the Royal Anglian Regiment who will deploy later this month to train Nigerian personnel specifically to combat Boko Haram.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Minister will be aware that Boko Haram operates not only in Nigeria but across the borders in the region. We have also seen Daesh and al-Qaeda-affiliated organisations coming down from the north. Given the horrific events in Burkina Faso over the weekend, will she tell us what support is being given to that country by the UK armed forces and what steps are being taken to co-ordinate action against Islamist violence across the region?

Penny Mordaunt: A huge effort is going on, not just from the UK but from our partners. We are doing a range of things, as well as maintaining bilateral relationships to build the capacity of those countries' own armed forces. We provide a huge amount of training, particularly on the issue of winning peace and security, as well as providing practical support. We keep all this under review, but a huge amount of work is being done.

Homeless Veterans

13. Will Quince (Colchester) (Con): If he will make an assessment of the potential merits of using empty Ministry of Defence properties to house homeless veterans. [903062]

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): Ministry of Defence housing supports serving members of the armed forces and their families. A margin of unoccupied properties is retained, but housing that is no longer needed is released. We provide significant support to facilitate the transition to civilian life, and we have allocated £40 million from LIBOR fines to support projects providing veterans with accommodation, including £8.5 million for Mike Jackson House.

Will Quince: Colchester is a garrison town, and we currently have a number of MOD properties standing vacant. Will the Minister meet me to discuss how some of those properties could be used for temporary accommodation for military veterans?

Mark Lancaster: Approximately 10% of our service family accommodation is unoccupied, but we keep it at that level to ensure that we can cater for trickle postings and for people returning from overseas. I am not convinced that the use of service accommodation is a sustainable way of supporting veterans. However, there are a number of excellent projects around the country and I would be delighted to meet my hon. Friend to discuss how we might pursue them in Colchester.
by 2023. So that we have 24 F-35 Lightning IIs during the life of the programme and buying more.

Our commitment to acquiring a total of 138 F-35s out-of-service date to 2040. In addition, we reaffirmed our fleet by two squadrons, and the extension of the Typhoon out-of-service date to 2018-19, an increase in our Typhoon jet fleets, including the extension of our Tornado squadrons’ we secured considerable investment in the RAF combat to the Typhoon platform initially. In November’s SDSR, increases. The aircraft remains on schedule to meet our on stream and into the programme, and logistic support and fleet reliability is improving as more aircraft come.

I had a successful bilateral meeting with Bob Work, the defence output.

The outstanding air-to-ground capability
The Minister for Defence Procurement (Mr Philip Dunne):
I had a successful bilateral meeting with Bob Work, the US Deputy Secretary of Defence, only last Friday, at which the F-35 programme came up. Aircraft costs are in line with estimates, operational capability is expanding and fleet reliability is improving as more aircraft come on stream and into the programme, and logistic support increases. The aircraft remains on schedule to meet our initial operating capability in December 2018.

Andrew Rosindell: I thank the Minister for his response. Will he reassure the House that he will not bring the current fleet of Tornado aircraft out of service until the F-35 has proven its operational reliability after several years of active service?

Mr Dunne: The outstanding air-to-ground capability of our Tornado squadrons is being steadily migrated on to the Typhoon platform initially. In November’s SDSR, we secured considerable investment in the RAF combat jet fleets, including the extension of our Tornado squadrons’ out-of-service date to 2018-19, an increase in our Typhoon fleet by two squadrons, and the extension of the Typhoon out-of-service date to 2040. In addition, we reaffirmed our commitment to acquiring a total of 138 F-35s during the life of the programme and buying more aircraft earlier, so that we have 24 F-35 Lightning IIs by 2023.

Topical Questions

T1. [903039] Caroline Ansell (Eastbourne) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Michael Fallon):
My priorities are our operations against Daesh, which I will be reviewing with my counterparts later this week, and the implementation of the SDSR decisions, in order to increase the size and power of our armed forces to keep Britain safe.

Caroline Ansell: I thank the Minister for his answer. With growing threats to our national security, I welcome this Government’s commitment to defence spending. What impact will the SDSR have on the future size and power of our armed forces? He may recall that I serve as patron to the Military Preparation College, which has a base in my constituency, and so I have a keen interest in the next generation of servicemen and women.

Michael Fallon: I recall both that and my visit to my hon. Friend’s constituency shortly before her election to this place. The commitment to increase the defence budget every year gives our armed forces certainty and stability. We are maintaining the size of the Army, and we are increasing the size of the Royal Navy, the RAF and the reserves. We will have more ships, more planes, more helicopters, more troops at readiness and better-equipped special forces to protect our people, to project our influence across the world and to promote our prosperity.

Emily Thornberry (Islington South and Finsbury) (Lab): In the past few days, reports of the difficulties faced by veterans suffering from Gulf war syndrome have reminded us how important it is that we recognise the extraordinary sacrifices made by our men and women in uniform. We must ensure that our service people are not only properly rewarded while they are serving, but looked after properly when they leave. What sort of message does the Minister think it sends that the Government have chosen to freeze war pensions at a time when the basic state pension is to be protected by a triple lock and is set to rise by 2.9% this year?

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): The Government actually have a very good record on supporting veterans. Unlike what happened under the previous Government, in recent years we have seen major investment in mental health, veterans’ accommodation and veterans’ hearing. We have seen multimillion-pound investments in supporting our veterans—that was never done under the previous Government.

T2. [903040] John Glen (Salisbury) (Con): I am sure the Minister will know that this year we are proud to mark the centenary of the Porton Down defence laboratory in my constituency. May I invite him to commend the work of Jonathan Lyle and his team, and to speculate on the challenges they may face in the next 100 years?

The Minister for Defence Procurement (Mr Philip Dunne): I am grateful to my hon. Friend for reminding the House that this year we do celebrate 100 years of the outstanding research effort at Porton Down, which was first established in response to the threat from chemical
weapons during the first world war. Last week, I reported to the House that we have just decided to make the Defence Science and Technology Laboratory an Executive agency, and I am looking forward to visiting next month, when I hope he will be able to join me to thank all the folk who do such a fantastic job there.

T6. [903045] Carol Monaghan (Glasgow North West) (SNP): The Brimstone missiles currently being dropped in Syria are estimated to cost in the region of £150,000 each. Given such a massive financial commitment, will the Minister assure the House that the costs of this campaign are being monitored and that a similar financial contribution will be made towards rebuilding Syria?

Mr Dunne: The hon. Lady is right to identify the fact that precision munitions are costly, but I can reassure her that we are keeping a very close watch on stockpiles and ensuring that we have sufficient missiles in stock to meet our requirements. As the Prime Minister said in this House during the Syria debate, it is absolutely the Government’s intent to press for a rebuilding programme for Syria when this terrible civil war comes to an end.

T3. [903042] Mark Garnier (Wyre Forest) (Con): Cadet units across the country are keen to engage in target rifle shooting, and yet the rules surrounding transportation of rifles and ammunition make such participation all but impossible for schools and cadet units. Will the Secretary of State meet me and representatives of the National Rifle Association to discuss how we can get around those very difficult rules in a practical and safe manner?

The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier): I would be delighted to meet my hon. Friend and the National Rifle Association. I should say though that, although handling youngsters on a rifle range is very skilled business, we cannot find any evidence from any of the four service organisations that there is a particularly acute shortage in that regard; although some individual cases have been brought to my attention. None the less I would be delighted to have the meeting that he suggests.

Conor McGinn (St Helens North) (Lab): Commando Joe’s works in more than 500 schools across the country, placing veterans in classrooms to share skills and experiences with young people. Despite robust evidence of the success of its work, its Government funding is due to end in March this year, placing the organisation in jeopardy. Will the Secretary of State take representations on that and look at what can be done to allow this hugely important work to continue?

Mark Lancaster: I would be delighted to meet the hon. Gentleman to discuss that matter and to see whether we can pursue it.

T4. [903043] Wendy Morton (Aldridge-Brownhills) (Con): Does the Secretary of State agree that any moves to weaken our commitment to an independent nuclear deterrent or to our leading role in NATO will make us less safe?

Michael Fallon: Absolutely. Our independent nuclear deterrent is the ultimate guarantee of our, and indeed of NATO’s, security, and a necessary insurance in an increasingly dangerous and uncertain world. Our conventional and nuclear capabilities, underwritten by our commitment to spend 2% of GDP on defence, support our leading role in NATO, which remains at the heart of our defence. This Government will not put our security at risk.

T7. [903046] Jeff Smith (Manchester, Withington) (Lab): The armed forces are facing serious personnel shortages in some of the most crucial specialist trades, including nuclear engineers and flight technicians. Given that a great deal of the expertise is in the Ministry of Defence’s civilian workforce, which the Government plan to cut by 30%, will the Minister explain how the Government plan to ensure that operational capabilities are protected when those cuts go ahead?

The Minister for the Armed Forces (Penny Mordaunt): For particular pinch points in particular trades, there are ongoing programmes to ensure not only that we retain people, but that we recruit. We train up people, offer apprenticeships and allow people to move in from the private sector. Those principles are well established. We will also introduce into our armed forces more flexible working patterns to allow more of that to happen and to allow people to move from regular forces to reserve forces and into civilian contracts and then back into the armed forces. That is very much our direction of travel. For each trade, there is a particular plan, and that is going very well. In fact, this month we have started recruiting apprentices into nuclear engineering, with 35 starting this month.

Lucy Frazer (South East Cambridgeshire) (Con): Will the Secretary of State explain what steps the Ministry of Defence is taking to release surplus land for housing? Will he also explain what progress the MOD has made in selling or renting the fire control centre at Waterbeach?

Mark Lancaster: As part of the Government’s prosperity agenda, the MOD is committed to releasing land for 55,000 housing units in this Parliament. I am delighted to announce that the first 12 sites will contribute some £500 million of land receipts, which will be reinvested into defence, and will provide more than 15,000 potential housing units. I will place a full list of sites in the Library of the House, and I have written to the MPs concerned. I expect to be in a position before the end of this year to provide further details, including a full list of sites affected. With regard to my hon. and learned Friend’s own constituency, I can confirm that the whole of the Waterbeach site has now been transferred to our civilian delivery partner.

Patricia Gibson (North Ayrshire and Arran) (SNP): Does the Secretary of State have any moral concerns about the sale of arms to Saudi Arabia, given its shocking record on human rights and the fact that Amnesty International and others have documented a clear risk of UK arms being used to breach international humanitarian law?

Michael Fallon: The United Kingdom has some of the strictest arms export criteria in the world, and where arms of our arms are exported we are obviously concerned that their use should be in full compliance with international humanitarian law. That is something I discuss regularly with my counterpart, the deputy crown prince, the Defence Minister of Saudi Arabia, and my other colleagues.
Michael Fallon: We take very seriously our duty to provide support for people who may be facing proceedings arising from their past service. We pay for independent legal advice in all such cases. I am extremely concerned at the number of claims now being brought on an industrial scale and we are considering steps to stem that flow, with options including restricting legal aid, limiting the time in which claims can be brought, and limiting the territorial application of the rights of those claimants.

Angela Smith (Penistone and Stocksbridge) (Lab): I am convinced that Trident has a crucial role to play in the defence of our country, but the economic aspects are important as well and there is a huge group of workers throughout the country waiting with some anxiety to see whether or not Parliament is prepared to give final approval for the Successor programme. Will the Secretary of State give an assurance that he will not allow any unnecessary delay to get in the way of the need to bring the main gate proposals to the Floor of the House for debate and decision?

Michael Fallon: I can give the hon. Lady the assurance that she seeks. It takes more than 10 years to build one of those nuclear ballistic submarines and we need to get on and replace the existing Vanguard boats, which will become obsolescent towards the end of the 2020s. In the strategic defence review at the end of November we set out our commitment to replace all four boats, and I hope it will not be too long before Parliament is asked to endorse that commitment.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Despite his obvious differences with Russia over Crimea and Ukraine, will the Secretary of State give me an assurance that he will redouble efforts to engage with his Russian counterpart on fighting collaboratively against Daesh in Syria?

Michael Fallon: I am not currently engaged in any discussions with my Russian counterpart. The illegal annexation of Crimea in 2014 and Russia’s continuing support to separatists in eastern Ukraine do not allow a return to normal engagement. However, in the interests of air and maritime safety, I have authorised MOD officials to undertake limited military-to-military engagement with the Russians to ensure that our own airspace is properly protected.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Dalzell plate mill, Clydebridge quenching mill, the heavy sections at Scunthorpe and also Sheffield Forgemasters—the Secretary of State rightly said that the Government’s position is to maintain an independent nuclear deterrent, but will it be using British steel?

Mr Dunne: The hon. Gentleman will be interested in the statement relating to Government measures in connection with British steel that will immediately follow this Question Time. Clearly, we are keen to ensure that British manufacturers have an opportunity to compete for defence contracts with significant steel components, and that will continue to be the case.

Sir Gerald Howarth (Aldershot) (Con): Last Thursday I had the great pleasure of accompanying my hon. Friend the Minister for Defence Procurement when he visited the UK Defence Solutions Centre at Farnborough in my constituency. May I salute this innovation by my hon. Friend? The centre is doing fantastic work in assessing Britain’s defence needs as well as new technological opportunities, and in that context, will he give serious thought to continuing the Ministry of Defence’s support for Zephyr, the high-altitude record holder, which has fantastic surveillance capability, the technology for which my great and late friend Chris Kelleher did so much to develop?

Mr Dunne rose—

Mr Speaker: The hon. Member for Aldershot (Sir Gerald Howarth) can now draw breath.

Mr Dunne: I am grateful to my hon. Friend for giving me the credit for establishing the UK Defence Solutions Centre, but I think it is only fair to the House, and indeed to my future career, if I place the credit where it is properly due: at the feet of my right hon. Friend the Secretary of State, in his former role. I enjoyed our visit to UK DSC last week. It is doing a great job in placing UK innovation at the heart of the defence industrial supply chain globally. I am sure that my hon. Friend will have noted that the strategic defence and security review referred to investing in a unique British capability for advanced high-altitude surveillance, which I know will be of interest to him.

Steven Paterson (Stirling) (SNP): How much do the Government currently estimate the replacement nuclear deterrent weapons system will cost, including the boats themselves, the missiles and the ongoing lifetime maintenance costs?

Mr Dunne: As we made crystal clear in the SDSR, we have recalculated the cost of manufacturing the four boats, which we now estimate will be £31 billion, and we have added a £10 billion contingency. We have no intention at this point of replacing the warheads; the decision on that will be taken later. Therefore, I urge the hon. Gentleman to focus on the £31 billion commitment for the submarines, plus the £10 billion contingency, as the cost that is relevant today.
Steel Sector

3.36 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): With permission, Mr Speaker, I will make a statement on the steel sector. It is with regret that I find myself having to update the House on further job losses. This morning, Tata Steel announced plans to make over 1,000 redundancies across its UK strip business as part of its continuing restructuring plans. The proposals involve 750 job losses at Port Talbot, 200 redundancies in support functions at Llanwern, and 100 redundancies at steel mills in Trostre, Corby and Hartlepool. This will be a difficult time for all the workers and their families, and our thoughts must be with them. Our immediate focus will be on helping any workers who lose their jobs back into employment as quickly as possible. We will also continue to support the steel industry.

Given the United Kingdom’s devolution settlement, much of the support that can be offered in south Wales, both to the workers and to Tata Steel, will come from the Welsh Government, but the UK Government want to ensure that Port Talbot has a commercial and sustainable future. It is encouraging that the Welsh Government are to launch a taskforce this week—I believe that it is to meet for the first time on Wednesday—to support those affected by today’s announcement. We have offered our support to the chair of the taskforce, Edwina Hart, and we will continue to work with the Welsh Government. I welcome the commitment that the First Minister made today to work closely with the UK Government. I am confident that the Welsh Government will accede to our request to play a full part in the taskforce. I can assure hon. Members that we are also working closely with the Secretary of State for Wales—he is there today, which is why he is not in the House.

It is important to remember that the fundamental problem facing our steel industry is the fall in world prices, caused by the over-production and under-consumption of steel. We know, for example, that the price of slab has almost halved over the past 12 months, and that Tata has been losing £1 million a day as a result of the slump in prices. All that the industry has asked for—this includes the unions—is a level playing field, and that is what we are achieving. The Government have been working closely with Tata to do all we can to ensure a sustainable future for Tata Steel in the United Kingdom, both at Port Talbot and at Scunthorpe. We have offered our assistance to Tata as it seeks to find a buyer for its long products division. It is encouraging that it has announced that Greybull Capital is its preferred bidder. We remain in close contact with Tata as its commercial negotiations continue. The Government stand ready to play our part to help secure Scunthorpe’s long-term future.

Returning to today’s announcement, the same offer is there for Port Talbot. Tata is currently working with consultants to develop a plan to address the near-term competitiveness of its business at Port Talbot. We and the Welsh Government are in regular dialogue with Tata. This dialogue includes my right hon. Friend the Business Secretary, as well as my officials and, of course, me. While the future of Port Talbot must be commercially led, we will help where we can within the parameters of state aid rules. I want to make it absolutely clear that, in the words of the Prime Minister, we are unequivocal in saying that steel is a vital industry. This Government are determined that steel is produced not just at Scunthorpe but at Port Talbot, and that it has a sustainable future.

As I say, we are creating the level playing field that the industry has asked of us. It set out five asks when we had our steel summit back at the end of last year. On dealing with lower energy costs, in December we secured state aid approval to pay further compensation to energy-intensive industries, including steel, to include renewables policy costs. We have already paid about £60 million to the steel industry to help to mitigate the costs of existing energy policies. The new state approval will enable us now to extend the scope of compensation. It will go live tomorrow, enabling steel and other energy-intensive industries to apply. That will save the steel industry about £100 million over the financial year—roughly 30% of its energy bills—but we are going to go even further and exempt EIIs from most of these costs. Our support for these industries will save them hundreds of millions of pounds over the next five years.

The sector asked for flexibility over EU emissions regulations, and that is exactly what we have secured. Derogations for Port Talbot have already been agreed by Natur. The Environment Agency has accepted Tata Steel’s proposals for derogations for improving emissions from Scunthorpe, subject to a current public consultation. Once approved, this will give it a further six years to improve emission levels from the coke ovens. Both of Tata Steel’s major power plants have been included in the UK transitional plan that the UK has submitted to the European Union. This gives it until June 2020—a further four years—to meet the emission requirements. These actions will save the industry millions of pounds.

We have further updated and published, specifically and properly, new guidance about procurement, of which mention was made during Defence questions. We are the first country in the European Union to take advantage of and implement these new flexibilities, so social impact, job impact and staff safety can now be taken into account. In short, there is no excuse not to, and every reason to, buy British steel. Having just met the Aluminium Federation, I want to make it clear and put it on the record that those procurement rules include aluminium.

I have heard it said that the Government have blocked the reform of trade defence investigation, but they have not. I can assure the House that the Government have been acting decisively to safeguard the United Kingdom’s steel interests in Europe. In July last year, and again in November, we voted in favour of anti-dumping measures on certain steel imports. The United Kingdom lobbied successfully in support of industry calls for an investigation into imports of reinforcing steel bar. I hope that we will have an announcement soon on the result of those actions under the excellent leadership of the Business Secretary. The European Commission has taken this forward swiftly, including responding quickly to industry requests to register imports. The United Kingdom secured an extraordinary meeting of the EU’s Competitiveness Council and agreed faster action. Next month I will return to follow that up at a stakeholder conference where I will push for further progress.

The review of business rates in England will conclude this year. Of course, the Welsh Government, because this is devolved, have responsibility for business rates in Port Talbot and other parts of Tata’s workings in Wales.
We have seen today that the steel industry remains subject to unprecedented global pressures. While the immediate causes of these are beyond the Government’s control, I can assure the House that we continue to do all we can to help this industry, and we will stand by all the workers who face redundancy in south Wales and other parts of the United Kingdom.

3.44 pm

Ms Angela Eagle (Wallasey) (Lab): It is welcome that the Government have come to this House to make a statement on steel rather than having to be dragged here, as they have been on so many other occasions, by urgent questions tabled by the Opposition. It is disappointing, given the seriousness of the issue, that the Secretary of State has not seen fit to make the statement himself, but I welcome the Minister for Small Business, Industry and Enterprise to her place.

I welcome the Minister’s intention to work closely with the Welsh Government to mitigate the effects of the job losses on local communities. I especially welcome the co-operation on business rates, but I note that the Government have taken no action on business rates in England.

Tata’s announcement of 1,050 job losses across Port Talbot, Llanwern, Trostre, Corby and Hartlepool is devastating news for all the workers, their families and the close-knit communities affected. Our hearts go out to them. This latest bombshell comes on top of job losses at Tata’s Newport plant last year, along with thousands of job losses across the sector in the UK, including the complete closure at Redcar.

At this time of crisis for the UK steel industry, all we seem to get from this Government is warm words but very little concrete action. In the three months since the Government convened the emergency steel summit last year, only one of the five asks raised with them has actually been delivered. Who would think that steel is the foundation of many of the UK’s most important manufacturing sectors, including aerospace, defence, automotive and construction? The existential threats facing it show no sign of abating, and yet the Government have been asleep at the wheel. They have not been tough enough with the Chinese or active enough with the European Union. They have made no concessions on the business rate system, which actively penalises those who invest in expensive infrastructure to improve productivity, and there is no sign that their technical change to procurement rules is making any difference in the award of Government contracts to help our domestic industry.

When are we going to get effective action from this Government and not just warm words? Countries such as China are engaging in ruthlessly uncompetitive practices that are destroying our steel industry. My right hon. Friend the Leader of the Opposition raised that directly with President Xi when we met him in October, and we have raised it with the Chinese at subsequent meetings.

The slow response in the EU to the tsunami of cheap Chinese steel, which is snuffing out our industrial base, is a disgrace. I made that point in no uncertain terms at a high-level meeting with representatives of the Commission in Brussels last week. They need to take action now and this Government should be leading the charge to reform EU trade defence instruments, but they are actually resisting reform to speed them up.

This country desperately needs an industrial strategy so that our steel industry can survive and thrive. The Chancellor once declared that Britain would be “carried aloft by the march of the makers.”—[Official Report, 23 March 2011; Vol. 525, c. 966.]

But five years on there is a yawning gap between his rhetoric and the grim reality. Manufacturing exports have slumped and manufacturing output is still below its level of seven years ago. Whether on the deficit, debt, exports or manufacturing, the Chancellor has failed every test he set himself. Despite the fanfare and flurry of Government press releases, there is no substantive industrial strategy in sight. Is that any wonder when we have a Business Secretary who will not even let the phrase “industrial strategy” cross his lips? Because the Government will not do it, Labour will create an advisory board of experts from business, industry and the trade unions to lead work on the development of an industrial strategy for the UK.

What size of steel industry does the Minister regard as sustainable in the UK? When will the Government stop cosying up to China and confront its role in dumping cheap steel on UK markets? Will the Minister assure this House that the question of market economy status for China will not be resolved until it stops dumping cheap steel in the UK?

Why are the Government blocking the modernisation of EU trade defence instruments, which would deal with unfair trade before, not after, the damage is done to our domestic producers? Although there was welcome progress on the UK’s state aid application on the renewables obligation and feed-in tariffs, can the Minister confirm that until approval for its second application is received, it leaves some companies in the steel and other sectors without access to much needed compensation and still exposed to some 70% of climate change policy costs?

When will there be any progress on business rates, which penalise new investment to increase productivity? When, in short, are the Government finally going to turn their warm words into real and urgent action to save our steel industry?

Anna Soubry: I am sorry the hon. Lady did not listen to what I said. While we are dealing with facts—actually, she was not dealing with facts—I remind the House that 68,000 people worked in the British steel industry in 1998; by 2010, that number had fallen to 33,000; and by 2014, it had risen to 35,000. It ill behoves Opposition Members, therefore, to lecture the Government about supporting the steel industry, which, I would contend, we have done more to support in the past few months than the last lot did in 13 years. It does not help anybody to make cheap political points—[Laughter.] It is so tempting, given the palpable nonsense coming from Labour.

The steel industry, including the unions, made five asks of us: energy costs—delivered; industrial emissions—delivered; procurement—delivered; dumping—delivered. [HON. MEMBERS: “What?”] In July, for the first time, we voted to protect our steel industry. Such was the surprise of others sitting round the table that the EU officials went back to the UK delegation to check they had heard correctly, because never before had we voted to protect our steel industry. We did it again in November, and we have supported rebar, so we have delivered on that.
I confess—because I like to be honest with the House—that only on business rates have we not delivered. The review continues, and I hope, when it is finished, the Chancellor can say he will help all those who invest in plant and machinery so they are not penalised with higher business rates, which does seem rather perverse. Those arguments and discussions continue. I suggest, however, that we have done a good job in protecting our steel industry, and will continue to do so. We are not a party that has a problem and just sets up a committee; we are a Government who deliver and meet the demands and asks.

If I may, I will quickly deal with the allegation that we have been cosying up to China. Not at all: the Prime Minister was very frank with President Xi when he came over, and made our position clear. The EU will make the decision on market economy status. Yes, there is a good argument for our wanting China to have it, but we have also made it clear that if a country wants to be part of the game, it has to play by the rules. That seems a sensible approach.

Tom Pursglove (Corby) (Con): People in Corby were concerned to hear the news about job losses this morning. My thoughts are with my constituents, and I will do everything I can to help all those affected. One question they have relates to Chinese dumping. What steps are Ministers taking to apply pressure on the EU to take the strongest possible line with the Chinese and to expedite these dumping investigations?

Anna Soubry: As I said, in July, and then again in November, we took that action for the first time. The Secretary of State went over to Brussels, and, as a result of his holding an emergency meeting, put pressure on the EU. We have already seen a big change in how China operates when it comes to dumping—it is not just from China, I should say; several other countries do it. China has taken action on rebar in a way not seen before, as a direct result of this Government’s work to protect our steel industry.

Stewart Hosie (Dundee East) (SNP): I thank the Minister for her statement and for giving me early sight of it. May I say how terribly sad these redundancies are, following on from the announcements last year, including the mothballing of Dalzell and Clydebridge? For our part, our solidarity and thoughts are with all those who face an uncertain future, wherever they are.

I welcome what the Minister said on derogations and procurement. I reiterate the fact that we have an exceptionally difficult trading environment for steel production, which is partly driven by the 645 million tonnes of excess supply this year. However, Chinese steel exports alone are likely to exceed 100 million tonnes this year. In that context, the government talks with the European Commission are vital. Will the Minister press for fast-tracking the investigation into Chinese steel exports?

At home, all Governments must support the workers and communities affected by all the announcements. In Scotland, the primary focus is on finding a viable future for Dalzell and Clydebridge, for which I understand there are serious interested parties. Will the UK Government be as positive and as forthcoming as possible, within the rules that apply, in support of any viable buyers for any of the plants?

May I briefly ask the Minister two specific questions? She said a number of things on energy costs that I welcome, but will her Department keep that under very close review to make sure that, should that be insufficient and additional help can be provided, such help is given at the earliest possible opportunity?

Secondly—this mirrors the shadow Secretary of State’s final point—the steel industry is vital, but it has suffered from the absence over decades of an industrial strategy. We discussed that in a debate last week. Will the Minister bring forward, or have her Government bring forward, a credible, coherent industrial and export strategy centred on steel at the earliest opportunity?

Anna Soubry: I thank the hon. Gentleman for his comments. It has absolutely been a pleasure to work with Fergus Ewing—I think that is the correct way to refer to him—with whom I have had such discussions. Of course, I am very much hoping that a buyer can be found. Any support that the UK Government can give will be given.

The hon. Gentleman made good points about energy costs, but as he will know, the state aid rules are really strict when it comes to any support we give the steel industry. He talked about the future, but I would say this. One of the things we have done as a Government—this has never been done before—is to look at all the huge infrastructure projects that we are rightly putting together, at huge cost to the taxpayer. That includes HS2, for example. We have assessed the steel needs of all those projects, and we have given that assessment to the steel industry, so we are already doing that sort of work. We are looking not just at the next five, 10 or 15 years, but right the way down the track, if I may use that expression, at the sort of work the Government are doing to invest in our infrastructure, and we have put our steel requirements to the industry.

I know that this may sound a little emotional, but it is our absolute intention and we are absolutely determined that the steel used in HS2 will be made in this country. That is not just at Scunthorpe; we also want to ensure that there are blast furnaces in south Wales. That is our determination, and we are working towards it.

John Redwood (Wokingham) (Con): The Minister is right that the Government need to ensure that every penny of public money spent, directly or indirectly, on steel procurement should be spent on British steel. Is she now saying she has secured such changes in European law and rules that she can actually specify that all railway and construction steel paid for by Britain will be British? That is what I want.

Anna Soubry: I am amazed that my right hon. Friend, who I thought was a real free enterprise chap, takes such a view. [HON. MEMBERS: “Oh!”] That is a gentle chide. We are two good friends who agree on many things.

The most important point is that we have changed the procurement rules. We are the first ever country in the EU to take advantage of doing so. There is now absolutely no excuse for any Government contract not to include buying British steel and, indeed, other metals such as aluminium.
Stephen Kinnock (Aberavon) (Lab): I assure the Minister that the people of my constituency are listening carefully to what is being said today. I also assure her that there is palpable anger and frustration among my constituents. The claimed action on energy has still not been implemented. The claimed action on procurement amounts to so-called open advertising, while Hinkley Point has no British steel. The Government use the EU as an excuse for delay, while being China’s chief cheerleader in Europe.

Is it not clear to the Minister that urgent action to sustain a steel industry in Britain is of the highest national priority? No more excuses, dodges or delays. Will the Government confirm here and now that they will not support market economy status for China? Will the Government immediately establish a strong, long-term steel strategy with Tata and the unions? If they do that, there is a future; if they do not, there will be a wasteland.

Anna Soubry: Of course, this is all about all those men and women who work at Tata at Port Talbot and their families. Our thoughts are with them today. I pay tribute to some of the work that the hon. Gentleman has done. I met the leader of Port Talbot port and I hope that we can continue that discussion, because there is much that can be done.

I say to the hon. Gentleman. Gentleman that it would really help if we all worked together on this, because we all agree. I am not going to say what he said about China and market economy status at all. There is a good argument that it should have that status. [Interruption.] Yes, there is a good argument, but as I say, China has to show us that if it is in the game, it plays by the rules. It will be for the EU to look at all the evidence before it makes its decision on that.

Amanda Milling (Cannock Chase) (Con): Chinese steel manufacturers are offering added-value services such as steel polishing and finishing free of charge, making the UK steel industry and our businesses less competitive. Will my right hon. Friend outline what steps the Government are taking to support UK businesses in offering those added-value services?

Anna Soubry: I strongly suspect that it is quite a long list, so I undertake to write to my hon. Friend in full with exactly the detail that she wants. This Government absolutely get and understand business. We support British business, wherever it may be.

Jessica Morden (Newport East) (Lab): The job losses that have been announced today are a huge blow to communities across south Wales. Workers in Llanwern in my constituency are directly affected, as are the workers who were seconded to Port Talbot when the hot strip mill in Newport was mothballed last year. We are thinking of those workers today. Steelworkers have made huge sacrifices over the years and have done everything they can to help the company during these particularly tough times. Can the Government say, with hand on heart, that they have done the same? Despite what the Minister has said today, the industry and the unions say that the action has been far too slow.

Anna Soubry: I am in danger of repeating all the things that I have said about what we have done. Where I agree absolutely with the hon. Lady is that we must not forget Llanwern and the huge impact that this news will have. As she rightly says, it follows the mothballing last summer. I pay a huge tribute to all those who work in our steel industry. They are highly skilled, highly prized workers. I know that for many reasons, but I am always reminded of my visit to Redcar and of the whole workforce that worked at SSI. These are highly skilled people.

The final thing to say is that there is no debate about the fact that a large number of steelworkers have made considerable sacrifices. When I went to Scunthorpe, I met a group of workers who were represented beautifully and brilliantly by their excellent trade union leaders. It was striking that these men—the majority are men, so forgive me; it is striking that these men and women had taken pay cuts and made the ultimate sacrifices. This is a very sad day and that is not lost on us, but we are determined that steel will continue to be produced in south Wales and in Scunthorpe.

Sir William Cash (Stone) (Con): As one who was brought up in Sheffield, I ask the Minister whether she accepts that the deadly combination of EU energy law, EU subsidy law and EU dumping law means that, although the Government may want to achieve a solution to this problem, ultimately they cannot do so without leaving the European Union.

Anna Soubry: Here is a surprise: I do not agree with my hon. Friend’s analysis, or his conclusions. When the Secretary of State went over to Brussels and led the charge, I found in the conversations that I had with my equivalent Ministers throughout the EU that we had all come together. I think that by working together, we can assure the future of the steel industry not just in our country, but throughout the European Union.

Mr Speaker: The Minister has just invited us to believe that Europe offers an equivalent to her. You learn something new every day. Scunthorpe was mentioned, so let us hear from the fella. I call Mr Nic Dakin.

Nic Dakin (Scunthorpe) (Lab): It is strange that Redcar did not meet the criteria for exceptional growth funds, but I am pleased the Minister has indicated that they will be used to assist the Greybull Capital interest in long products. The Foreign Secretary stood at that Dispatch Box and said that the Government will judge market economy status through “the prism of steel”. Will the Minister confirm that there will be no drawing back from that position?

Anna Soubry: I always try to be honest and helpful to the hon. Gentleman. I did not hear that comment from the Foreign Secretary, but I assure the hon. Gentleman that I will take it up with him. As he knows, we are working hard to secure the future of the blast furnaces at Scunthorpe, and we are determined that British steel will continue to be made in this country and that it has a sustainable future.

Mr David Jones (Clwyd West) (Con): Today’s announcement will be a bitter blow to all communities affected, not least Port Talbot where relations between the unions and the Tata management have been excellent. My right hon. Friend mentioned that the Government will be participating in the taskforce that is to be assembled to address this issue. Can she confirm that the Department
for Work and Pensions will be heavily involved so as to ensure, if at all possible, that those affected by redundancy will be redeployed?

Anna Soubry: I completely agree with my right hon. Friend and his analysis of the effects of these events throughout south Wales. It is not just the workers who face redundancy, because we know that this will have a huge impact on the local economy right the way through the supply chains. I assure him that we will work with the DWP in these circumstances, and it will send in almost emergency teams to start work now, before any compulsory redundancies are made. That work will be, and is being, done.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): The Minister owned up to the failure to implement reform of business rates as part of the toxic package that the steel industry is confronting. Will she examine that issue and provide assurances that in advance of next year’s business rates proposals, the Government will consider putting in place a special package to give some relief to this beleaguered industry?

Anna Soubry: I did not say that we had failed—we have a review going on and it has not come to any conclusion. The hon. Gentleman must remember that in Wales business rates are devolved, and it is up to the Welsh Government whether they want, or can, do anything to assist Tata. Of course we will do everything that we can to support our steel industry, but always within the unfortunate confines of the state aid rules.

Mr Peter Bone (Wellingborough) (Con): With all due respect, I do not think that the Minister answered the question from my hon. Friend the Member for Stone (Sir William Cash)—she just said that she disagreed with him. It seems to me clear that if we were not in the European Union, we could have acted differently and more quickly. Will she at least agree with that?

Anna Soubry: No, I am afraid I do not agree with that. I think we are better within a reformed European Union, and this is a good example of the benefits of our continuing membership of the EU.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Port Talbot and Trostre are situated within an EU tier 1 assisted area. What consideration has the UK Government made of a holiday for employer national insurance contributions to help Tata reduce its employment costs?

Anna Soubry: That is exactly the sort of conversation that I am more than happy to have with—I nearly said my right hon. Friend, but the hon. Gentleman might take exception to that. I am more than happy to discuss that issue with him.

James Morris (Halesowen and Rowley Regis) (Con): Following the collapse of the Caparo group towards the end of last year across the west midlands and other parts of the country, the administrator PWC has been able to salvage a considerable amount of the business and secure local jobs, including in my constituency in Cradley Heath. Notwithstanding the action that the Minister has taken on steel, does she agree that serious questions need to be answered about the financial management of the Caparo group that led to its collapse in the first place?

Anna Soubry: Quite simply, I would not know but, again, I am more than happy to have that discussion with my hon. Friend because, if that is right, it is a very serious matter.

Anna Turley (Redcar) (Lab/Co-op): The people of Redcar and Teesside are still dealing with the repercussions of the tragedy of the loss of our steel-making facilities and our 175-year history of steel making. They will send their solidarity and their thoughts to the people of Port Talbot, Llanwern and other areas that have lost their jobs in the past few days.

The Minister has again refused today to acknowledge the impact that market economy status for China will have—it will destroy the future of British steel making because, in a sense, it will facilitate Chinese dumping. She says she has sorted that and ticked the box, but that is not the case. I urge her to think again about market economy status for China.

Anna Soubry: I listen to the hon. Lady’s arguments and it is always good to have that debate with her. I am not saying, “It’s all sorted on dumping.”—[HON. MEMBERS: “Yes, you did!”] Well, we have ticked the box in terms of getting on and doing something about it, but no doubt the steel industry will raise more concerns. The industry raises its concerns with the EU but, for the first time—that is rich coming from the Opposition—we have voted in favour of taking that action, not just once but twice; and now we have rebar, so we are making good progress.

Mr David Nuttall (Bury North) (Con): Does my hon. Friend agree that UK companies that want to export their products need to source the cheapest steel they can if they are to be competitive in the world market, and that, realistically, the UK steel sector will always struggle in the long term if foreign competitors can produce steel cheaper than we can?

Anna Soubry: If I may say this to my hon. Friend, one absolutely striking thing about the British steel industry is the quality of the product. That is one of the main reasons why people want to buy British steel—they know it is the best in the world.

Mr Pat McFadden (Wolverhampton South East) (Lab): It is many years since the steelworks in my constituency closed. Some would say that the local economy has never fully recovered. My constituents therefore understand well the fear and worry that will exist in the community in south Wales and elsewhere in the country after the news today. Will the Minister be clear with the House on exactly where the Government stand on the question of market economy status for China and how it relates to anti-dumping rules?

Anna Soubry: The Prime Minister has spoken about the fact that we think it could be good for China to have market economy status, but the decision will be made by the European Union. We take the view—that I am repeating myself, but this is important—that, for China to get that status, it must show that it will play by the rules and provide the evidence that it is playing by the rules.
Jeremy Lefroy (Stafford) (Con): My right hon. Friend is absolutely right about the quality of British steel, but the quality of some imports leaves much to be desired. What work is being done on steel quality standards so that British steel can flourish both domestically and in export markets?

Anna Soubry: A number of companies—I am thinking, for example, of Celsa, a Cardiff-based company that I met—are keen to make the point about whether or not imports are of the same quality. Yes, we have looked at the standards. Sadly, we have not always made progress, because an independent body makes those decisions. It is not the job of the Government—unfortunately, we have no influence over it—but my hon. Friend makes an important point. It is one we advance all the time.

Christina Rees (Neath) (Lab): Job losses at Port Talbot and Trostre are devastating for the people and communities in south-west Wales. Many of my constituents in Neath who work at Port Talbot and Trostre will suffer. I endorse the words of my hon. Friend the Member for Aberavon (Stephen Kinnock) and ask again what urgent action the Government will take to help, apart from offering warm words.

Anna Soubry: I am not going to go through all the things we have done again, but I assure the hon. Lady that we will work with the Welsh Government. We have asked to be part of their taskforce and I very much hope that they will have the UK Government as part of it—it is very important.

Andrew Percy (Brigg and Goole) (Con): I thank the Minister for all the work and support she is providing to all of us affected in Scunthorpe—it is really appreciated—and for her commitment to support the sale of the site to Greybull, which I and other local MPs will meet later this week. On the specific issue of support to those who have been affected by job losses thus far, £9 million has already come our way. One question that has come up at our local taskforce is: how much of that money can be used, and how flexibly, to support new jobs as well as current ones? If we make a representation to her on that, can she assure us of maximum flexibility so that the money can be used to create new jobs as well as supporting existing ones?

Anna Soubry: The short answer is yes—that will please you, Mr Speaker—but, as the hon. Member for Redcar (Anna Turley) knows, when I find out about any difficulties I do not mess about in getting them sorted. We do not want any nonsenses. My hon. Friend knows my door is always open, so we can sort things out.

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Nick Thomas-Symonds (Torfaen) (Lab): The Minister has spoken about the state aid rules, yet the Italian Government have perfectly permissibly provided assistance to their steel industry on the basis that it constitutes environmental protection. My father worked in Llanwern steelworks for nearly 40 years and I know at first hand the sacrifices that so many steelworker families made over many years. Do they not deserve a Government who are willing to do so much more than this one?

Anna Soubry: I pay tribute to all those, including the grandfather of my hon. Friend the Member for Vale of Glamorgan (Alun Cairns) and, I think, my own great grandfather, who have worked in steelworks. None of these things matter. The important thing is to make this absolutely clear. We know the great value of all steelworkers. The hon. Gentleman asked me a question that I have now completely forgotten. [HON. MEMBERS: “Italy.”]—another huge myth. The Italian Government are in the process of selling their steel industry. We will see if there are any buyers.

Mark Spencer (Sherwood) (Con): I pay tribute to the Minister, as I am aware of the enormous personal effort she has put in to mitigate the impact of job losses. Will she reassure the House that the Government’s investment in retraining and reskilling workers will end up in the pockets of those workers, not of consultants or accountants?

Anna Soubry: Yes, absolutely. We know that in the past that has not always been the case. My hon. Friend and I come from coalfield areas, where there was always concern about whether taxpayers’ money in Government schemes was properly spent. I am hopeful—in fact, I am sure—that the money we made available for workers at Thoresby colliery will be properly spent. If it is not, I want to know about it and we will sort it out.

Nick Smith (Blaenau Gwent) (Lab): May I press the Minister? Will the Treasury find a way to provide the extra resources to the Welsh Government to reduce business rates at Tata? That would help to keep steel alive in south Wales.

Anna Soubry: They wanted that as part of their devolution settlement, of course. There is a good argument that if one gets what one asks for, one has to take the consequences. At the moment, however, no such request has been made. If a request is made, whatever it may be, we will always listen.

Jason McCartney (Colne Valley) (Con): When I walked through the Crossrail tunnels with the Transport Committee, the bosses stressed the high level of British procurement as part of the project. Does the Minister agree that we can win hearts and minds on the HS2 project, which is worth billions and billions of pounds, by putting British steel at its heart?

Anna Soubry: Yes, absolutely. We are all hugely proud of the fact that Crossrail, a fantastic multibillion-pound project, has been built with British steel—and that is because it is the best.

Mrs Madeleine Moon (Bridgend) (Lab): My constituency is next door to Aberavon. Many of my workforce travel into Aberavon on the A48 to work and have done so for many years. There is a real risk that the critical mass of the steelworks in Port Talbot will be endangered by the job losses. May we have an assurance from the Minister that there will at least be interim relief in business rates? That is the big issue that will make or break the viability of the works and the jobs there.

Anna Soubry: That is a good argument, but not one to put at my door. That matter is the responsibility of the Welsh Government, because, as the hon. Lady knows, it is devolved. There is other work we could do; we have been discussing with Tata for a long time whether the land is being best used, and there is a lot of work we can
do with the port to make it much more viable. We can look at other ways to ensure we make full use of the port by Port Talbot.

Byron Davies (Gower) (Con): Today is a sad day for the south Wales steel industry, particularly in Port Talbot. Many of its steelworkers live in my constituency. Over the weekend, there has been quite a lot of rhetoric from the First Minister of Wales about the responsibility for recovery lying at Westminster. There are many economic levers in Cardiff Bay that could be used, in particular business rates, which have just been mentioned. Does the Minister agree that the First Minister would be better off employing his time by ensuring that those levers are used, rather than by engaging in tribal politics?

Anna Soubry: I completely agree with my hon. Friend. This is not a time to play party politics; it is a time for everybody to come together and do the best thing by Britain’s steel industry.

Mr Kevan Jones (North Durham) (Lab): The Minister just said that there is no excuse not to buy and every reason to buy British steel, so what discussions has she had with her colleagues in the MOD about procuring British steel for defence contracts? In particular, has she discussed the future of Sheffield Forgemasters, which is vital if we are to procure a new generation of nuclear submarines?

Anna Soubry: The short answers are yes and yes. The value of Sheffield Forgemasters is not lost on anybody, especially those concerned about the future of our defence sector.

Richard Drax (South Dorset) (Con): In an earlier answer, my right hon. Friend talked about playing by the rules and added that there was no reason why we could not use British steel. As I understand it, however, EU law means that my right hon. Friend cannot guarantee it. Is that not correct?

Anna Soubry: I do not think it is as simple as “cannot guarantee it”. We live in a free market economy. That means that anybody must be free to buy from whomsoever they feel will give them the best deal. My point is that when it comes to this Government’s own procurement rules and what can be done with taxpayers’ money, we have made those rules such as to provide no excuse for anybody not to buy British steel—and because it is so good, there is every reason why they should.

Mark Tami (Alyn and Deeside) (Lab): Although the measures announced by the Government are welcome, they are very limited. Does the Minister not accept that unless we tackle the issue of Chinese dumping, the whole future of the whole UK industry is at threat, and that the clock is ticking—we do not have much time left?

Anna Soubry: That is important, but it does not provide the answer. The price of steel has plummeted not just because of worldwide over-production, but because consumption of steel has not even reached where it was before the crisis. It is not as simple as merely dealing with Chinese dumping.

Paul Blomfield (Sheffield Central) (Lab): The Minister talks tough on procurement. Why, then, under the terms of the contract struck between this Government and EDF, are UK companies capable of producing the large forgings for the Hinkley Point reactor not being given the opportunity even to tender for the work? What independent evaluation has her Department undertaken of EDF’s assertion that there are no UK companies with the relevant experience?

Anna Soubry: My right hon. Friend the Secretary of State for Energy and Climate Change is hearing all of that, so she and I will discuss it and write to the hon. Gentleman.

Rob Marris (Wolverhampton South West) (Lab): I welcome the belated announcements of some support for the steel industry. When can we expect similar announcements of support for other parts of UK manufacturing?

Anna Soubry: As I say, the procurement rules apply not just to steel but to other metals. In fact, I think they apply to almost everything. I will need to go back and check all the way through that, but aluminium provides a very good example. Let us be absolutely clear: I am very proud of this Government’s and the last Government’s record. The fact that more than 2 million more people are in work—unfortunately, it is lost to most Labour Members—provides a proud record for this country.

Angela Smith (Penistone and Stocksbridge) (Lab): The Minister provided details of the updated procurement guidance and, as my hon. Friend the Member for North Durham (Mr Jones) pointed out, said that there was no excuse not to buy and every reason to buy British steel. Of course, the ability for the industry to do so is constrained by the fact that its range of capabilities has been lost and limited to a great degree over the last few decades. In other words, British steel does not make the range of components and specialised range of steel products that it did years ago. What, then, are the Government going to do to support the industry, as we propose with Forgemasters, to secure investment and develop a new range of capabilities? We will not see high UK content in our infrastructure projects until that issue is addressed.

Anna Soubry: The hon. Lady may have made a good point, but I think that what is most important is that, in the face of an unprecedented crisis affecting the whole steel industry throughout the world, the Government are absolutely determined to secure—and have already started working to secure—the long-term sustainability of the ability to produce steel, both in Scunthorpe and in south Wales. Members can chunter on about what other European Union countries are doing, but we have examined the evidence, and there is a lot of mythology. This country has taken the action that is needed, and is saying clearly to Tata and Greybull, “We will help you to secure this deal in any way we can”, and to Tata at Port Talbot, “We will do everything we can to support you in your determination to continue to produce steel in south Wales.”

Wayne David (Caerphilly) (Lab): On the issue of anti-dumping, at a European level, why have the United Kingdom Government led a blocking minority at the Council of Ministers to prevent trade reform?
Anna Soubry: I am afraid that I just do not accept that. The Secretary of State has led the charge. He went over to Brussels, and he set up an emergency committee to look specifically at the problems facing the steel industry. I think that we are doing the right thing.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): One of the most frustrating experiences for steelworkers in my constituency, throughout south Wales and throughout the United Kingdom, is knowing that the previous Government were warned again and again about the challenges facing the industry. The Minister has told us about the actions that she has taken in the last few months—many of which I welcome, as she knows—but can she say, hand on heart, that the previous steel Minister and the Chancellor did everything they could when they were warned again and again about the crisis?

Anna Soubry: Yes; and what I will say about my Department is “Thank goodness we have a Conservative Secretary of State.”

Diana Johnson (Kingston upon Hull North) (Lab): May I ask what the Minister’s assessment is of the optimum level for the strategic steel industry, especially in the light of her comments about wanting to use British steel for major UK infrastructure in the future?

Anna Soubry: As I said earlier, the Prime Minister has said that this is a vital industry, and we are absolutely determined to have a sustainable steel industry, producing steel in blast furnaces in Scunthorpe and south Wales.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Before Christmas, the OECD held a meeting about steel that the Chinese delegation refused to attend. Obviously, every other country’s representatives wanted to talk specifically about Chinese dumping.

What is the Government’s position on Chinese market economy status? Are they in favour of it, whether inside or outside the European Union, and whether or not China signs up to the emissions trading system agreement that was signed in Paris? Will the Minister please tell us how on earth we will have a manufacturing sector at all by the autumn—when the European Union will make a decision on MES—if China is allowed to dump with such abandon in the absence of any proper control, whether in this place or in the European Union?

Anna Soubry: As I have said, MES is a matter for the European Union, and as I have also said, we are broadly in favour of it, but we have made very clear that China will only get it if it proves that it can play by the rules.

Andrew Gwynne (Denton and Reddish) (Lab): The Minister cannot have it both ways. Eventually, as surely as night follows day, global consumption will increase, demand will increase, and the price of steel will increase. What assessment has the Department made of the long-term impact, not only on UK competitiveness but on our own domestic economic strategy, of this vital industry being so badly depleted?

Anna Soubry: What we do know is that if the Labour party is ever in charge of our country’s economy again, it will take us back to the brink of bankruptcy, as it did last time.

Mr Speaker: I am most grateful to the Minister and to colleagues.
Energy Bill [Lords]

Second Reading

Mr Speaker: I remind the House that I have certified clause 79 of the Energy Bill (Lords) under Standing Order No. 83J in relation to England and Wales. I further remind the House that that does not, repeat not, affect proceedings in the debate on Second Reading, or, indeed, in Committee or on Report. After the Report stage, I will consider the Bill again for certification, and, if required, the Legislative Grand Committee will be asked to consent to certified provisions.

4.30 pm

The Secretary of State for Energy and Climate Change (Amber Rudd): I beg to move, That the Bill be now read a Second time.

This Government are focused on securing a better future for Britain. As the Chancellor set out to the House in his autumn statement: “our job is to rebuild Britain...so that we leave to the next generation a stronger country than the one we inherited.”—[Official Report, 25 November 2015; Vol. 602, c. 1357.]

Achieving this vision for Britain means ensuring our energy security.

Our modern society simply could not function without the electricity, oil and gas we use to heat our homes, power our business and industry, and drive our transport system. The wellbeing of our economy and our citizens requires that the first priority of the Department of Energy and Climate Change should be energy security. But no responsible Government should take a risk on climate change either, because it is one of the greatest long-term threats to our economic security.

Margaret Greenwood (Wirral West) (Lab) rose—

Amber Rudd: I will give way to the hon. Lady.

Mr Speaker: Order. Before the hon. Member for Wirral West (Margaret Greenwood) intervenes, I should have said to the House, in case people are waiting with bated breath, not least an hon. Member from Brighton, Pavilion (Caroline Lucas) from her misery before we proceeded further. We took the view that there was adequate opportunity for her to dilate on these important matters, and I feel sure that she will not disappoint us in that, or any other, regard.

Margaret Greenwood: Underground coal gasification is an issue of major concern in my constituency, because Cluff Natural Resources has been granted a licence for the Dee estuary, which runs along the side of the constituency. In the Secretary of State’s speech of 18 November she announced the Government’s welcome intention to close coal by 2025 and restrict its use by 2023, commenting that coal is the most carbon-intensive fossil fuel, damages air quality and is simply not sustainable in the longer term. As the Government are proposing—

Madam Deputy Speaker (Natascha Engel): Order. The hon. Member for Wirral West (Margaret Greenwood) has proposed a Motion. It is not possible to consider a Motion at this point.

Sammy Wilson (East Antrim) (DUP): Not being one who is too concerned about CO₂, may I ask whether the Secretary of State can tell us how much of the reduction in our CO₂ emissions is due to the fact that we are exporting jobs to other parts of the world, as we have just heard in the statement on steel?

Amber Rudd: I hope that the hon. Gentleman will take some comfort from the Paris agreement. Although the UK has possibly the most ambitious climate change targets in the world, the Paris agreement will go some way towards addressing the competitive issue that he has raised because other countries are also taking on obligations to reduce their carbon emissions. I specifically highlight China in that regard, which is now part of a global agreement for the first time.

As part of our action, the Government are focused on seeing through a long-term plan for secure, clean and affordable energy supplies for generations to come. The Bill delivers key manifesto commitments to achieve that objective. Over the next Parliament, that means ensuring that we continue to support investment in UK energy sources, including in the North sea. It also means continuing to support the deployment of new renewables so that we meet our objective of producing 30% of our electricity from renewable sources by 2020.
Tom Brake (Carshalton and Wallington) (LD): If the Secretary of State still intends to scrap the onshore wind subsidy, will she tell us whether she intends to promote a more expensive form of renewable energy or simply to miss our renewable energy targets? Will she confirm that according to the Department of Energy and Climate Change’s estimate of the annual savings as a result of her proposals on onshore wind subsidy, the savings in the lowest range will be just 30p a year?

Amber Rudd: The right hon. Gentleman asks me a false question. The fact is that we have to deliver on our manifesto commitments, which is why we will be ending onshore wind subsidies. However, we will still be making our target, which in 2012 we put at 11 to 13 GW by 2020. That is consistent with our progress on our renewable targets. In regard to the amount that will be saved through taking these actions, our lowest estimate is about £20 million a year and our highest is about £200 million a year. Those are significant sums, and I urge him not to discount them by making them sound quite so trivial.

Caroline Lucas (Brighton, Pavilion) (Green): Further to the point that has just been made by the hon. Member for East Antrim (Sammy Wilson), I do not agree with the way he put it but he made an important point, in a sense. The Minister is proudly talking about the way in which our emissions have come down, but if we take into account our consumption emissions—in other words, the emissions that are linked to our consumption patterns when we import things from places such as China—does she agree that our emissions have actually gone up? We must take some responsibility for those industries that we have outsourced to places like China while we enjoy the benefits of them here.

Amber Rudd: The hon. Lady should speak to the hon. Gentleman, who takes a slightly different view—

Caroline Lucas: But what is the answer?

Amber Rudd: I will come back to the hon. Lady and say that she, too, should take comfort from the Paris agreement, which will oblige all countries to take action in this important area.

The other activities we are taking on in order to deliver on our low carbon future is to press ahead with a new fleet of nuclear power stations. We are also encouraging new gas-fired power stations so that we can end the use of coal for electricity generation by 2025.

Geraint Davies (Swansea West) (Lab/Co-op): Does the Minister accept that only 2.5% of world energy is created by nuclear power? If that were to rise to 15%, uranium ore would run out within 10 years. Given that 80% of fossil fuels cannot be exploited without breaching our climate change targets, does she accept that she is simply not doing enough on renewables?

Amber Rudd: I urge the hon. Gentleman to think carefully about the importance of striking a balance. However important we think renewables are—and we do—we need also to have absolutely secure base-loads so that there is never any risk to energy security. That is why this Government are so committed to delivering on nuclear.

John Redwood (Wokingham) (Con): Before the debate today, I checked and discovered that 1% of our power is currently being generated from wind, 30% from coal and 42% from gas. Does that not show us that the Secretary of State is right not to rely on all these renewables, because if she did all the lights would go off?

Amber Rudd: I thank my right hon. Friend for that helpful comment. He is indeed right: it is absolutely essential that we have a secure base load while we deliver on our renewable targets as well.

Simply meeting the targets we have set ourselves is not sufficient if we are to secure energy security and decarbonisation. We have to achieve this in the most cost-effective way. Subsidies should be temporary, not part of a permanent business model. New, clean technologies will be sustainable at the scale we need only if they are cheap enough. We need to strike the right balance between supporting new technologies and, as costs come down, being tough on subsidies to keep bills as low as possible. We can only expect bill payers to support low carbon power as long as costs are controlled.

The Energy Bill is intended to enact our manifesto commitments in two key ways: first, by continuing to support the development of North sea oil and gas by implementing the recommendations of the review by Sir Ian Wood to establish the Oil and Gas Authority as an independent regulator and steward; and, secondly, by acting to control the costs of renewable energy by ending new subsidies for onshore wind and providing local people with the final say on new applications.

Several hon. Members rose—

Amber Rudd: I am going to make some progress on those two things and then I will take a further intervention.

The North sea oil and gas industry is still of huge strategic and economic importance to the United Kingdom. It has been the UK’s largest industrial investor for many decades, supporting hundreds of thousands of jobs, especially in Scotland. Since the 1970s, the industry has paid more than £300 billion in production taxes. In 2014, the UK continental shelf produced oil and gas equivalent to well over half the UK demand, but as the basin has matured, oil and gas has become more difficult and more expensive to access. That has been brought into sharp focus of late with the sudden and sustained fall in the oil price, which is putting considerable pressure on the industry to create a more competitive cost base and increase efficiency. As a result, 2014-15 saw falling revenues and falling investment—regrettably, we are also seeing job losses. In order to continue to attract investment and safeguard the future of this vital national asset, the Chancellor set out a significant package of tax reforms for the industry in the March 2015 Budget. We went further in the summer Budget, with measures expected to increase production by 15% by 2020. In the long term, a sustainable economic future for the North sea offshore industry will be achieved only if we can maximise oil and gas recovery. That is why the last Government set up the Wood review, and Sir Ian reported that with the right strategy in place, the recovery of North sea reserves can be boosted by an additional 3 billion to 4 billion barrels over the next 20 years.
Callum McCaig (Aberdeen South) (SNP): Production increased in the North sea last year, which is welcome news at a time when most news for the industry is relatively bleak. Does the Secretary of State agree that the industry is at a point where it requires sustained support from this Government, which will require fiscal measures from her Chancellor in the coming Budget?

Amber Rudd: The hon. Gentleman is, of course, absolutely right to say that great progress has been made in reducing the cost of production already, and part of the intention of this Bill is to make sure that we can deliver further on that. I share his view that we need to give as much support as possible, but it is too early for me to comment now on whether the Treasury will be able to give that support. I know that this Government are committed to making sure that we continue to support those jobs and the industry.

Geraint Davies: Does the Secretary of State accept that the reason we have the massive deflation in oil prices, other than Saudi over-consumption, is fracking? The latest evidence shows that 5% of methane from fracking goes into the atmosphere, and methane is 83% worse than carbon dioxide in effecting climate change. Will she therefore hold negotiations with the United States about reducing this methane emission and put the brakes on fracking, so that we can actually lift the price of oil and have a more sustainable future?

Amber Rudd: I make two points to the hon. Gentleman. First, the reasons for the fall in the oil price are multiple and complex. I will not analyse them here now, but there is not, as he suggests, just one cause. Secondly, the US has considerably reduced its emissions because of fracking, which of course we welcome.

Any oil and gas demand that we do not meet ourselves through domestic production has to be met by imports, at significant extra cost to the economy. Industry and government share the same ambitions and are working closely together to manage the remaining resources effectively and efficiently. As we progressively decarbonise our economy, we will continue to need oil and gas for many decades to come. It is far better that the jobs and revenue are in the UK, offsetting imports where we can.

Maximising economic recovery from the UK continental shelf must be part of a balanced plan for a diverse and progressively lower-carbon mix.

This Bill will complete the work started in the previous Parliament to implement fully the Wood review. Key to Sir Ian’s recommendations is the establishment of the Oil and Gas Authority as an independent regulator with a clear and focused mandate to maximise economic recovery of UK petroleum. Clauses 1 to 76 formally establish the OGA as an independent regulator and steward, which would take the form of a Government-owned company, transferring regulatory powers and functions to the OGA, and giving it new powers to support maximising economic recovery.

The OGA will take forward the principle of maximising economic recovery, set out in Part 1A of the Petroleum Act 1998, with powers taken in the Infrastructure Act 2015. In November, I launched a consultation on the strategy for maximising economic recovery of offshore UK petroleum, which is central to the OGAs future effectiveness. An amendment made in the other place, which we will try to overturn, seeks to broaden the principal objective, greatly expanding the scope of the OGA’s role and going far beyond the vision set out in the Wood review. In our view, and indeed in the view of the industry and the unions, diluting the focus of the OGA at this critical time is not the right way to proceed. The OGA should be focusing on maximising economic recovery, as that is what it has been set up to achieve. In the current difficult and challenging circumstances, nothing should distract from that vital task.

The OGA requires clarity on its objectives, and we intend to provide that. This Government are committed to the Climate Change Act 2008, and to our target to reduce emissions by 80% by 2050. We will see the Climate Change Act framework in practice this year when we set in law the fifth carbon budget. Amendments made in the other place seek to change how we count carbon for carbon budget purposes from the fifth budget onwards. Given that the work to set the fifth carbon budget is well under way, and has been for nearly a year, and although it is right to keep our accounting practices under review, now is not the right time to change. To do so now, this far into the process, would threaten serious delay. Therefore, we will seek to overturn those amendments.

Let me turn now to the delivery of the Government’s manifesto commitments to end new subsidies for onshore wind and to ensure that local people have the final say on where onshore wind is built. On 18 June, I set out to the House our intention to close the renewables obligation, with a grace period available to those projects which, as of 18 June 2015, already have planning consent, an offer of grid connection and access to land rights. The provisions we made in the Energy Bill to achieve that were removed in the other place, and will be reintroduced.

There is no ambiguity on this matter, as it is a manifesto commitment. We signalled our thinking on ending new public subsidies for onshore wind long before the last election and put it before the British people in black and white. There are long-established and well understood conventions with regard to manifesto commitments and we will stand firm on them.

Onshore wind has deployed successfully to date and is projected to meet the planned range of 11 to 13GW by 2020. Without action, there is a risk of deploying beyond this range, potentially adding more costs to consumer bills and squeezing out opportunities for other renewables, such as offshore wind, to mature and bring down their costs. We have engaged widely on the June proposals, including with devolved Administrations, supply chain, investors and developers. It is important that Northern Ireland closes the renewables obligation onshore wind on terms equivalent to those of Great Britain.

Sammy Wilson: I thank the Minister for giving way again. Will she spell out the consequences for Northern Ireland should the Northern Ireland Executive decide to maintain the subsidies for longer than the period after 2016?

Amber Rudd: The hon. Gentleman raises an important point. It is my position that, if Northern Ireland chooses to provide additional support for onshore wind, the consumers in Northern Ireland, and not Great Britain, should bear the cost.
We must make strategic choices on where public money is directed, because we cannot afford to support every project and every technology regardless of its contribution to energy security, and regardless of the cost. We need to concentrate our support on where technology has the potential to deliver at the significant scale that we need for energy security and decarbonisation, and where, to be viable, we still need to see significant falls in costs for technology.

Jeremy Lefroy (Stafford) (Con): In that context, will my right hon. Friend clarify when the next contracts for difference round for these new advanced technologies will be held, and whether the widest possible range of those technologies will be suitable for that round?

Amber Rudd: My hon. Friend raises an important point. We have confirmed that there will be three new auctions for offshore wind. We are looking now at what would be included in that and the best way to drive down prices, because this Government are clear that that support will continue only as long as we continue to drive down prices, which is critical to looking after consumers.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The Bill will transfer consenting decisions about onshore wind to local authorities. On a technical point, can the Secretary of State confirm that in the case of Wales power will be handed to Welsh local authorities, not the Welsh Government?

Amber Rudd: The hon. Gentleman raises two points. We have said that we are devolving to local communities and that we are ending new subsidies, so it would currently be unlikely for a new onshore wind project to go ahead, but we have agreed to discuss with developers the prospect of onshore wind without subsidy if it has local community support. In respect of Wales, I will discuss with the Welsh Government the best way to deliver on the hon. Gentleman’s suggestion. Rest assured, the devolved Administrations are fully aware of the plans and now support them.

In pursuance of those strategic choices, we are pushing forward with proposals for low carbon base-load with a new fleet of nuclear power stations, and we are consulting on a closure date for coal and working to get new lower carbon gas-fired power stations built. Energy security must come first because it is the foundation of our future economic success, but that future must be low-carbon too, because climate change is one of the greatest long-term threats to our economic security. That low-carbon future cannot be achieved at any cost, because it is the hard-working families and businesses of Britain that are ultimately footing the bill.

Lisa Nandy (Wigan) (Lab): North sea oil and gas production has helped us to fund our public services, such as the national health service, through the taxes it has generated which are worth hundreds of billions of pounds. It has improved our national security by reducing our dependence on imports from other countries. It has bettered our energy security by providing a reliable supply of gas and oil, fuels that will continue to play an important role in our energy mix, particularly for heating and transport, as we become a lower carbon economy. Crucially, the North sea also sustains hundreds of thousands of skilled jobs in Scotland and the north-east of England and in world-class supply chain businesses right across the country.

For these reasons there has been a cross-party consensus for some considerable time that we should do everything we can to protect those jobs and to continue to maximise investment in our North sea oil and gas industry. The incredibly tough economic conditions faced by businesses operating in the waters off our shores because of the major fall in the price of oil only underlines the need for parties across this House to work together to get on and implement the recommendations of the independent review produced by Sir Ian Wood.

James Cartlidge (South Suffolk) (Con): The hon. Lady talks about the oil price. Does she agree with her hon. Friend the Member for Swansea West (Geraint Davies) that we should be trying to lobby the American Government to reduce shale output and increase the oil price?

Lisa Nandy: One of the most important things we can do to help boost jobs and skills in the North sea is to have a long-term plan. I will say more about that as I make progress.

Sammy Wilson: Does the shadow Minister agree that to a certain extent she is speaking with forked tongue? On the one hand she is saying that we have to decarbonise the economy, but on the other she is saying we have to increase the output of a carbon fuel—oil. Which is it? Does she want to decarbonise the economy or does she want people to buy oil?

Lisa Nandy: Perhaps I can help the hon. Gentleman with that, as it is one of the things that he obviously struggles to understand. As we move towards a clean economy—there is widespread agreement in all parts of the House that that is a journey we must take—we need to think, too, about where we get our energy from in the short to medium term. There is no question about this—it is a fact that we will need to rely on oil and gas in the short to medium term. Because of that, the question that we face on all sides of the House is whether we import that oil and gas or generate our own.

Our view is that this transition must be made with due care and attention to the jobs, skills and investment we need in this country. It must also be made with due care for our environment, our health and our safety. That is a difficult thing to achieve. I very much welcome the fact that we are having this debate, but it seems to me that pitting the interests of the industry we currently have in the North sea against our interests in transitioning to a clean economy will not get us very far at all.

Geraint Davies: Does my hon. Friend therefore agree that, with regard to the need to convert to renewables in the long run, one of the dangers of a very low oil price, other than restricting margins in the oil industry, is crowding out investment in renewables, and that therefore the cost-effectiveness of investing in renewables now should not be engaged by the current spot price of oil in the marketplace?
Lisa Nandy: My hon. Friend has made several comments, some of which I agree with and some of which I do not, but I think he is right to point out the very real problems created by the falling oil price, such as the economic conditions faced by businesses currently operating in the North sea. It is clearly in our national interests to move forward with the recommendations made by Sir Ian Wood. That is why we must move ahead with his proposals to establish the independence of the new Oil and Gas Authority, and why we support the Government’s steps to progress that plan. As the North sea enters a new, mature phase and as investment flows into decommissioning offshore installations, I hope that Ministers will do everything in their power to ensure that that work is completed using the skills and expertise held by workers in the yards of Fife and the north-east of England.

Christopher Pincher (Tamworth) (Con): I commend the hon. Lady for her bipartisan approach to the Bill. She has talked about the Oil and Gas Authority, which of course will set fees for the services it provides, and the Secretary of State will be able to determine what those fees should be. Can the hon. Lady indicate at what level she thinks the Opposition would set those fees, and for how long?

Lisa Nandy: I am grateful to the hon. Gentleman for that question, which the Secretary of State will have heard. I am sure that either she or the Minister of State will attempt to respond to it later in the debate.

It is clear that there are still substantial remaining oil and gas reserves in the North sea, and future investment must absolutely not be limited to decommissioning activities. We remain the second largest producer of oil in Europe, after Norway. There are 300 fields currently in production, and it has been estimated that as many as 20 billion barrels of oil and gas remain to be exploited in UK waters. Much of that is understood to be in hundreds of small and marginal fields, which are much more difficult and expensive to exploit, so it is important that the newly independent Oil and Gas Authority is able to maximise investment in those fields if we are to seize that potential. That will require strong powers to encourage collaboration within the industry, resolve disputes between firms, and drive greater efficiencies to make further extraction viable, including consideration of costs.

Jeremy Lefroy: Does the hon. Lady also agree that it is not just a matter of extracting the remaining oil from around the United Kingdom but about the huge oil and gas support services industry, which does so much around the world, contributing to the balance of payments and to jobs in the United Kingdom?

Lisa Nandy: Yes, I agree. In particular, the ripple effect of what we do now in relation to North sea oil and gas will be felt not just directly by the workforce employed there, but by the UK workforce as a whole and around the world.

The Wood review also noted that carbon capture and storage has the potential to be of huge benefit.

John Redwood: Is not the awful truth at the moment that, with oil at $29 a barrel, there will be practically no new investment in new projects in the North sea because it simply is not viable? What does the hon. Lady’s plan suggest on that?

Lisa Nandy: We were keen to explore the future potential for the North sea for two reasons, one of which is the potential for the oil price to rise in future. While we have a rigged infrastructure worth a substantial amount of money still standing there, now is the time that we ought to explore the use to which we could put that infrastructure in the short term while trying to predict longer-term trends.

The fourth recommendation in the Wood review was that the Government need to work with industry to develop strategies in different areas, including for carbon capture and storage. Lord Deben, one of the Government’s own chief advisers on energy policy, argued that “it would be very odd to produce legislation that did not allow specifically for the transportation and storage of greenhouse gases.”—[Official Report, House of Lords, 7 September 2015; Vol. 764, c. 1227.]

Lord Oxburgh, the former head of Shell, said:

“We need some kind of strategic framework within which private industry can operate in the CCS area.”—[Official Report, House of Lords, 19 October 2015; Vol. 765, c. 483.]

They are absolutely right. Some of the infrastructure in the North sea could be used to create an entirely new maritime industry with very many new jobs. This would also help us to realise the commitments on climate change that the Prime Minister and the Secretary of State recently agreed, rightly, at the Paris summit.

James Heappey (Wells) (Con): While the shadow Secretary of State may indeed be correct that there is an opportunity for a new industry, does she not agree that to include it in this Bill would be to put an unnecessary burden on the industry at a time when it is challenged in an international market?

Lisa Nandy: The Wood review pointed to the need for the Oil and Gas Authority to be able to take a strategic view. It also pointed to the need for us collectively, including Government, to consider a long-term strategy for carbon capture and storage. In our view, unless the Oil and Gas Authority is tasked with considering the future of carbon capture and storage, it will not form part of the plan. As I said to the hon. Member for South Suffolk (James Cartlidge), now is the time that we ought to be considering what the long-term future of the North sea is. That simply cannot afford to wait. We also believe very strongly that this should not come at the cost of jobs in the North sea in the immediate term. However, we should not let our urgent need for short-term solutions preclude longer-term thinking. In future, CCS could become a huge new North sea asset. That is why we propose that consideration be given to the opportunities that exist to use North sea infrastructure for CCS where that is economically viable.

Unfortunately, since the Bill was discussed by peers in the autumn, resulting in the one now before us, the Chancellor took the reckless decision to axe the £1 billion fund that he had promised to support new CCS projects during the course of this Parliament. That is one of the clearest examples yet of how this Government are damaging confidence among the people we need to invest in this country’s energy system by once again chopping and changing energy policies without any notice. The mishandling of the Government’s CCS programme means that the public will most likely pay, as companies understandably seek to recover costs relating to the
CCS projects in Yorkshire and Scotland that they progressed in good faith but that will now not proceed. That is why I have written to the head of the National Audit Office to ask that he launch an investigation so that we can fully understand the cost to the public of the Chancellor's sudden decision. It is also why we will seek to amend the Bill to require the Secretary of State to bring forward a new carbon capture and storage strategy within a year.

There used to be consensus on this. The Prime Minister used to be a strong supporter of CCS too. Back in 2007, he said:

"even though in the UK we have the depleted oil and gas fields that are ideal for testing this technology, not a single pilot is yet taking place in Britain. We cannot afford this kind of delay."

He was right then, and he is wrong now. The UN's Intergovernmental Panel on Climate Change has stated that if we do not have CCS on a global scale, we are likely to see the costs of achieving targets on climate change being double what they would be otherwise. These targets may even be put out of reach entirely.

Jeremy Lefroy: I am grateful to the hon. Lady for her generosity in giving way. Does she agree that there are a lot of opportunities for exporting CCS technology around the world and that they should be taken up?

Lisa Nandy: I do agree with the hon. Gentleman. There is also an opportunity for us to make sure that the British workforce benefit from the skills to be gained from investing in that technology, so that we can export around the world not just the technology but the skills and knowledge of our workforce. That short and medium-term investment would be for our long-term gain, and it is important that we see it as such.

Experts at the Energy Technologies Institute have estimated that, without CCS, by 2020 the costs of reaching our climate targets could be in the order of £40 billion to £50 billion a year more than if CCS were deployed. Ruling out technologies that can cut the cost of low-carbon transition is bad news for bill payers and for taxpayers.

Mr David Anderson (Blyth Valley) (Lab): Does my hon. Friend agree that the debate about CCS should not be happening today because it should have been concluded at least half a decade or even a decade ago? We led the world in clean-coal technology for decades, but that is no longer the case because of the actions of the Conservative party. We should be doing it now, not talking about it.

Lisa Nandy: I agree with my hon. Friend. I am not one who is keen to cast back into history to appoint blame, but what I will say to him and to the Secretary of State is that a 10-year promise was made not just to industries and companies, but to the communities that stood to benefit and to gain a huge amount from CCS. Given that the Government have announced £250 million of investment in a competition for nuclear small modular reactors, we seem to be creating a complete lack of confidence that any of the other schemes will proceed. Such decisions and the way in which they are taken damage our energy security, not just in the short term but in the long term. We have to give a signal that Britain is open for business, but the Chancellor's decision has done precisely the opposite.

That brings me to the part of the Bill relating to wind farms. There was once a time when the Prime Minister was so keen on wind turbines that he even put one on the roof of his house. Now his Government are trying to legislate to close a scheme that has successfully driven investment into the cheapest low-carbon energy source available. Wind farms already provide power to more than 8 million homes in Britain, and once again it will be energy bill payers who pay the price for the Government's short-term decision. The Institute for Public Policy Research has estimated that ruling out onshore wind farms and relying on other low-carbon technologies to achieve our energy targets could increase costs for bill payers up to £3 billion through to 2030. There will also be a cost to jobs and growth in an important clean-energy industry.

There is one area on which we agree with the Government, and that is that wind farms should not be imposed on communities that do not want them. That is why we support the Government's proposals to put local authorities in charge of approvals for such projects. Yet the reality is that the Government are using the Bill to try to block wind farms even where they enjoy strong local support, and they are taking powers away from local authorities in relation to other areas.

Graham Stuart (Beverley and Holderness) (Con): I am glad that the Labour party has effected a U-turn, because I argued for years under a Labour Government that imposing wind farms on communities against their will would lead to a backlash and to the project being brought to a halt. That is what has happened, so it is a bit late for the hon. Lady to say that she wants to listen to local communities. If we had listened to local communities all along, we could have had more onshore wind turbines where they were desired, rather than the backlash that has resulted in the current situation.

Lisa Nandy: As the hon. Gentleman often reminded me when I served on his Select Committee, he is always right, and usually long before everybody else. We very much support the right of local communities to decide, but we do not understand why the Government do not. The real-time actions they are taking in this Bill will, in effect, block wind farms where there is strong local support for them. Moreover, the Government are taking exactly the opposite approach to fracking applications and seeking to deny local communities the right to decide what happens in their areas.

Christopher Pincher: My right hon. Friend the Member for Wokingham (John Redwood) has pointed out that now onshore wind generates 1% of generating capacity. At most, when the wind is blowing, it is 7% or 8%. What percentage of our generating capacity would the hon. Lady like wind to supply? If it is significantly more than 8%, how would it be done without imposing wind farms on areas that do not want them?

Lisa Nandy: First, the hon. Gentleman is wrong about the figures. Wind generates about 10% of our power. Secondly, there is no question but that we need to move towards a clean energy-driven economy. I think he accepts that case, as do two thirds of the British public, who said in a survey as recently as last September, in a poll of 2,000 adults conducted by ICM, that they would be very happy to have a wind farm operating within 2 miles of their house, if the local authority or community
had power over how it was operated. That is one reason I have told the Government we should not seek to block wind farms where they enjoy strong local support, and that we support the right of local communities to decide where they are based.

It looks as though the Chancellor has decided to sacrifice jobs and investment to win personal support from Back Benchers with a particular obsession with wind farms. It is unacceptable, and we will do what we can to defend wind energy from ideological attacks. The Conservative party manifesto said nothing about retrospectively shutting down this existing scheme—it was clear it would stop new subsidies for wind energy, but this is not a new subsidy; it is an existing one.

Chris Heaton-Harris (Daventry) (Con) rose—

Lisa Nandy: Now that I have wound him up sufficiently, I will happily give way to the hon. Gentleman.

Chris Heaton-Harris: The hon. Lady was being quite consensual, so would she associate herself with the remarks of the former leader of her party, the right hon. Member for Doncaster North (Edward Miliband), who said that blocking turbines in local communities would amount to antisocial behaviour?

Lisa Nandy: The key thing is that we take communities with us. We have to go to local communities and make the case for how we create jobs, provide energy stability, cut bills and take action on global warming. If we do not take communities with us, we will not do any of that. That is why, I say to Government Members, it is completely hypocritical to argue one thing in respect of wind farms and precisely the opposite when it comes to fracking applications. I hope the Secretary of State has heard me.

Nor does it make sense to claim that the change is about affordability, as Ministers have consistently argued, given that onshore wind farms are one of the cheapest options available to help us secure our power needs and that the Government are pressing ahead with much more expensive options. A Conservative Member asked about this earlier. The Secretary of State is yet to clarify—perhaps she can tell us today—whether subsidy-free onshore wind farms will be allowed to compete for contracts for difference. As with the Chancellor's decisions on solar energy and carbon capture and storage, this is yet another example of the Government chopping and changing their energy policy to the detriment of investment in jobs, growth and our energy security.

More than anything, the energy sector as a whole needs stability and confidence to get on and invest. I particularly recognise the urgency of supporting our North sea oil and gas industry and that peers have improved the Bill significantly since the Government introduced it. For those reasons, I will support it on Second Reading, but I hope Ministers will engage constructively with the debate and our amendments in the weeks ahead.

5.14 pm

Nigel Adams (Selby and Ainsty) (Con): It is a great pleasure to follow the hon. Member for Wigan (Lisa Nandy).

I rise to welcome the Bill. I particularly welcomed the original version, before noble Members got their hands on it and removed clause 60, which would have delivered on my party's clear commitment to the electorate before the general election. We promised no new subsidies for onshore wind farms and to give local communities the final say on onshore wind farm applications. A failure to deliver that promise in its entirety would be a failure to balance the interests of onshore wind developers with those of hard-working families in my constituency and right across the country. I also welcome the strengthening of the Oil and Gas Authority's powers to ensure that we make the most of our reserves.

Almost a year ago, I introduced the Onshore Wind Turbine Subsidies (Abolition) Bill. It had precisely the same objective as the original clause 60 of this Bill. I would like to think that my ten-minute rule Bill was a trailblazer for the Government's Bill. I introduced my Bill because if we are to subsidise renewable energy sources, it is essential to support technologies that will produce power when we need it, not just when the wind blows. Given that one man's subsidy is another man's tax, it is crucial to make sure that when we spend money, we do so wisely.

Onshore wind farms generate below 20% of their stated maximum output for 20 weeks a year, and below 10% for nine weeks a year. That means that wind farms are, in effect, failing to reach maximum output capacity for more than half the year. On average, they exceed 90% of their rated output for only 17 hours a year. There is also a very significant issue about whether those wind farms will be able to reach such heady peaks when they are actually needed. Worse still, Britain's wind farms are routinely paid large sums not to generate electricity—as much as £1 million each week in 2014. [Interruption.] Does the hon. Lady want to intervene?

Caroline Lucas: First, the issue about being paid money when the power is not actually used is not unique to renewable power. [Interruption.] I am not going to engage with someone intervening from a sedentary position. My second point is that the hon. Gentleman does not seem to have heard of batteries or interconnectors, and does not seem to recognise that Germany is moving into renewables massively. He is in another century, while the rest of us have moved on.

Nigel Adams: I am in a century that backs our constituents and wants an effective energy sector that produces power when we actually need it.

Albert Owen (Ynys Môn) (Lab): I hear what the hon. Gentleman says about renewables, but is he not really making a case for a balanced energy policy? In the summer, there is a need to switch off some generation because of low demand. It is very expensive to do that for gas or nuclear power stations and then to bring them back online. Wind is actually cheapest, and we need such an intermittent energy source as part of the mix.

Nigel Adams: The hon. Gentleman makes a fair point, or at least it would be fair if it was accurate, which unfortunately it is not. Wind has to be backed up by fossil fuels, which makes no sense whatsoever. We must take into consideration the full system cost of wind.
Such payments, which are described as constraint payments, ultimately end up on consumer bills, meaning that the public are in effect subsidising the UK wind industry not to produce electricity. One really could not make it up.

**John Redwood:** When we get our coldest days in winter, they are usually days of no cloud and practically no wind, but that is exactly when we need maximum power.

**Nigel Adams:** My right hon. Friend makes a perfectly sound point. That is the case today, for example. I will be more generous to the wind industry: I think that 1.11% of power today is being generated by wind. We all know what happened in November, but I will come on to that a little later. We are becoming more reliant on intermittent renewables.

**Andrew Percy** (Brigg and Goole) (Con): I live opposite a wind farm in my hon. Friend’s constituency. I do not blame him for not preventing it, because it was before his time. Many of the people who are in favour of wind farms are not surrounded by them as people in my constituency are. On the issue of renewable energy and its intermittent nature, does he not agree that one form of generation that we should be promoting more and that we know very well in our area is biomass, which not only supports thousands of jobs at Drax power station, but is a source that we can turn on and off at will?

**Nigel Adams:** My hon. Friend and neighbour is absolutely right. I applaud the work that Drax power station has done and I look forward to biomass generation going ahead at Lynemouth, which is under new ownership. It is a much cleaner fuel than coal. Indeed, it reduces emissions by about 80%. I would like the Government to get behind more biomass. I am sure that they will have an explanation for why there might be three pots for offshore wind, but I would like biomass to be able to fight on an even keel with the other technologies.

There is increasing dependence on offshore wind and solar. The situation is getting worse, not better. The nuclear stations, when built, will form part of the solution, but they cannot react to changes in demand or failures in supply anything like fast enough to keep the lights on. They can provide only base-load power, which is important but is not the answer to the intermittency problem.

**George Kerevan** (East Lothian) (SNP): The hon. Gentleman lectures us on intermittency, but one of the most serious aspects of the intermittency in the UK is our ageing nuclear power plants, which go offline continuously, with catastrophic effects on supply.

**Nigel Adams:** The hon. Gentleman makes a fair point. That is why we need the new stations to be built a bit sooner. If previous Governments had been a bit braver, we might not be in the situation that we are in now.

In the circumstances, is it wise to phase out all the coal in the system before sufficient gas and biomass have been deployed to make up the difference? I ask the Minister to restate the Government’s commitment that coal will be phased out of the system only after sufficient biomass and gas generation have been brought forward to make up the loss.

**Graham Stuart:** Does my hon. Friend accept that if we are to get the dirtiest of fuels off the grid and clean our atmosphere, we have to state that as an objective, as the Government have rightly done, because only after that signal will the investment come forward to replace it? If it will not definitely be phased out, why will people definitely invest?

**Nigel Adams:** That is a fair point from my hon. Friend, but we certainly need bridging technologies, because we will have a gap in which we could see days like those we saw in early November.

**Andrew Percy:** Will my hon. Friend give way?

**Nigel Adams:** I feel as generous as Santa Claus today, Madam Deputy Speaker.

**Andrew Percy:** I thank my hon. Friend for giving way. First, although we are aware that coal is the dirtiest form of generation, it employs an awful lot of people in our area for one thing. Secondly, does he agree that the real concern is that losing Drax, Eggborough and Ferrybridge will put us in a position where the lights go off? Woe betide any Government who preside over the lights going off. We need certainty that losing coal will not lead to that.

**Nigel Adams:** I totally agree. That is another great advertisement for sustainable biomass. We have paid for these assets—the Central Electricity Generating Board built these power stations—so let us sweat them for more decades. Biomass is the answer in the short term. Who knows? There might be other technologies that we could be using at them, such as hydrogen power. I am sure that there are the brains out there to find a way to use that resource.

**Sammy Wilson:** Will the hon. Gentleman give way?

**Nigel Adams:** I will give way one more time if I am allowed, Madam Deputy Speaker.

**Sammy Wilson:** Does the hon. Gentleman accept that another reason for keeping coal generation is that it is the cheapest form of electricity generation at present? Our competitors, for example Germany, are building new coal stations. When it comes to retaining jobs in the United Kingdom, we have to be cognisant of that.

**Nigel Adams:** I agree with the hon. Gentleman. It is tragic that we have sped up the demise of coal in this country. He will be aware that the last remaining deep coalmine was in my constituency. Unfortunately, it closed at the back end of last year.

**Mr Anderson** rose—

**Nigel Adams:** I really need to move on, but I will give way to the hon. Gentleman because he is a grand fellow.

**Mr Anderson:** You’re absolutely right I’m a grand fellow!
If we are to put public subsidies into trying to keep the lights on, why not subsidise the coal industry? As the hon. Gentleman said, we will continue burning coal, but it is not dirty British coal, it is from places such as China, Ukraine and Colombia, where hundreds or thousands of men are dying every month or year. It is morally wrong to burn that coal and put British miners on the dole. That is completely wrong.

Nigel Adams: The hon. Gentleman is absolutely right, and if he was here at the back end of last year when we debated the closure of Kellingley colliery, he will have heard me very much echo his sentiments.

At the end of 2015 there were already 490 operational wind farms in the UK with an install capacity of 8.3 GW. The Government estimate that in 2015-16, £850 million of direct support will go towards funding onshore wind farms. A fraction of that sum could deliver reliable, low-carbon, cost-effective renewable electricity that can react to changes in demand if it were diverted to more and reliable renewables, such as sustainably sourced biomass. I use the words “direct support” on purpose because the £850 million refers only to subsidies that are paid to those wind farms. The inherent failings of wind farms must be compensated by someone, which comes at a cost. If there is a risk that the wind will stop blowing, National Grid must ensure that it has sufficient capacity to mitigate that risk.

If a wind farm has a load factor of 30%, National Grid must make provision for generation for the other 70% of the time. If the new wind farm has to be built deep within our beautiful countryside, or out at sea where it is more expensive, National Grid has to pay for new transmission lines. That all comes at a cost, and those costs are paid by all generators, not just the wind farm developers that caused the problem. It is yet another hidden subsidy for wind power.

The notification of inadequate system margin that occurred on 4 November was a prime example of a problem caused by a lack of conventional capacity, because on that very still day, the wind was not blowing and it could not make up that capacity, despite all our investment in wind power. All generators—and ultimately all consumers—had to pay for balancing actions that National Grid had to take, at a cost of £2,500 per megawatt-hour. That is something like 50 times the usual cost of power and—at least in part—that was because when we needed our costly wind capacity, it simply was not available.

I warmly welcome the commitment made by the Minister last week when, in a written response to a parliamentary question from the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), she promised that in the first half of 2016 the Government would publish research into those hidden costs, so that we can see the whole system costs of different renewable generation technologies, and that the findings will be used to inform policy decisions. I hope that is the first sign that future contracts for difference auctions will not simply unleash new waves of intermittent renewable technologies. More sensible, reliable renewable generation options are available to us, but the hangover from the previous Government and our coalition partner’s love affair with wind will suffocate those options unless we act.

Of course, the madness does not stop with the extra costs, because there is also a carbon problem. If a wind turbine has an availability of 30%, National Grid needs either a vast number of other wind turbines spread all over the place in the hope that the wind will be blowing somewhere, or—this is more likely—a gas or coal station on standby to generate the rest of the time. We therefore subsidise a wind turbine to push fossil fuels off the grid, while simultaneously subsidising a fossil fuel power station to stay online and generate carbon dioxide for more than half the time when the wind is not blowing—you could not make it up, Madam Deputy Speaker. The same is true for offshore wind farms, albeit they have slightly higher availability.

In conclusion, I recognise that the Conservative Government cannot make up for the mistakes of the past with retrospective action. A deal is a deal, and existing onshore wind is here to stay. We cannot reverse the insane situation in which we banked our energy security on the vagaries of the weather, but we can put an end to the madness. We can stop all new investment in onshore wind, as we have promised to do, and we can think much more carefully about the case for investing in other intermittent technologies.

5.30 pm

Callum McCaig (Aberdeen South) (SNP): That was an interesting contribution from the hon. Member for Selby and Ainsty (Nigel Adams). It was full of problems but not many solutions—the solution being a balanced energy market that allows flexibility. Probably the only thing I agree with him on is biomass. I also agree that a deal is a deal, but it is a shame that that has not been applied to onshore wind investors who have had deals scuppered because the goalposts have been moved.

I welcome the opportunity to speak on Second Reading of the Bill. It is important that we have finally got round to discussing it. It is nearly two years since the review of the UK continental shelf by Sir Ian Wood, which made a number of recommendations. As we have heard, it commanded, and still by and large commands, cross-party support, although there are problems with the details. I and some in the oil and gas industry have had a degree of frustration that progress has not been as swift as it could have been in fully establishing the Oil and Gas Authority, but the delay in introducing the Bill and the uncertainty that that has caused, particularly in respect of the grace periods for onshore wind, has been much more unhelpful.

Broadly speaking, the OGA is up and running and working effectively. The OGA and its head, Andy Samuel, enjoy tremendous respect and credibility within the oil and gas industry. It is beholden on all hon. Members to commend the work that has been done in setting it up. The team that is in place is impressive and is doing very well. The Bill will give them the full armoury of powers they require to ensure that the UK continental shelf thrives.

Scottish National party Members very much support the plans for the OGA in the Bill but—this will come as no surprise to the Secretary of State—we are not so keen on the onshore wind aspects. I am not required to explain the importance of the oil and gas sector to hon. Members. As has been said, it has generated in excess of £300 billion in tax revenue; 45 billion barrels of oil have been extracted, and potentially up to 24 billion are left; and it supports 360,000 jobs, with 36,000 directly involved.
Graham Stuart: Does the hon. Gentleman agree on these two things: first, that while we are burning oil and gas, it might as well be our own; and, secondly, that saying we are subsidising oil and gas simply because we tax it slightly less is a false narrative?

Callum McCaig: I agree very much with the hon. Gentleman. It strikes me that there are certain parallels with the coal conversation moments ago. That situation could come to pass if we do not support the North sea. We need to transition away from oil and gas, but that will take some time given the economies at play. If we are using oil and gas—we will be doing so for the foreseeable future—it might as well be ours. We might as well get the economic benefit of it, and we should certainly use that economic benefit to try to diversify and invest in other areas. The hon. Gentleman made the point on subsidies. The oil and gas sector is taxed very highly, and more highly than any other sector of which I am aware. It is taxed less than it was, but we probably require it to be taxed less if we are to see the benefit of the industry in future.

The OGA is vital to that future and it is hugely important that it is put on a firm footing. It must be given the regulatory powers it requires and the ability to engage fully with industry on access to infrastructure, plans for investment and so on. I very much support the Government in ensuring that the OGA continues to have a laser-like focus on maximising economic recovery, which is fundamental to that purpose. Over the years, there have been umpteen changes to oil and gas. It is in the nature of the industry, with its huge capacity to generate income, that the goalposts have changed substantially during that time, but I plead with all hon. Members not to change the goalposts again. The industry has been working for two years towards proposals on maximising economic recovery, which have universal buy-in and require that the OGAs focus is not complicated.

Sammy Wilson: Does the hon. Gentleman accept that the focus must be on economic regeneration, rather than further regulation? The industry, especially at this time, cannot afford more costly regulation.

Callum McCaig: I disagree. The absence of a strong regulator is where there have been significant problems in the oil and gas industry, in particular with access to infrastructure. The inability to get two parties with competing commercial interests to agree a deal on access to oil and gas infrastructure—a pipeline, for example—has meant that investment decisions have not been implemented. The industry needs a regulator that is hard-touch where required. I very much hope that the threat of sanctions from the OGA will in itself be enough, and that they will not be required. The OGA probably recognises that itself. Issuing sanctions left, right and centre would suggest that its soft skills, its influence and the buy-in the Wood review has brought forward, are not working effectively enough. Where there is no compliance or buy-in to the idea of maximising economic recovery, and where disagreements about access to infrastructure are inhibiting investment, the regulator should go in—and go in hard—to ensure that what everyone is supposed to be working towards is delivered.

David Mowat (Warrington South) (Con): The hon. Gentleman mentions, correctly, the need for a laser-like focus on maximising economic recovery as the objective of the Bill—and goodness knows we need it. Is it therefore his party’s position that the amendment in the House of Lords on carbon capture and storage is not necessary at this point, because it could risk reducing that laser-like focus?

Callum McCaig: Yes. I am coming on to that point now. I have spoken about carbon capture and storage many times and I will continue to do so. We fully support that. However, there is a requirement, which the shadow Secretary of State talked about, to have the review and the strategy in place before it can be imposed as one of the principal objectives of the OGA. If we dilute the core functions of the OGA, we distract from that attention. We should remember that the OGA and the Wood review come from a time when oil was over $100 a barrel. Those were the circumstances required to support the industry, which was going through difficult times, at a very high oil price. Those pressures are much higher today. I agree that we need to allow the OGA to bed in. Perhaps in future, once there is a strategy in place and it can be demonstrated that it has the support of the Government from both a financial and a strategic point of view, that might be something we want the OGA to do. At the moment, however, I think that is premature.

As I said, the Wood review comes from a time, two years’ ago, when oil was $110 or $115 a barrel. It is now $29 a barrel. The game has changed significantly. We have to accept that, while this is a vital step in supporting a vital industry, it will not be enough in and of itself. We need fiscal changes to the tax regime, particularly on incentives, and to review the tax level as a whole.

Immediately following the autumn statement, the Oil & Gas UK economics director, Mike Tholan, said: “Since the last Budget, the oil price has declined further, and we must continue to do as much as we can to help boost confidence and encourage investment in the UK Continental Shelf. If the oil price continues to be lower for longer, there is little doubt that alongside industry’s own concerted effort to improve its efficiency, we will need to work with Treasury on additional measures, including revisiting the current headline tax rate—consistent with the government’s commitment to the sector’s tax rate falling over time.”

James Cartlidge: This issue clearly has to be approached through partnership between the UK Government and the Scottish Government. That being so, and given that the Scottish Government are about to get new tax-raising powers and that this is currently a real crisis for the key UK and Scottish strategic economy, will it be the policy of the Scottish Government to use those powers to raise funds to support the industry, if need be?

Callum McCaig: Frankly, I am not sure how income tax could be used to boost the oil and gas industry, but if the hon. Gentleman has any concrete suggestions—On my understanding of the Scotland Act 2012 and of the progress made on tax-raising powers, I do not see how the Scottish Government would have the ability to do anything that would materially affect the fiscal regime. If the hon. Gentleman wishes to join us in calls for corporation tax for oil and gas revenues to be devolved to Holyrood—or, indeed, for full fiscal autonomy—he would be more than welcome to do so. The suggestion that the minimal powers devolved to Scotland for raising tax revenues and achieving economic objectives such as boosting the business environment could in some way be used to boost the oil and gas sector is, at best, naive.
John Redwood: The UK Government are not currently collecting any special North sea tax revenues because the oil price is so depressed. I might agree with the hon. Gentleman if reforms were made in the future, but will he give us an impression of the industry’s perspective in the area around his constituency on what will happen to jobs and investment at these oil price levels?

Callum McCaig: The oil industry is going through a difficult period, but there is a fair degree of resilience and optimism in these difficult times. A concerted effort is being made to show that it is not a sunset industry, and that it will work through what needs to be done. As was clear in the quote that I cited, the industry is making efforts to reduce costs. We in this Chamber can do nothing about the price of oil, but we can do something about the investment climate, which I think would be significantly enhanced with changes to the fiscal regime. Aberdeen is seeing job losses on a fairly sizeable scale, but it is probably still performing above average, and I certainly hope that it continues to do so.

The issue of tax revenues is not only about the supplementary charge in corporation tax or the petroleum revenue tax, because the full range of tax revenues needs to be factored in, including income tax, national insurance and the corporation tax paid by the supply companies. This is a major sector, and if we can invest in the skills and ensure that we bridge over what everyone agrees will be a temporary downturn in the oil price—how temporary is a matter on which I shall not speculate, because that could end up with my looking daft—that support will help.

Changing the tax regime would send a very powerful message to those looking at investment. If investment is not made in the UK continental shelf, because of the nature of the business the investment will be made in west Africa, Kazakhstan, Brazil or the gulf of Mexico. It is not a zero-sum game. Precisely because very little tax is being paid—unusually so—the Treasury is not banking on North sea oil to deal with what it needs to pay for, so it can afford to make the changes. The revenue forecasts for the next few years are low, and changing the regime now would make that viable. It would also send the clear message that this is a basin that is worth investing in. If there is investment, there are jobs, the skill base is maintained, and the supply chain is supported in a way that ensures that it can invest in and develop products not only for the North sea but for the global oil and gas industry, into which the United Kingdom supply chain—particularly around Aberdeen—is making great efforts to diversify.

I am very much in favour of the OGAs establishment as an independent regulator. I am sure that, as we enter the next stage, there will be discussions about the nuts and bolts, but we want it to happen, and happen very soon.

Let me now move on to the closure of the renewables obligation. [Interruption.] Excuse me?

Mr Peter Lilley (Hitchin and Harpenden) (Con): We thought that the hon. Gentleman was moving on to the closure of his speech.

Callum McCaig: I am sorry to disappoint the right hon. Gentleman. I will be brief, to a degree. I do not need to rehash the arguments about the closure of the renewables obligation, which is disproportionately affecting Scotland, because 70% of the wind farms that are in the pipeline would be there. I know that the Government have said that they want to try to reintroduce the closure in order to meet a manifesto commitment, but I urge them not to do so. If they do, we shall oppose the move.

Sammy Wilson: Given that fuel poverty in Scotland has increased by two and a half times since 2002—from 13% of the population to 34%—how can the hon. Gentleman justify further subsidies for wind turbines, which are paid by consumers and most of the proceeds of which go to well-heeled large landowners?

Callum McCaig: I do not think that that is the solution to fuel poverty. I think that the solution to fuel poverty is to insulate homes, in which there is huge and disproportionate investment in Scotland, and to end poverty. We have made various suggestions about how to do that, but the fact is that fuel poverty does not exist in a vacuum; it exists in the environment of actual poverty.

Onshore wind is a cheap renewable, and the closure of the renewables obligation is set to save bill payers the princely sum of 30p. Moreover, it will produce up to 63 million tonnes more carbon dioxide.

Nigel Adams: Will the hon. Gentleman give way?

Callum McCaig: The hon. Gentleman’s colleague seemed to want me to nip on a wee bit, but I am happy to take an intervention.

Nigel Adams: I am very grateful. I apologise to my right hon. Friend for Hitchin and Harpenden (Mr Lilley), who is far more senior than I am.

The hon. Gentleman talks of how cheap onshore wind is as a renewable. Does he not accept that it must be backed up by fossil fuels, which are not so cheap? If the full system cost of onshore wind is taken into consideration, it is one of the least affordable renewable technologies that we have.

Callum McCaig: So we are backing up the cheap renewables with fossil fuels that are not so cheap, and the solution to that is to use the fossil fuels that are not so cheap all the time. That sum does not quite add up. I am not sure that I have worked out the equation.

We have been EVELed out of the changes in the planning regulations, but I would not have opposed them anyway. However, I think that what is good for the goose should be good for the gander, and that the policies should respect the different attitudes that exist in the different nations of the United Kingdom. We in Scotland would like onshore wind generation to continue, and we hope that there will be mechanisms to enable that to happen—which brings me neatly to the idea of a subsidy-free contract-for-difference mechanism that would provide the price stabilisation and allow a route to market for onshore wind, the cheapest form of renewable generation. I am sorry; I could not help it. That was there for the benefit of the hon. Member for Selby and Ainsty.

Finally, the emissions trading proposals would ban the Government from using carbon accounting through the European emissions trading scheme. I and my party are not opposed to that in principle, but would recognise
that we are probably a little premature in terms of agreeing that in advance of the fifth carbon budget.

David Mowat: In principle, that apparently is the position of the hon. Gentleman’s party, because to leave the ETS, which is a Europe-wide system, seems an odd tack to take for a party that is always telling us how European it is. In particular, surely the way to fix this is to get a proper ETS, not one that has a price of carbon that is so low? That is the way forward, not by leaving it. Surely as good Europeans, that cannot be the SNP position.

Callum McCaig: I do not believe there was any suggestion to leave. I would not suggest we cannot use or do it, but, rather than looking to buy carbon emissions and the capacity off our dear friends on the continent, we should be looking to be the leader and to have that high ambition. We could be in a position not only to stop counting those emissions towards our own contributions, but sell some to others who may not be quite so good in dealing with it.

In closing, as I see it there are three aspects to this Bill: the Oil and Gas Authority, the onshore wind and the emissions trading. We at this stage support two out of three, and, as Meat Loaf said, “Two out of three ain’t bad.”

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am going to have to impose a 10-minute limit on Back-Bench speeches from now on, and we will see how we get on.

5.51 pm

Mr Peter Lilley (Hitchin and Harpenden) (Con): It is a great pleasure to follow the two previous speakers, my hon. Friend the Member for Selby and Ainsty (Nigel Adams), who made an extremely realistic speech, and the hon. Member for Aberdeen South (Callum McCaig), who I thought was amazingly complacent about the primary industry in his constituency, which is going to suffer very considerably for a considerable time from the run-down in the oil industry. It is amazing to me that the SNP can afford two potentially valuable industries in Scotland—underground coal gasification and fracking—which might have provided alternative jobs for the people in his constituency, and I hope he will look closely at that.

Wherever we are on the spectrum on global warming, from sceptical to alarmist, we can surely all agree on one thing: that we should try to achieve the targets to which we are committed for reducing CO₂ at the least cost to our constituents, because it is ultimately they who bear it either through their budgets or their jobs. So when my right hon. Friend the Secretary of State found that subsidies were proving unnecessarily generous to achieve our targets and we were achieving them ahead of time, so that without changing those targets she could reduce those subsidies, she assumed the whole House would be in universal agreement with what she was proposing: even I, for once, was on her side. But it was not so: there were calls from the green lobby and the Opposition to keep subsidies higher than necessary for longer than necessary to achieve the targets to which we are committed, and key amendments in this Bill seem designed, likewise, to increase the costs of achieving our targets.

Clause 80 will not allow the use of the emissions trading scheme to achieve our targets, yet the whole purpose of the ETS is to ensure that those who can abate emissions at the lowest costs, do so. So by excluding the use of that, we are ensuring that higher costs are incurred to achieve a given abatement in emissions. Another amendment prolongs the subsidies for onshore wind for longer than needed, even though that is unnecessary. So I shall, unusually, be supporting the Front Bench in seeking to have both those amendments from the Upper House removed.

Above all, we have created a framework that commits us to load higher costs on UK consumers and businesses via the Climate Change Act 2008 and all its ramifications than any other country in Europe. Despite all that, we will ensure, because of the way the system works, that we do not reduce the amount of carbon dioxide emitted into the atmosphere by one molecule more than would be the case if we were doing the same as the rest of Europe.

Let me explain why that is so. At Paris all the countries of the world agreed to make commitments on what they were going to do in future to curb the growth of their CO₂ emissions. The only exceptions were the countries of Europe, who put in a total figure for the whole of Europe and are now to allocate that figure among the member states. Because we are committed to doing so much more than the average in Europe—indeed, than anybody else in Europe—all that does is to reduce the amount by which the other countries in Europe will have to reduce their emissions. So we have increased the burden of costs on British households and business, reduced the burden of costs incurred by our partners in Europe, and not reduced the emissions of CO₂ by a single molecule.

That is an extraordinary thing to achieve. It has puzzled me for a long time how it is that we have a political class, particularly the green lobby that straddles both sides of the Gangway—

Sammy Wilson: Not universally.

Mr Lilley: Indeed, not universally on the Opposition Benches. It puzzles me that the political class is committed to such perverse policies. Then I found a possible hint of an explanation, when someone mentioned to me, Madam Deputy Speaker, a book that I am sure that, like me, you have not read but have heard about called “Fifty Shades of Grey”. It is apparently a mildly pornographic—

Graham Stuart: Fifty, not forty, I think.

Mr Lilley: It is apparently “Fifty Shades of Grey”. [Interruption.] Have I any higher bids? I have not read it; I have not even read the title of it. However, the surprising popularity of that book demonstrated that sadomasochism, or the infliction of pain and the submission to pain, are far more widespread tastes than we had previously thought. It seems to me that in the political sphere there is a similar belief that it would be popular to inflict pain or submit to pain by green policies. We might say that what we are suffering from in this country is “Fifty shades of green”.

[Callum McCaig]
The trouble is that Members who are committed to this doctrine measure the success of their policies not by what they will achieve, but by what they will cost, and not by how effectively they will reach a given destination, but by how onerous are the burdens they can place on Britain, British households and British business.

That pain is very significant. The Committee on Climate Change worked out the costs of climate change policies in 2014-15, and it came out at about £250 per household. [Interruption.] The right hon. Member for Doncaster North (Edward Miliband) may disagree with the Committee on Climate Change, which he helped set up; if so, please intervene—but of course he cannot sustain his position. That figure is set to double by 2020, to double again probably by 2030, and to double again by 2050. That is the direct effect on household budgets both through their energy bills and the cost of more expensive products because energy prices feed through to product costs.

There is also the cost on jobs. We have lost the aluminium industry already, and earlier today we were seeing the serious the impact of job losses in the steel industry. Of course, the basic reason why there are job losses in the steel industry is that there is a worldwide glut of supply, but the reason that falls excessively on this country is that our industrial energy costs are higher than those anywhere else in Europe. That is why we are suffering disproportionately at the moment. I am reliably informed by my right hon. Friend the Member for Wokingham (John Redwood) that we are importing these products at the moment. I recently had lunch with a businessman who said that 7% of his output comes from the UK but that 28% of his energy costs were in this country.

John Redwood: Is it not the point that these green targets can bear down very heavily on our country without reducing carbon dioxide emissions at all, because these products are being made somewhere else and perhaps producing even more carbon dioxide?

Mr Lilley: My right hon. Friend is absolutely right. This is yet another example of the perverse effects of what we do. We impose costs on our own country, our own industries and our own households but we do not even achieve the objective of reducing carbon dioxide emissions. In fact, in these cases we probably marginally increase them.

My appeal to the House is that we start looking at this whole business in a rational way. Let us take all the targets to which we are committed as a given. Like the hon. Member for East Antrim (Sammy Wilson), I think they are unnecessary and unwise, but let us take them as a given and see the minimum cost of achieving this. Let us see if we can achieve the objective at the minimum cost of subsidy to achieve the given objective rather than just plucking out a number, which would inevitably have been high, given that civil servants always are rather generous with public money and set targets high, just so that they can say, “Oh look, we have achieved our quantitative solution, even if we have done so at unnecessary expense.”

Graham Stuart: My right hon. Friend is making an entertaining speech. Offshore wind has a price of around £140 per MWh, but the industry expects to bring that down to around £100 by 2020, and by the time we have any nuclear power stations, it is pretty likely that it will be below the cost of nuclear and falling, whereas the cost of nuclear will be fixed for the entire time.

Mr Lilley: My right hon. Friend is normally very rational, but on this occasion he is being irrational. He is suggesting we should invest in very expensive and currently inefficient products in the hope that the next generation of such products will be cheaper. However, other people would also be able to invest in those cheaper products and compete with us. If they are going to be cheaper in five years’ time, we should wait five years and do it then.

Edward Miliband: When the Energy and Climate Change Committee produced its report, I voted against that project precisely because I was worried that we were committing to an unnecessarily high cost. Although I am not against nuclear in principle, I do not agree with the hon. Lady that it is much more costly than offshore wind. In fact, I think it is less costly. It is still unnecessarily costly, however, and we should therefore look again at options such as modular nuclear. If she were to put forward a motion to reduce the subsidies for offshore wind so that they were equal to those for onshore wind, I would happily second it. I would happily join her in that because I am genuinely in favour of reducing costs.

Chris Heaton-Harris: Madam Deputy Speaker, I am sure you would agree that my right hon. Friend’s speech is spanning this out of the park. Does he agree that the way in which we have moved forward by introducing an element of the market into the mechanism of bidding for subsidy in our energy profile is the right way forward, and that the renewables obligation is the wrong way forward? I also support the Government.

Mr Lilley: I agree. It was very late in the day when we introduced that system, so at least we incurred the minimum cost of subsidy to achieve the given objective rather than just plucking out a number, which would inevitably have been high, given that civil servants always are rather generous with public money and set targets high, just so that they can say, “Oh look, we have achieved our quantitative solution, even if we have done so at unnecessary expense.”

Edward Miliband: I beg his pardon. He was one of the five Members who voted against the Climate Change Act 2008, which was supported right across the House. I will not surprise Members to hear that I approach this subject from a slightly different perspective, and I want to focus on how the Bill can be improved. Given the scale of the challenge we face, the right question to
ask about any energy or climate Bill before the House is this: will it do everything necessary to meet our obligations and the requirements placed on us to take a leading role in tackling climate change? I believe that things can be done to the Bill to ensure that it does so.

This Bill is unlike many other Bills that have come before the House, in that a very important event has happened in between its being introduced in the other place and its Second Reading today. That event was the historic Paris climate change agreement. I paid tribute to the Secretary of State when she made her statement on the Paris agreement, and I do so again today for the incredible job that she has done.

My case to the House is that we need to reflect the high ambition of Paris in the Bill. In particular, I want to set out why the Government, in the light of the Paris commitment to a long-term global goal of zero emissions, should use this Bill to legislate for the same objective here in the UK. We need to legislate for zero emissions in law, with the date to be advised by the independent Climate Change Committee. I want to thank Members across the House whom I have talked to about these questions. They include Members on my Front Bench, the hon. Member for Brighton, Pavilion (Caroline Lucas), Liberal Democrat Members, Scottish National party Members and, indeed, the hon. Member for Beverley and Holderness (Graham Stuart), who plays an important role as the chair of GLOBE International, the international parliamentarians’ committee. If other hon. Members want to know more about this subject, a paper has been published today by the organisation Sandbag, setting out the case. My case is threefold. It is about consistency between international agreements and domestic action; it is about the economic case; and it is about the effect we can have on other countries.

Mr Lilley: Given what I said earlier about the effect of our having commitments that are higher than those of the other countries in Europe, which simply reduces the amount to which they are committed under the Paris agreement, if the right hon. Gentleman wants to raise our target even higher, would he not be reducing to an even lower level the amounts by which those countries would have to reduce their emissions in order to reach the EU global total?

Edward Miliband: No, because the EU target is set on the basis of effort-sharing between different countries, and we are one of the most important countries contributing to that effort-sharing: the more we do, the higher the EU target can be. That is part of being in the European Union and playing our role in raising these objectives.

My first case for acting relates to consistency between international agreements and domestic action. When I set a target of 80% by 2050 in the Climate Change Act, that was agreed on a cross-party basis and we were at the most radical end of the spectrum. That target was formulated to give us a fighting chance of keeping global warming below 2°C. However, Paris has crucially moved the world on from that. Paris sets a twofold objective: to try to keep global warming below 1.5°C, given that we are already at 1°, and, crucially, to achieve the long-term goal of zero emissions.

Edward Miliband: As someone who did not vote for the right hon. Gentleman’s climate change legislation, may I ask him what role he thinks the Act has played in the tragic job losses in the steel and other high-energy-burning industries in Britain?

Edward Miliband: It is totally simplistic to say that the Climate Change Act has led to that. It is a result of a whole series of decisions that the Government have had to make. As the right hon. Gentleman and the right hon. Member for Hitchin and Harpenden will remember, Lord Stern’s report made the crucial point that the cost of not acting on climate change will be greater than the cost of acting. Just look at the floods that we have seen in the last couple of months! We are going to have a lot more of that—coming soon to a constituency near you! I am sorry to accuse the right hon. Member for Wokingham (John Redwood) of sticking his head in the sand, but that is exactly what we are doing if we say that we do not need to act, that everything will be okay and that we should just carry on with business as usual. To be fair to the Secretary of State, who might not thank me for saying this, I do not think she believes that is what we should do. She is on the right side of this argument. Of course we have to do it at the lowest cost we can, but let us not pretend that somehow this problem does not exist—we are seeing its effects all around the world, and if we do not act, we are going to have a lot more of them.

Andrew Percy: Although I agree with much of what my neighbour said about climate change, the perception, which seems also to be partly the truth, is that in trying to act in this country we have simply exported a lot of our emissions overseas and we are now importing steel which is dirtier than that which would be produced here. That is what steelworkers in my constituency, who are facing job losses, are saying.

Edward Miliband: The carbon price floor was introduced by this Government—or, rather, this Government when they were in coalition. The point is not to deny that transition needs to take place; the point is we have to do it in the right way, and I do not disagree with that.

I now wish to carry on making my case. If we support zero emissions globally—that is what the Secretary of State has done—the logical position is that we must also support it domestically. We set a target of an 80% reduction, but it does not make sense to have 80% as the target when we know from the science and from the global agreement that we will eventually have to get to zero emissions.

The second part of my case is based on economics, and I wish to make the following comments to Conservative Members in particular. They will worry that my proposal sounds as though it is going to raise costs, but quite the opposite is true. I ask them to listen to some of the business voices who are saying that they want us to set a clear target for zero emissions. Why are they saying this? It is because certainty is the friend of business in this area and uncertainty its enemy. Richard Branson has said that a net zero emissions goal simply makes “good business” as it “will drive innovation, grow jobs, build prosperity”.

He is joined by many other business leaders in making that case. Just as it is the right thing to do for business, so, too, is it the right thing for government. We are
going to have to make decisions on infrastructure now which will have implications for 20, 30, 40 years hence. It is right to make those decisions on the basis of what we will eventually have to achieve, albeit in the second half of the century, because we know that we will have to get there.

Thirdly, and finally, my case goes beyond our borders. The Paris agreement is a great one, but its biggest weakness is that if we look at the aggregate of the different commitments made by different countries, we see that although the aspiration may be to limit warming to less than 1.5°C, when we add them up they seem to be more like 3°C worth of commitments. Some might ask what difference the UK can make, as it represents only 1% of global emissions. They might ask why our acting has an impact. I say to the House that it does have an impact. The Climate Change Act—I give credit to the Conservative party because it supported this and actually pushed the then Government to do this—had an impact, not only in Britain but around the world. When the Secretary of State went to the Paris negotiations and urged others to take action, they were not able to say to her, “You are pretending you care about these things and want to legislate for them, but actually you are not taking action in your own domestic legislation.” We did do that.

Edward Miliband: I am not going to give way, because I would lose my time if I did so.

I say to the House, and to those who are sceptical about action having been taken, that the 2015 global climate legislation study looks at climate change legislation in 99 countries and talks about the speed of response following the UK’s Climate Change Act. My threefold case is that we need to have consistency between domestic and international action; that there is an economic case for doing this; and that we have an impact on other countries if we act.

I wish to deal with two other points that might be made to me about why my approach is a bad idea. The first is that we should stick to our existing targets and not worry about having more ambition. People might say, “Why do we need more ambition when we have this framework already in place?” By doing so, they are sticking their heads in the sand, because if we have to get to zero emissions, we should start that process now. It is a hard task, but it is a feasible one and we need to know that we should get there. My case is a pragmatic one. I am not saying, “Pluck out of the air a date on which to get to zero emissions.” I am not simply saying that its whole premise is to try to work out a pathway to get us there at the lowest possible cost. That is one reason why I welcome the reset of the policy by the new Government and our new Ministers. They are not stepping away from the Climate Change Act, although some of my hon. Friends might wish that they were. On the contrary, they are saying that they want to look at how best to make sure we have a policy framework that incentivises activity to meet the outcomes that we all want.

The second point, which I think has been made in interventions, is that somehow we are going far too far ahead of other countries—that this is us being far too far out in front. The simple point to make about that is that more than 190 countries have now signed up to this zero emissions goal in the Paris agreement. Every country is theoretically signed up to this goal, so the question is: are we actually going to do it? Is this goal just warm words? Is this just us pretending that we are going to act but not really following it through?

In conclusion, I hope the Government will come forward with an amendment such as I have been outlining. If they do not, I want to work with people across this House to seek to make it happen. The Government can support this measure, so I hope they will table an amendment, either in Committee or on Report. It would build on the momentum of the Paris agreement, it is in the best cross-party traditions of the Climate Change Act, and it would send a powerful signal around the world and in Britain about our determination to act. Above all, it would increase our ability to tackle dangerous climate change. Notwithstanding the contribution from the right hon. Member for Hitchin and Harpenden, this is something that unites the vast majority of Members across this House. I therefore hope the Government will give this suggestion the consideration it deserves.

6.16 pm

Graham Stuart (Beverley and Holderness) (Con): It is a great pleasure to follow the right hon. Member for Doncaster North (Edward Miliband), my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley) and other colleagues who have spoken today. I do not think any more memorable phrase will come into the debate than the “50 shades of green” used by my right hon. Friend. As so often in this area of debate, people dispute the numbers, as he did with his initial “40 shades” effort.

The thread of agreement among everyone who has spoken so far, including my hon. Friend the Member for Selby and Ainsty (Nigel Adams), my right hon. Friend and others, is that if we are setting out to fulfil the requirements of the Climate Change Act, we must do so in the lowest-cost way. My right hon. Friend was right to point out that, given the burden sharing throughout Europe, there is an issue about our taking further steps. Would that simply provide greater slack elsewhere? People may or may not share his scepticism about the whole arena, but none of us would want our making progress to mean that someone else slacks as a result. Therefore, having a joined-up approach is a sensible part of delivering what we all want and doing so at the lowest possible cost, and that is worthy of further investigation.

Where I do not think my right hon. Friend is right is in suggesting that this is purely an exercise in sadomasochism. After all, the Committee on Climate Change’s brief is to fulfil that which was passed in this House, albeit without his support: an 80% reduction in emissions by 2050. If we read the Committee’s fifth carbon report, which was recently published, we see that its whole premise is to try to work out a pathway to get us there at the lowest possible cost. That is one reason why I welcome the reset of the policy by the new Government and our new Ministers. They are not stepping away from the Climate Change Act, although some of my hon. Friends might wish that they were. On the contrary, they are saying that they want to look at how best to make sure we have a policy framework that incentivises activity to meet the outcomes that we all want.

I know from discussions with the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for South Northamptonshire (Andrea Leadsom), who is nodding in my direction, that one renewables issue we face—this picks up on the point made by my hon. Friend the Member for Selby and Ainsty—is
dealing with intermittency. One way of dealing with that is to develop storage. Have we had sufficient investment and created a framework that has incentivised enough focus on storage while we were also incentivising investment in things such as wind? The answer has to be no. We must therefore try to ensure that we get a framework that captures all the elements that we need in order to create a rational response, so that even if my right hon. Friend the Member for Hitchin and Harpenden does not entirely agree, he can see a more rational thread running through the policy in order that we can deliver.

The Secretary of State played a leading role in the negotiations in Paris, and Britain was at the table, helping to create a more ambitious deal.

David Mowat: My hon. Friend mentions Paris. I wish to understand, perhaps from the perspective of GLOBE—the Global Legislators Organisation—why the EU’s intended nationally determined contribution submitted at Paris implied a degree of reduction in emissions that is half the rate of the UK’s. Why has the EU decided not to follow us with the Climate Change Act, and apparently to be so tight around it? Does it know something that we do not?

Graham Stuart: My hon. Friend often carries around with him the list of the emissions reductions of European countries since 1990. He points out—

David Mowat: Austria.

Graham Stuart: Indeed, Austria is my hon. Friend’s favourite bête noire. He points out that the contribution of many countries that like to talk about this topic but not deliver on it is pretty woeful, which goes back to my earlier point about the need for a joined-up approach to ensure that we genuinely deliver collectively the outcomes that we desire. Thanks in part to the efforts of my right hon. Friend the Secretary of State, EU ambitions were raised, but they did not go as far as the UK would have liked. In 2008, with cross-party support, we unilaterally decided on a pathway for this country, which was 80% reductions by 2050.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I agree with much of what my hon. Friend is saying, but does he also agree that where the UK leads, as was outlined by the former Leader of the Opposition, very often other countries in the EU follow? Currently, Sweden is considering implementing its own climate change Act based on UK legislation.

Graham Stuart: My hon. Friend is right, but it is important not to exaggerate that, because it will quite rightly be picked up by colleagues, who will point out that something as all-encompassing, as specific and as road-mapped as our Climate Change Act has probably never been passed in another country in the world, and it is coming up for eight years since that Act was passed into law.

It is worth saying a little on the context, as we are seeing turning points. It is not correct to say that we are solely, in this sadomasochistic way, inflicting pain on ourselves while others entirely deny themselves these pleasures. According to Bloomberg New Energy Finance, last year, despite the fall in oil and gas prices, there was record investment in clean power, with an increase to $329 billion. In other words, the regulatory and legal framework has been set up across the world, and the GLOBE organisation, of which I am chair and in which I declare an interest, has, I hope, played a part in helping to create those frameworks around the world.

Chinese renewables investment last year hit $111 billion, which was an increase of 17%, while the US investment in renewables went up 7.5% to $56 billion. However, to return to the point of my hon. Friend for Warrington South (David Mowat), Europe saw the lowest level of investment in renewables last year since 2006. Therefore, while we may be delivering, Europe is not entirely doing what one might hope that it would.

On the subject of onshore wind, may I welcome the Government’s commitment to look at the whole system cost of renewables? My understanding is that onshore wind is currently our cheapest renewable, but there are issues around the back-up that is required. What we need to have is an objective assessment of the cost, so that we can make a proper judgment of the benefits of one form of clean energy versus another—for instance against biomass, which my hon. Friend the Member for Selby and Ainsty was so keen to champion. Until we have that clarity over the real costs, it is hard to create the framework and the incentives that we need to bring on the cleanest possible transformation at the lowest possible cost.

On the issue of zero emissions, I just wanted to follow on from what the right hon. Member for Doncaster North said. He is right. If we are to deliver 2° let alone 1.5°, we will need to move to what sounds like a slightly fantastical idea of zero emissions. If we can entirely decarbonise the power system and then use that power in other systems, we will start to move towards the ability to eradicate most of our carbon. We still need other ways to change our systems—and we have time to develop these—so that any storage we have offsets the emissions that are not avoidable. There will always be emissions in a developed and industrialised world, but what we can do is net that to zero. It is important to make that point in case any people at home think that we are dealing in science fiction rather than reality. Given the progress in technology that we have seen over recent years, it is credible to believe that we can move to zero emissions. If, given modern science, 1.5° will be achieved, such a rate will be necessary.

The Government are doing a reset. By June this year, they will legislate on the fifth carbon budget, which covers the distant years of 2028 to 2032. By the end of the year, they will produce a strategy to deliver that, which is welcome. What we need is something much more coherent than the renewables obligation system. We need something that uses auctions, which delivers, as the Secretary of State has said, a market driving out costs, in which the Government are out of the way to the maximum extent that they can be. In the meantime, why are we investing in expensive energies such as offshore wind? It is because they would not be viable invested in otherwise. None the less, that investment is driving the costs down. I say to those who are more sceptical on this matter to look at how prices have come down in solar and in onshore wind and how they are coming down in offshore wind. Whatever the current eddies in
in investor confidence, going forward with these particular Ministers who are committed both to delivering our climate obligations and to doing so at the lowest cost and in the most coherent manner is exactly the right position for us to be in. I am delighted to say that I will be supporting this Bill tonight.

6.26 pm

Julie Elliott (Sunderland Central) (Lab): It is a pleasure to follow the hon. Member for Beverley and Holderness (Graham Stuart), who made a number of points with which I agree, and my right hon. Friend the Member for Doncaster North (Edward Miliband), who continues to make such a contribution to this debate. I also wish to place on record my thanks to the Secretary of State, who is no longer in her place, for the excellent job that she did in Paris—I am sure that those comments will be passed on to her—on behalf of us all. We are all delighted with the outcome of the Paris talks.

This is a wide-ranging Bill, but I wish to focus my short contribution on the renewables element, particularly the removal of the renewables obligation for onshore wind, and how that is impacting on investment in the north-east of England. I am fully aware of the Government’s concerns about the financial integrity of the levy control framework, and indeed I share those concerns. We need a fully funded, functioning levy control framework to fund clean energy developments. As the framework is funded by bill payers, it is absolutely crucial that we protect it and ensure value for money, but this Bill does not do that. The impact assessment demonstrates that, in the Government’s central scenario, this policy is projected to save bill payers 30p. In terms of the levy control framework, again in the Government’s central scenario, this policy is projected to save £20 million out of a budget in 2021 of £7.9 billion. This measure does not appear to be protecting bill payers at all. Rather, it seems drafted for the purpose of appeasing climate change sceptics.

Last week, the Prime Minister reiterated his commitment to decarbonising at the lowest cost to the consumer, and for that he has my support, but his Secretary of State is going about things in an odd way. The Government remain committed to the EU renewable energy directive, for which the UK must source 20% of its energy needs from renewable sources by 2020. We also have a fixed budget for clean energy in the levy control framework. Will the Minister explain how, given a fixed renewables target and a fixed budget, replacing the cheapest renewable electricity technology, which is onshore wind, with more expensive technologies, such as offshore wind, can possibly lead to lower bills for consumers and maintain the financial integrity of the levy control framework?

In its July 2015 report, the Office for Budget Responsibility forecast a £1.6 billion overspend for the levy control framework in 2021, owing to higher take-up under feed-in tariffs and the RO, greater capacity from offshore wind, and lower wholesale electricity prices resulting from the lower than forecast gas prices and the freezing of the carbon price floor. No one is blaming the Government for not anticipating this remarkable fall in global energy prices, but in their efforts to restrain this potential overspend, the Government are doing serious damage to the UK’s clean energy future and to the investment we need to encourage in low-carbon generation.

Conor McGinn (St Helens North) (Lab): The Bill cuts subsidies for onshore wind, but companies such as Solar King in my constituency will be hit by a double whammy, with cuts to the feed-in tariff and the proposal to increase VAT for residential solar. Does my hon. Friend agree that it is very difficult for any renewable energy business or investor to trust this Government, given their betrayal of the sector?

Julie Elliott: I totally agree with that. The impact on the solar energy businesses in this country has been dramatic.

Let me give a specific example, which is relevant to my constituents in Sunderland and also speaks to the way in which this Government’s policies have suffocated the growth in clean energy generation and the jobs that go with it. Nissan in Sunderland recently wrote to the Secretary of State for Energy and Climate Change regarding a £3 million investment it wished to make in extending a wind farm on its site—a letter to which, I understand, Nissan has not yet received a reply. The aim of the project is to generate more, and cleaner, energy on site, so that less needs to be procured from outside. But the Government’s 18 June announcement on the renewables obligation and onshore wind has placed this development in serious jeopardy.

Under current proposals, Nissan’s investment will not go ahead because it had not secured planning permission or a grid connection agreement by the time of the announcement. Nissan has been working with the Department for Business, Innovation and Skills, and had an application for exceptional regional growth fund money accepted. However, a condition of this funding is that work cannot commence on a project, such as planning applications or grid connection negotiations, until the support application has been determined. In Nissan’s own words, it finds itself in a “Catch-22 position”—under the terms of the regional growth fund it is unable to seek the necessary approvals before the cut-off date, and the continuation of the exceptional regional growth fund programme was not confirmed until after the 2015 general election. The business case and regional growth fund application were based on eligibility under the renewables obligation. Without this, the development cannot go ahead.

My hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson), in whose constituency the Nissan plant is based, raised this matter at Prime Minister’s questions last week. The Prime Minister answered in general terms and did not address the specific point, yet this is the sort of project the Government should be encouraging, not suffocating. The fact that that project, which is on a brownfield site, for a major company that wants to reduce its carbon footprint, enhance the UK’s energy security and support an onshore wind industry that now employs 19,000 people may now not go ahead should be evidence of a policy that is not serving the best interests of this country. I ask the Secretary of State to engage with Nissan at the earliest possible opportunity, if she has not already done so, so that a sensible outcome can be achieved.

It is such confused and counterproductive policy making that many find so frustrating. The independent Committee on Climate Change has stated that the Government policy has created a “stop-start investment profile” which has hindered cost reduction and industry
development. This has been compounded by retrospective changes, like the one to the renewables obligation in this Bill. It therefore comes as no surprise that the UK has fallen down the global league tables for energy investment. EY’s respected global rankings show that under this Government, the UK has fallen from fourth in the world in November 2013 to 11th. EY singled out the UK Government for a lack of clarity and “death by a thousand cuts”, with “misguided short-term politics obstructing long-term policy . . . in a vacuum, with no rationale or clear intent.”

What does that vacuum look like in real terms? It looks like cheap, clean onshore wind and solar subsidies being cut, while developers are being incentivised to install diesel generators, second only to coal in carbon intensity, on their sites. One thousand such generators have been installed in the past 18 months because current Government policy has led to such narrow margins this winter. This was not what energy policy should lead to in the second decade of the 21st century.

That vacuum looks like UK solar capacity falling 30% year on year in 2015 despite a global upward trend. It looks like clean energy developers losing their exemption from the climate change levy. It looks like mothballing carbon capture and storage in the UK, despite the knowledge of the fact that CCS is not an option but a necessity for decarbonisation, particularly for energy-intensive industries. It looks like pernicious planning interventions, with claims that power is being devolved to local communities, followed, as we saw in the previous Parliament, by unprecedented intervention from Whitehall by the right hon. Member for Brentwood and Ongar (Sir Eric Pickles).

I hope the Secretary of State will look again at the proposal from Nissan, and at what it is doing more generally in relation to clean energy. No one has a monopoly on wisdom, but in the face of opposition from clean energy developers, with the Government’s own independent Committee on Climate Change detailing its fears, when global consultancies show the UK falling down the global league tables, and when the Government’s own impact assessment discredits their argument about its fears, when global consultancies show the UK falling down the global league tables, and when the Government’s own independent Committee on Climate Change detailing its fears, when global consultancies show the UK falling down the global league tables, and when the Government’s own impact assessment discredits their argument about

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. We have plenty of time for this debate but a very large number of Members wish to speak, so I am afraid I have to reduce the time limit to nine minutes.

6.36 pm

Julian Sturdy (York Outer) (Con): It is a privilege to take part in this debate and to follow so many incisive contributions.

I welcome this wide-ranging Bill, first, for the support it provides to our oil and gas industry, which is suffering greatly, as many have said, from the fall in global oil prices. As we have heard across the Chamber, Members know well that the industry makes a substantial contribution to our energy security, employment and overall economic wellbeing, so the establishment of a new arm’s length body, charged with regulating the sector is an important step in the right direction.

I shall focus my contribution on part 5 of the Bill, which will deliver on our manifesto commitment to end new public subsidies for onshore wind and give local communities the final say on planning applications. I speak as a Member who has joined many communities in my constituency fighting plans for entirely inappropriate wind turbines in Copmanthorpe, Wheldrake, Upper and Nether Poppleton, Murton and Kexby, to name but a few. Every single time it was the developers who were trying to impose their turbines on local communities, who simply did not want them. This was entirely unacceptable and I am pleased that every one of those applications was rejected by the local authority.

We need to end the current system whereby developers pocket the lucrative taxpayer-funded subsidies, and communities are stuck with turbines in their local neighbourhood and suffer the problems that accompany them. It is only right that local communities, not politicians in this Chamber, have the final say over whether planning permission for a new windfarm is granted. I am pleased that the Opposition Front-Bench team has accepted that. Only 18 months ago, the Labour-run council in York was proposing to encircle our great cathedral city with up to 40 wind turbines. Thankfully, the Labour council that instigated this insane project lost office in last year’s local elections. That was only to be expected, given that the common-sense wishes of local residents were completely ignored.

As my hon. Friend the Member for Selby and Ainsty (Nigel Adams) mentioned, any visitor to the picturesque countryside across north Yorkshire and the neighbouring east riding can appreciate that the area has taken more than its fair share of wind farms. The cruel irony is that ultimately they are being funded, at least in part, by the very local communities that are so deeply opposed to them. As such, I am delighted that the Secretary of State has grasped the nettle and pushed for the early closure of the renewables obligation scheme, an endeavour in which she has the full support of the overwhelming majority of my constituents.

It is a great shame that, when talking about energy, all too often we overlook the energy trilemma: the need to ensure that our energy is affordable, secure and environmentally friendly. All too often we focus on the final consideration—the need to decarbonise—when more needs to be done to push down the cost of household bills and increase capacity. Any Government who pay lip service to our future energy security are playing Russian roulette with our country’s future. We need a balanced energy mix to deliver that security, as Opposition Members have said. Without action, funds for otherwise uneconomic wind turbines are sadly draining resources away from other, less-intrusive forms of renewable energy that could play a key role in our future energy security.

Graham Stuart: I certainly agree with my hon. Friend on the need to give communities the final say on any wind turbines in their area, but does he agree with me that we need to ensure that wind turbines that do have local support are in no way disadvantaged compared

[Julie Elliott]
with other forms of energy generation, for example if they need to get involved in the CfD mechanism? They must be on a par with other forms of generation, so long as the local community have a say on whether they are built?

Julian Sturdy: I entirely agree with my hon. Friend; it is very important that this is community-led. There are places where there will be community support for onshore wind, and that must be seen through. I would go one step further—this is probably where I disagree with Ministers—because I think that the same should apply to fracking as well.

Offshore wind in the North sea has the potential to generate far more renewable energy than onshore wind farms, and in a way that does not harm our countryside. However, as the Secretary of State mentioned, further investment is needed in other exciting areas of renewable energy generation, so that we can decarbonise our energy network in a way that delivers lower bills and improves energy security. Tidal energy is one of the many types of renewable energy that are yet to be exploited on an industrial scale, as wind and solar energy have been in recent years.

Stephen Kinnock (Aberavon) (Lab): I am very pleased to hear what I think is the hon. Gentleman’s support for tidal energy. Therefore, I seek his views on the fact that the Government seem to be continuously prevaricating over granting approval for the Swansea Bay tidal lagoon project in my constituency, which would generate huge amounts of clean energy and create thousands of jobs, including—consider the job losses that have been announced today—in the steel industry. Why, then, are they taking so long to give an answer on proposals made by the tidal lagoon team?

Julian Sturdy: I thank the hon. Gentleman for his intervention. Perhaps the Minister will be able to answer that directly when she responds to the debate. In essence, I support the Swansea Bay scheme. I very much hope that the Energy and Climate Change Committee, of which I am a member, can visit the scheme and look at it in more detail. Sadly, the Chair of our Committee is not here, but a number of other members are. That is something that we should push for. It would be a groundbreaking move that could trail-blaze in other areas of tidal generation.

It is essential that taxpayer-funded subsidies accommodate bids from all sectors in the renewables industry so that we can support the green technologies of the future. I would welcome an assurance from the Government that this will be a relevant consideration in the awarding of future support to the renewables industry. With the right framework in place, we could become a world leader in tidal energy, as I have mentioned, which would help us in our efforts to maintain a diverse energy mix and ensure security of supply.

Only by embracing the potential technological enhancements of today can we realise the bold commitments we made for tomorrow at the recent Paris summit. Ultimately, we need a more dynamic and secure energy mix that focuses on jobs, investment and local communities. The whole point of public subsidy is not to become dependent upon taxpayers’ money, but to help new industries stand on their own two feet. It is therefore only right that we now turn our attention to supporting other potential forms of renewable energy that remain in their infancy and enforce our manifesto commitment accordingly.

It is essential that we listen to our constituents’ concerns about the relentless spread of onshore wind farms. Local people should always be at the heart of the decision-making process. It is therefore wrong that our manifesto commitment has so far been blocked in the other place by those who are unelected and, ultimately, are accountable to people whom we in this Chamber serve. We must not shrug our responsibilities or go back on the commitments on which the Government were elected. Frankly, people are fed up with so many wind farms being built in their backyards, with their own hard-earned taxpayers’ money and without their say.

More must be done to support other forms of renewable energy that remain in their infancy. That is the only way in which we can have a broad-based renewables strategy while decarbonising our economy and ensuring an affordable and secure energy supply.

Albert Owen (Ynys Môn) (Lab): It is a pleasure to follow the hon. Member for York Outer (Julian Sturdy). I know his area well, and I agree with some of the things he said. Few people would oppose a new regulatory body for our oil and gas industry in the North sea. One of my first jobs was on a tanker in the North sea, and I remember that the highly regulated Norwegian sector seemed to be growing in leaps and bounds, so I do not see regulation as a huge hindrance for the British sector. Similarly, nobody could disagree with maximising economic recovery, as the Government say they are doing through the Bill.

However, high energy prices are hurting our industry. Given the announcements we have heard today on the steel industry and the situation facing colleagues in Port Talbot, it is worth reflecting on some of the things that the Secretary of State said. He said that the Government were cutting back on the cost of energy. Actually, they are just fixing the mess they made in 2011, because it was this Government who brought in the carbon price floor that hampered many of our energy-intensive industries. That was an Osborne tax made by this Government, and it has caused the problems we see today. I do not want to dwell on that; I just want to see a little consistency from the Government and a clear path.

I represent a constituency that has plans for new nuclear and for a biomass plant and that has potential for tidal energy. Indeed, it has been dubbed the “energy island.” I believe that it is a microcosm for UK policy. However, we must have that energy mix if we are to have a sensible policy for the future. If businesses are to invest, we need the continuity and stability that they are crying out for. I have said on a number of occasions in this House that I am pro-nuclear, pro-renewables and pro-energy efficiency, and I see no contradiction in that, because in order to get the balance right we need the full suite of technologies available for the future.

I believe that the Government have missed many opportunities in this Bill. I will deal briefly with part 4. I agree that local communities should not be ridden over roughshod when it comes to planning applications by developers. I think that is sensible. However, I think that the Government have their sights on the wrong targets when they talk about reducing bills by cutting so-called
green taxes, because the biggest contribution to bills after oil and gas prices are transmission and distribution. There is nothing in this Bill, or in this Government’s energy policy, to deal with that. Twenty-five per cent. of household bills and business bills are for distribution and transmission costs, and yet—we hear talk about “the market delivering”—we have district monopolies in distribution and a national monopoly in transmission. National Grid does not act in the national interest: it acts in the interest of the shareholders of National Grid. That is wrong. In the previous Parliament, the Energy Act 2013 gave extra powers to National Grid by making it the systems operator so that it decides where new builds are going to happen and then provides the transmission in a non-competitive way. The Government need to look at that if they are serious about giving value to money to customers rather than fiddling around with the green areas that have been agreed just to get headlines in the Tory newspapers, as with onshore wind.

There was early onshore wind capacity in my area, but it has now grown to a stage where we need to build more. I agree with the Government on that. There used to be consensus on these policies. When my right hon. Friend the Member for Doncaster North (Edward Miliband) was Secretary of State, and then the coalition Government came in and Charles Hendry was Energy Minister, there was continuity on policy. That has been lost, and we now have a very piecemeal energy policy that many people believe—I think they are right to say this—has been driven by the Treasury. We have had the Osborne tax and the hands-on approach, and DECC officials and Ministers do not have the leeway to develop a coherent energy policy. This Bill was an opportunity for us to have a coherent energy policy on which to move forward.

I welcome the Government’s talk about nuclear new build, because my constituency will benefit from it. A fortnight ago, I went to the closure of Wylfa A in my constituency. Over 44 years of generation, high-quality jobs were provided. Few people in few industries could say that they have jobs for life, but nuclear provides that. We therefore need this long-term base-load, and I very much welcome it. The Wylfa Newydd—New Wylfa—project in my constituency started in 2007-08; it is taking a long time. That is why we need renewables facilities that can be built without these long lead times, to provide the necessary balance. We need flexibility in generation because in a warm winter or a hot summer technologies have to be switched off. Onshore wind provides that flexibility in many ways, as does offshore wind. I saw that in operation when I was a member of the DECC Committee. We visited wind farms that are switched off in the summer so that essential maintenance can be done. A nuclear power station will not be switched off because it cannot be brought back on without adding extra costs. We need this flexibility, and this Bill does not in any way provide that.

The Government talk about honouring a commitment, but I am afraid they have failed on that. When solar power was immediately switched off, just like that, there was a real impact on jobs in the creative industries as well as in the solar industry itself. We saw jobs lost in Wrexham and inward investment stop because of that policy. Yes, we need to taper off solar, and the previous Labour Government had a policy to do that, but the manner in which this Government did it impacted negatively on business. I fear that the same thing will happen with wind power. Many of the companies that have invested in wind power have broad portfolios with not just wind power but gas and various other energy mixes, and they are worried about which sector is next. They want stability, and this Government are not providing it. The Bill is a missed opportunity. We need to get back to a coherent energy policy with a consensus whereby we plan for 30 to 40 years, not for five-year electoral cycles.

6.54 pm

Chris Heaton-Harris (Daventry) (Con): It is a pleasure to follow the hon. Member for Ynys Môn (Albert Owen). I am not the expert that he is on these matters. I will focus on the bit of the Bill that is most controversial in this place—the removal of subsidies for the renewables obligation on onshore wind.

I will sketch out my own personal journey on this subject. I was a bit of a “greenie” when I was first elected to the European Parliament back in 1999, and I enjoyed working with the hon. Member for Brighton, Pavilion (Caroline Lucas) on certain things. It confused the hell out of her, but it did not do me any harm, and we actually had some interesting areas of agreement on policy. In 2001, though, I met a young gentleman called Bjorn Lomborg, and my journey to the light side has continued since then. Between then and 2010, I was interested in energy but did not really pay it much attention. As a Member of the European Parliament there are some big issues to talk about, but one does not look at individual policy areas in the way that one does when one becomes a constituency Member of Parliament representing, as I do, 72,500 people in the beautiful constituency of Daventry.

When I came here, I had one majorly controversial onshore wind farm development in my constituency, and I thought that I would do what everybody else in this place would do. I met the developer and representatives of the industry from the British Wind Energy Association, as it was then, to talk through the problems that my constituents had with their development. When that organisation later morphed into RenewableUK, I still spoke to it about how to include communities in decisions—how to incentivise them to take onshore wind in their area by working with them, perhaps even giving them some sort of rebate on their energy bills, so that they felt they were attached to local energy production for consumption in their areas. I have to say—and I am pretty sure that history will prove me right—that the wind industry decided to ignore all my counsel.

Bringing this forward to the present day, I suggest that how the onshore wind industry has treated communities up and down this country has done untold damage to how people see renewables in total as part of our energy provision. There is history to this that goes back further than the 2015 general election.

Graham Stuart: I am not saying that there is not a moral responsibility on businesses, but they will usually act in the way that they are incentivised to act, and it is up to us to create frameworks that get them to behave in the right way. The previous Labour Government’s refusal
to listen on giving a voice to local communities meant that developers felt there was little point in engaging with and listening to the local community and just went to appeal to get the decision overturned. The then Government’s refusal to listen has led to hostility in many communities, including mine, towards the wind industry.

Chris Heaton-Harris: I agree, mostly, with my hon. Friend. That is why I welcome the tone of the hon. Member for Wigan (Lisa Nandy) when she said that her party would now recognise the views of local communities on these matters and consider how they could be engaged.

I had to learn this for myself first hand with regard to an onshore wind development in the beautiful village of Kelmarsh—along the A14, just down from the M1 junction—where a number of 126.5-metre turbines are currently being erected. I thought, as my constituents did, that if we formed a good local campaign with everything going for us, we could win the campaign and stop a proposed development being established on what was, in most people’s judgment, an inappropriate site—a grade 1 listed site. That view was borset by the planning inspector. Because the local council did the right thing and turned the application down, the developer appealed. The gentleman from the planning inspectorate in Bristol came to visit and made a stunning, groundbreaking statement that changed how I dealt with these issues and culminated in the pledge on onshore wind that I am so proud of in the Conservative party manifesto that saw us into government.

The planning inspector said all the things that the local community had been saying about the development being on an inappropriate site and about it being damaging to local communities, and gave a whole host of reasons why he should not approve it, but he then went on to say that national policy trumped all this, and therefore, “You are having this onshore wind development no matter what you would like.”

Albert Owen: Does the hon. Gentleman agree that the same logic should apply—local authorities and local communities should have a greater say—when National Grid comes up with a plan to connect a new generation of pylons to the grid? Does he agree that the Government should devolve that responsibility to local authorities?

Chris Heaton-Harris: I would not go quite that far, because I do not know the context in which the hon. Gentleman phrases his question. However, I would always argue in favour of local communities having way more say in developments. In fact, we should go even further and take the same approach as the French, whereby local communities are massively incentivised to get involved in taking on developments that are deemed unpopular elsewhere. Indeed, they choose to get involved: they have local campaigns for what would be very unpopular planning decisions in the United Kingdom, because they understand that they will be to their benefit.

I decided that I had to do my bit to try to change national policy, so I walked around the Lobbies of this place and found 100 other Members who felt similarly aggrieved about the way in which planning and onshore wind had been developed. I got them to sign a letter to the Prime Minister on how we should change things. I also noticed that, in 2011-12, we were already hitting our 2020 targets for onshore wind development capacity. Logic would suggest, therefore, that the subsidy we were giving to onshore wind was too high. The number of developments was such that we were going to shoot past the target without any trouble whatsoever.

The subsidy was too high and local people felt that they were being ignored. I would also argue that wind farms produce expensive energy, which puts people into fuel poverty and has contributed to energy prices going skyward at a time when the cost of energy is beginning to fall. We can never forget fuel poverty or the fact that our industry needs cheap energy to compete internationally, but let us put those points to one side for a moment. If we make an argument to local people about the need for an onshore wind development on their patch when they know that the targets have been hit, that they will pay extra through their bills for the privilege, that they will not get anything from it and that developers are rubbing their noses in it, we end up with a bunch of very angry people whose idea of what democracy should look and feel like is disturbed to the greatest extent possible.

Over time, I was delighted to be able to persuade, cajole, elbow, nudge and force my own political party into changing our planning guidance. However, that did not have too much of an effect until—as the hon. Member for Sunderland Central (Julie Elliott), who is not in her place, said—the former Secretary of State for Communities and Local Government reminded the planning authorities of exactly what he meant in his policy statements by calling in a number of developments at appeal stage and making the rulings himself.

We then went further and said in our manifesto that we would cut new subsidies for onshore wind, but that was not good enough for me: I had had enough of these people and how they dealt with my constituents, so I wanted to deal with them retrospectively. In the energy chapter of the manifesto, it was generous of the Prime Minister to take on my well-registered and well-documented concerns and my ideas about how we should progress, and to state that there would be no new subsidies for onshore wind.

Anybody who drives up the M1 and comes to the gateway to my constituency, where the M1 meets the M6 and the A14, will see 126.5-metre-high turbines—I think we are going to get 102 of them—in a very small radius. My constituents are annoyed by the noise and worried about health concerns. They cannot sell their houses as quickly as they would like and there are all sorts of other problems, but they want to know that that will not happen to other people locally and nationally. I was therefore proud to sell that part of the Conservative party manifesto in the 2015 general election campaign.

There were some who tried to argue that that was not what the Conservative party meant in its manifesto and that we were saying something completely different—that we were talking not about existing wind subsidy or the renewables obligation, but about new subsidy. Those people were dancing on the head of a pin and that only upsets people in my constituency and, indeed, everywhere else, because it feeds the perception that politicians do not tell the truth or deliver manifesto commitments. Opposite the way I would do a lot better than to argue against individual elements, because the language we used was absolutely black and white and it was sold to everybody as such.
Matthew Pennycook (Greenwich and Woolwich) (Lab): I do not want to cut off the hon. Gentleman as he comes to a conclusion, but if it was so patently obvious to everyone that that was the precise meaning of the manifesto commitment, why was industry taken by surprise?

Chris Heaton-Harris: Industry was certainly not taken by surprise—absolutely not. It knew exactly what was coming its way. I think the hon. Gentleman will find that is why it campaigned so aggressively with his party. I am afraid I have to stop there, but I want to send a message to those at the other end of the corridor that they should watch and learn about democracy before they start impinging on decisions we put in our manifesto.

7.6 pm

Matthew Pennycook (Greenwich and Woolwich) (Lab): It is a pleasure to take part in this debate and to follow some very thoughtful contributions. I would like to single out those of the hon. Member for Beverley and Holderness (Graham Stuart), the right hon. Member for Doncaster North (Edward Miliband). As Members might expect, I did not agree with everything they said, but they were none the less serious and thoughtful contributions.

When this Bill first came before peers in the other place, it was a rather meagre piece of proposed legislation that focused almost entirely on fossil fuel extraction. It was amended considerably in Committee and, although it is still pretty thin gruel in many respects, at least it now has some regard to the ways in which current industrial activities and investment might be made compatible with a low-carbon energy future.

As has been said, the Bill is mostly concerned with the establishment of the Oil and Gas Authority. How that arrangement adapts to a world of plunging revenues from offshore oil and gas remains to be seen, but there is broad consensus in the House, with notable exceptions, on the need to implement the findings of the Wood review. There is also a robust case, in terms of economics and energy security, for using the resources of the North sea continental shelf to reduce our dependence on foreign imports during the transition to a decarbonised energy system.

It was disappointing that the Secretary of State dug in her heels with regard to carbon capture and storage, because I welcome the amendments that would expand the principal objective of the UK’s maximising economic recovery strategy to incorporate a regard for CCS development. The precise wording of the relevant clauses will need to be revisited in Committee to ensure that the industry has the necessary flexibility and that jobs and investment are protected, but CCS presents a real opportunity for the North sea oil and gas industry to utilise its technical expertise and skills in a way that will give it a sustainable future for decades to come. That opportunity will not be realised; however, unless we get clarity about the Government’s ambitions for CCS and a strategy to achieve those ambitions. At the moment, all we have is muddle.

In 2007, the Prime Minister said in a speech at Chongqing University that a Conservative Government would “strain every sinew to create viable and affordable” CCS technology, yet eight years on we have a Conservative Chancellor recklessly cutting the funding allocated to help bring forward commercial-scale CCS just weeks before many companies were expected to submit their bids. The abrupt end to funding support for CCS is not an aberration, but is indicative of this Government’s cavalier approach to the energy sector as a whole. That approach was evident in the most controversial aspect of the Bill that originally came before noble Lords in the other place, namely the decision to close the renewables obligation a year earlier than had originally been legislated for in the Energy Act 2013.

I agree with the point, which many hon. Members have made, about the need for local consent when it comes to onshore wind, but noble Lords removed clause 66 on Report, through an Opposition amendment, and they were right to do so, because the early closure of the RO was yet another example of policy making on the hoof from the Government. The measure’s stated objective was to save customers money, but, as we have heard, in the Government’s own central scenario, in many cases that will mean as little as 30p, and we know that the cost savings are unlikely to materialise, because we are not on course to meet our EU renewables target.

Given the notable lack of progress in decarbonising heat and transport, and of meaningful cross-departmental working to make up lost ground, we will be forced to go further, under the current targets, on renewable electricity. In those circumstances, it is entirely counterproductive to make life more difficult for the cheapest form of renewable energy available. It strikes me that the decision has much more to do with the politics of appeasing Conservative Back Benchers and with the Government’s interpretation of the levy control framework as a fixed-budget envelope—it was never intended to operate in that way. The decision clearly signals that the Government have abandoned their previous commitment to a technology-neutral approach to energy policy at a time when the overriding priority, as hon. Members have said, must be decarbonising at the lowest possible cost.

Despite the nebulous wording of the Government’s manifesto commitment, they clearly feel they have a mandate to reinsert clause 66, or a version of it, in Committee. If they do, as the Minister said they would, I would urge them to reconsider the impact of the RO’s closure on projects that have local consent and in which people have invested in good faith and on smaller generators, and to work to incorporate truly equitable grace periods into the Bill.

Graham Stuart: The hon. Gentleman said that the saving would be very small, but the number of turbines affected would also be extraordinarily small, would it not? Should we not keep this in perspective?

Matthew Pennycook: It might be small, but I hope the hon. Gentleman would agree that projects in which people have invested in good faith and which have local consent should be allowed to proceed, instead of being penalised by the early closure of a scheme that had a fixed end point—2017—in legislation anyway.

The way the Government have handled the matter of the RO has been hugely damaging and undermined the industry’s trust in the Government’s word. Last January, the industry was told that its investments were safe and that no changes to the rules were proposed, but six months later, despite there being no clear signal in the Conservative manifesto, the Government attempted to do just that.
Chris Heaton-Harris: I understand the hon. Gentleman’s point entirely, but I have just read a press release, dated 29 April 2015, from RenewableUK, that reads:

“Despite these facts, onshore wind projects are under threat from Conservative, Tory and UKIP policies aimed at stifling their development”

blah, blah, blah. It was lobbying against a manifesto commitment that he says it did not know about.

Matthew Pennycook: We will have to disagree. I would assume it was lobbying against the closure of new investment in onshore wind, not against a retrospective change to commitments already made.

This is no way to treat investors or to ensure that the UK remains an attractive place for overseas investment. In all the months I have sat as a member of the Energy and Climate Change Select Committee, I have not heard one expert witness make the case for indefinite subsidy for onshore wind or any other renewable technology. What many have argued for, often powerfully, is a stable and secure policy environment and a graduated reduction of subsidy. They know that to do otherwise would risk jobs, damage investor confidence and cut the legs from under technologies that we know are delivering—by driving down prices. Those technologies, particularly solar and wind, are great British success stories, and I have heard the Minister describe them as such many times. However, those success stories, at least in the short term, now have a much more uncertain future.

I will finish by touching briefly on what the Bill does not contain. As I have made clear, parts of the Bill are sensible and other parts, when they came before peers, were removed with good reason and should not be reinserted without considered thought or appropriate safeguards; but there are also notable omissions. There is nothing about storage. It is deeply regrettable that the Bill is completely silent on the need to reduce energy demand. If ever there was a chance to make energy efficiency an infrastructure priority, which it needs to be if we are to solve the trilemma and meet our emissions targets, this was it. It is sad that the Bill, which could have done so much more, does not do so, as it stands.

Given the energy challenge that faces our country and the ambition required to realise the full promise of the historic climate agreement reached in Paris, there is a great deal of room for improvement in the Bill. I hope that in Committee we will find some way to address many of its deficiencies.

7.15 pm

Rishi Sunak (Richmond (Yorks)) (Con): It is a privilege to follow so many well-informed contributions in a debate that I am sure everybody would agree has been characterised by good humour and moderation on both sides.

Too often we hear that the interests of British business are somehow at odds with those of working people and strong public services, but that sentiment flies in the face of the facts. In 2012, Britain’s oil and gas industry paid enough into our public coffers to fund every GP surgery and every accident and emergency unit in the UK. Even in today’s depressed oil market, the industry pays enough tax to bankroll MI5, with change to spare. Meanwhile, across our country, the oil and gas industry employs 375,000 people—equivalent, almost, to the entire population of Teesside. For 30 years, this great industry has supported jobs and our public services, but today it is suffering and needs our help. When Sir Ian Wood first published his report on the future of the UK continental shelf, Brent crude was trading at $110 a barrel. Last year, when the bill was first read in the other place, the price had halved to $60. Today, it is under $30 a barrel—a 70% drop. As Unite’s regional industrial officer said:

“Approximately 65,000 jobs have been lost…this is affecting workers, their families and the economy as a whole”.

By creating a new regulatory body and giving it enhanced powers and strong industry funding, the House can ensure that we realise the potential of a great national asset. We have harvested 42 billion barrels of oil equivalent from the North sea, but the further prize is the 24 billion more that lie undiscovered. Yet, in the last two years, we have only discovered 150 million barrels—just 0.6% of this vast, untapped opportunity. The new Oil and Gas Authority can help to reverse this decline. Today, there are more than 300 operators in the North sea, often small, often interdependent. Sir Ian Wood’s review found more than 20 instances, in the last three years alone, where operators’ inability to collaborate on shared access to infrastructure, such as shipping and pipelines, had led to higher costs, delays and stranded assets.

The many new powers the Bill gives the OGA will help it bring parties together to resolve disputes quickly, ensure assets are used more efficiently and increase transparency. Our goal must be to send a clear and unequivocal message to the world that, far from declining, the North sea is an industry poised for growth and innovation. In order to do that, however, the OGA must have a single driving focus: to maximise economic recovery. To dilute this clear, simple mandate, however well intentioned, would put at risk the jobs, investment and tax revenues that Britain needs. For an industry already in deep crisis, this is a risk we cannot afford to take.

Vital as it is to safeguard the livelihoods of our energy workers, however, it is equally important that we protect those who heat their homes with that energy. In closing the renewables obligation on onshore wind projects one year early, we can save bill payers hundreds of millions of pounds while still meeting our renewables targets. In the last Parliament, the then Secretary of State announced that between 11 and 13 GW of onshore wind power would be required for the UK to meet its 2020 renewables commitments. It is clear that we now have enough capacity in the pipeline to deliver that, so the fact that the renewables obligation will close early is not a change of direction, but simply reaching our destination earlier than planned.

Furthermore, one of the most basic principles of sound public finance is that subsidies should not become a permanent feature of an industry’s financing. That is the road to corporate welfare. Subsidies cost money—bill payers’ and taxpayers’ money—and should be limited specifically to immature technologies to help them to become competitive in the market. Onshore wind is clearly now a mature industry, and according to the UK Energy Research Centre, levelised costs for wind have been reasonably flat for more than a decade. By ending the renewables obligation for onshore wind, we can divert our scarce resources for subsidies to less mature technologies, help them to realise their promise and deliver our renewables commitments.
In conclusion, what a good energy policy demands above all is balance between affordability for Britain’s households, security for the future of British industry and sustainability for the next generation. In its original form, the Bill does all three, and I commend that vision to the House.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): It is a pleasure to follow the hon. Member for Richmond (Yorks) (Rishi Sunak), although I cannot say that I will be quite so enthusiastic about the Bill, and the other hon. Members who have spoken on Second Reading.

Having recently returned unexpectedly to the Back Benches, it was with considerable excitement that I saw we would have the Second Reading of the Energy Bill today. Frankly, that was before I realised we would be talking about sado-masochism in an energy debate, which I must say is a first for me and an interesting development in matters of this kind. With a different electoral outcome at the general election, I would have hoped to be one of the people presenting a different energy Bill today—one from a Labour Government. Although we may have different views on this Bill, there is no doubt that the UK certainly needs an energy Bill.

Many policy questions need a direction and many energy issues require some political leadership. Because of that, I must say I find this Bill quite disappointing. A fairer title would be the “offshore oil and gas Bill that does some quite harmful things to the renewables industry.” By any measure, I am not opposed to the oil and gas provisions we have talked about. We should do all we can to protect the industry, which has been vital for the UK. The Wood review was a good piece of work and made many sensible and impartial recommendations. However, we must acknowledge the reality about the supply and demand prevailing in the international commodity market, especially for oil.

With oil at $30 a barrel, we cannot deny that there will be an impact on investment in the North sea. In many ways, we should take two notable things from that. First, to follow the logic of successful energy policy across the world, divesting and getting more into low-carbon generation will reduce demand for oil, which will be reflected in its price. Secondly, we cannot mention the oil price without remarking how silly it has made the SNP Members’ economic case for independence appear. That is a matter for them, but it should not go unmentioned. That deals with the entirety of one section of the Bill.

The section of the Bill on renewables is equally straightforward in that, except for the local consent provisions, we should not do it. I understand from the many times I have attended energy debates in the House what the general feeling of Conservative Members is about the wind industry. I would simply say that when we talk about this, whatever the personal positions that may come into it, we should not try to introduce personal facts, because some of the things said today are simply untrue. The figure for the contribution of UK wind to our electricity mix during the past 24 hours is 5%, not 1%. That information is very easy for anyone to obtain from their smart phone. It is equivalent to the contribution of biomass and, frankly, it is about a quarter of the contribution of our entire nuclear fleet, so it is not insignificant.

Constraint payments are a feature of any electricity system, which is a system that requires supply and demand. The best way for any hon. Member to see that for themselves is to go to the control centre, which is quite a fascinating place to visit. Constraint payments apply to every form of generation, and they go disproportionately—the numbers are much greater—to fossil fuels than to renewables. It is simply not the case that that feature applies just to our renewables sector.

The main point I want to raise on the provisions for onshore wind is that although financial support should of course be tapered out as the industry matures, ending it for what are seen as arbitrary or political reasons based on Conservative Back Benchers’ prejudices will damage not only that industry but all energy investment. I have been in the Chamber so many times to hear Conservative Members say, “We don’t like wind. We need some solar farms. The price of solar is coming down, and it looks great.” A few months later, the same people are back saying, “Actually, I don’t like solar farms now. Let’s talk about marine technology and tidal generation.” The fact is that if they undermine investor confidence in one sector, they will undermine it across the board.

It is true that there has been a set of long-standing opponents of wind energy in the Conservative party, and the industry might reasonably have been expected to anticipate that. I would say that there must be due regard to sunken costs, and amendments were made in the Lords that reflected the need to protect investor confidence, but they have been disregarded by the Government. For much of the time, especially when we talked about the price freeze proposed by Labour during the last Parliament, “investor confidence” were buzzwords for Conservative MPs. Frankly, in looking at such provisions, they seem to have deserted such a case. It must be acknowledged as factually true that if the cheapest form of renewable energy is scrapped, bills will increase. It is hypocritical to have one set of provisions for renewable energy and a completely separate set of provisions for fracking: if one set is good for one sector, it has to apply to all of them. That is the kind of inconsistency or incoherence that many people find frustrating.

Having dealt with those two parts of the Bill, I cannot help but use the rest of my speech to lament the issues and the sectors that have been missed, and to lament the missed opportunity that the Bill represents. The first such issue, which my hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook) mentioned, is energy efficiency. The Government’s record on energy efficiency is frankly abysmal. It has cost thousands of jobs, made fuel poverty worse, made bills worse and has hindered our ability to tackle climate change. Whatever form of generation people favour—there are cases for different forms and there is certainly a need for a mix covering almost everything—such generation will be expensive, and I would say that not getting the most efficient use of the energy we already have is a scandal. In our access talks when we were in opposition, we looked at all kinds of things—from short-term measures we could bring in to emergency legislation to extend some obligations on energy companies—because we are going to need the jobs we have lost if we are to have any hope of hitting our targets and keeping bills low.

The second missed opportunity is carbon capture and storage technology, which, broadly, is essential to any of our plans. We know that it works, and the UK...
could be a world leader in it. Frankly, it is worth a punt: we should put some money into it. But we are all left wondering whether any financial support at all will be available, and whether the Government for carbon capture and storage. This is not just about electricity, but a principal means by which we can decarbonise industry. It seems tragic for the Government to have retreated from that area.

The third missed opportunity is decentralisation. The comments on that by the hon. Member for Daventry (Chris Heaton-Harris) were extremely thoughtful. There is a need to decentralise and diversify the benefits and costs of energy subsidies, as well as where they are put, to make the situation more equitable and to deal with the issue of local opposition to planning new energy infrastructure. My own political party—not the Labour party, but the Co-operative, by which I am dually sponsored—has a fine record of being consistent and actively campaigning for that.

If we want communities to host electricity generation closer to their homes than has been the case historically because of the system we have used, we must find ways to bring them in and for them to see some benefit from it. Some of the hon. Gentleman’s comments were a little harsh, because some developers offer, for example, substantial reductions on energy bills for people who host nearby onshore wind. We should, however, look at ways in which to diversify the ownership structure of many such developments, as has happened on the continent. As he rightly said, if local communities feel that they are receiving a benefit, they will pay greater heed to the need for such developments close to them.

The last thing I want to mention is low-carbon heat. I try to get it into all debates, because if we are talking about hitting our targets or about trying to tackle climate change, heat is as important as electricity. Frankly, big political decisions need to be made during this Parliament if the UK is to make any progress whatsoever in this field. I still believe that we are nowhere near making such decisions, but we cannot wait much longer before starting that process.

In conclusion, the Bill has many worthy provisions, but it does not feel in any way as if it tries to meet the challenges in the UK energy market today. There is a sense that that is no longer a priority for the Government, when it should be a major one, not just because of the international climate change agreement that we made in Paris, but because of jobs and energy security in the UK. The right policies are available—policies that would simultaneously cut bills, tackle fuel poverty and cut emissions. My hope is for a much greater level of ambition from this Government and subsequent Governments.

7.30 pm

Oliver Dowden (Hertsmere) (Con): With your permission, Madam Deputy Speaker, I will speak briefly about the provisions in the Bill that relate to onshore wind generation. Many Members have mentioned that the provisions in the original Bill reflected Conservative manifesto commitments. However, as my hon. Friend the Member for Daventry (Chris Heaton-Harris) said, they had a much longer genesis. Having played a small part in the formulation of the policy during my time in Downing Street, I think it is important to understand the wider background to this debate.

As my hon. Friend said, the policy reflects a long period of campaigning. I pay tribute to the work that he and other Members of Parliament did before I entered the House to bring the policy to fruition. The policy also reflects the work of my right hon. Friend the Member for South Holland and The Deepings (Mr Hayes), the former Energy Minister, who played a large part in persuading the Prime Minister to take it forward when we were in coalition.

The policy reflects three principles. The first is local consultation—the idea that local people should have a say in decisions that affect them.

Lisa Nandy: I just want to highlight the inconsistency between the principle that local people should have a say, which the hon. Gentleman has set out, and the Government’s approach to decisions about fracking.

Oliver Dowden: I have great sympathy with the argument that local people should have a say, whatever the circumstances. Indeed, my constituency has faced a terrible situation with the Radlett rail freight terminal, in which local decision making has been overridden by national planning policy. I know that adverse sentiments persist for a very long time after such decisions so, wherever possible, one should give priority to local feeling.

As my hon. Friend the Member for Beverley and Holderness (Graham Stuart) said, a lot of the anger about onshore wind farms has come about because local people have not had their say. That is why they have become the champions of such political contention, which was not the case previously. Local communities feel that wind farms have been forced upon them when it has patently been against their interests.

The second principle that the policy reflects is economic viability. There has been much debate about the exact amount of subsidy, but there is clearly large public subsidy for onshore wind. Whether the figure is £20 million or, at the higher end, £270 million, it is still money that is being paid by individual energy consumers, and those individual energy consumers are the least able to pay it. Since every consumer pays pretty much the same amount of subsidy, aside from variations in the size of their house, the impact on the poorest members of society is far greater than on the richest. It surprises me that Opposition Members do not take into account the regressive effect of subsidies on individual energy bills.

The third principle, which is one that we do not talk about enough in this House, is the value of the landscape, the general wellbeing of people who live in beautiful places and the need to preserve those beautiful places. Many of the most beautiful parts of this country have been defiled by ghastly, ugly, enormous wind farms that nobody has consented to. [Interruption.] Opposition Members mention fracking from a sedentary position. A fracking station tends to be a small building and most of the work is done underground. The ghastly great wind farms are often dozens of feet high and block the landscape for miles around. It is not a sensible comparison.

The important point is that if Members are arguing that we should protect our environment in the long run, I agree that we must do so if we believe the scientists that there is a threat, and I have to accept the overwhelming balance of evidence—why should we destroy what we so love in the short term by failing to conserve some of the most beautiful parts of this country?
The important point about these principles is that one cannot take one individual element, as Opposition Members have tried to do. One cannot say, “We agree with giving local people a say on the planning element, but we disagree with the removal of the subsidy.” The two are part of a coherent policy that has been developed over a number of years in opposition and then in government. Most importantly, those policies have been voted for. They were clearly flagged in the Conservative party manifesto and the Conservative party won a majority. The extraordinary thing is that the people who were defeated in that election—principally the Liberal Democrats—have used their superior force in the other place to defeat the elected will of this Chamber.

James Heappey: Will my hon. Friend join me in expressing astonishment that the Liberal Democrats have chosen not to attend this debate at all? It is about three hours since their one representative left the Chamber.

Oliver Dowden: I agree with my hon. Friend entirely. From being a party that long advocated the abolition of the other place and its replacement with an elected Chamber, the Liberal Democrats seem to have become the party of the unelected other place who seek to impose their will on this democratically elected place.

I wish to address the idea that these measures are somehow extreme. That is quite extraordinary when one looks at the amount of onshore wind we already have. We are on track to generate 30% of our energy from renewables. Renewable energy capacity has trebled under the coalition Government and this Conservative Government. At the moment, there is Government subsidy worth £800 million for renewable onshore wind, with 490 farms and 4,751 turbines. Onshore wind farms already account for a large part of the energy mix in this country. They have an important part to play, but they really should not play a dominant part. That is why it is important that we start to scale back the level of subsidy that is given to them so that we have a balance between different renewable technologies.

Onshore wind has many flaws. We have heard that it is not reliable and often requires large amounts of back-up. It is often in the wrong place, far distant from the industry that requires the energy. That means that further pylons and other forms of transmission are required to get it from where it is generated to where it is needed, which further adds to the subsidy that is required. It is often against the wishes of the local community.

In conclusion, I argue that the Government’s policy is a reasonable proposition. It has the support of the British people, as reflected in the general election. We should resist attempts by unelected Members of the other House to force a view that is not shared by the British people on this place. I urge Members to support all the measures outlined in the Conservative manifesto when they are reintroduced by Ministers, as I hope they will be.

7.38 pm

Mary Creagh (Wakefield) (Lab): It is a pleasure to follow such interesting and thoughtful speeches from my hon. Friends the Members for Stalybridge and Hyde (Jonathan Reynolds) and for Greenwich and Woolwich (Matthew Pennycook), who talked about the poverty of ambition in the Bill. It is also a pleasure to follow the hon. Member for Hertsmere (Oliver Dowden), who talked about the regressive nature of fuel subsidies. One thing that he did not talk about was the regressive nature of fuel poverty, which is something that I will talk about in my speech.

I will begin with the big picture. A couple of months ago, scientists declared that we are now living in the Anthropocene age. That is something that we will all have to learn to spell and pronounce properly. I hope that I have spelled and pronounced it properly, although I am sure that HANSARD will step in if it is badly spelled. It basically means that humanity’s impact on the Earth’s atmosphere, oceans and wildlife has created a new geological epoch. The challenge for our age is how we eradicate fuel poverty and lower carbon emissions to keep global warming well below the 2° increase agreed at Paris, while ensuring that we reach the sustainable development goals that were agreed in New York a couple of months earlier. We must protect our planet and pass it on in a good condition to our children and grandchildren.

We take our warm homes and electricity supply for granted. I remember—as, I am sure, do other right hon. and hon. Members of a certain age—scraping the ice off the inside of my bedroom window as a child. That was a common feature in my home in Coventry, and the discovery of North sea oil and gas transformed this country’s energy infrastructure and meant that families such as mine were able to have heated bedrooms instead of just a gas-bar heater. That has changed people’s lives immeasurably for the better, so today I will talk about our warm homes, the importance of low bills, and green energy—I have perhaps a different trilemma to some Conservative Members.

Energy must be affordable, and when we were in government we understood that. We invested £20 billion in the decent home standard, making people’s homes warm and weatherproof. We installed 1 million new central heating systems, rewired 740,000 homes, and helped a further 2 million homes through the Warm Front scheme. That stands in sharp contrast to the 16,000 homes that have been retrofit fitted since 2013 under this Government’s Green Deal. Such things have a very real impact on people’s lives—there were more than 40,000 excess winter deaths among old people last year.

Five years ago in Wakefield, I discovered that Derwent Road and Windermere Road—both built from prefab homes—were not connected to the national grid and there was no possibility of a gas connection. I conducted a survey in 2009 with my colleague, Councillor Margaret Isherwood, and we discovered that the average fuel bill there was £2,000 pounds a year. We fought for those homes to be connected to the national grid, and we got Government help to warm up that cold spot, together with the local housing association, Wakefield District Housing, and Community Energy Solutions. Those were some of the 1,000 homes in Flanshaw, in a western area of the city, that were connected to the grid. One resident from those roads came to a recent surgery, and described her joy and how much she enjoyed seeing all the little gas boilers and their condensing pipes puffing out steam during the recent cold snap. We take such things for granted, but if someone has been paying £2,000 to heat what is essentially a metal home, that change makes a
real difference. Each home that was insulated and had a new central heating system saved 2.6 tonnes of carbon every year. Warm, well-insulated homes make an impact in the vicious circle of reducing our carbon emissions.

 Sadly, Wakefield still has nearly 4,000 households in fuel poverty, and nationally bills have risen from an average of £500 a year in 2010, to £606 in 2015. The Government’s advice for people to switch tariff is simply not enough. Most people have to go online to switch, but the people that we are talking about do not have the landline, computers or computer skills to switch. I know that colleagues across the House have held switch sessions so that people can come in and switch tariff, but often the lowest fuel bills are internet-only and paperless, and people simply do not trust them. I for one will never switch to an internet-only bill—hashtag “just saying”—or banking, or anything like that.

 Briefly, I want to mention the Government’s record, and particularly solar subsidies that have now been reduced by 87%. Plans to sell off the Green Investment Bank were criticised by the Environmental Audit Committee, on which I sit, for risking the bank’s unique green identity. The Government have cancelled proposals for carbon capture and storage technology, which could have been a huge new industry in Scotland and Yorkshire. People in Yorkshire were ready to bring in subsidy from the EU and to use the subsidy that the Government offered. That cancellation will have a massive impact on the creation of new jobs in Yorkshire and Scotland, and we must quickly come up with a new CCS strategy to ensure that we do not miss out on opportunities from that new technology.

 The Bill also scraps support for onshore wind—one of the cheapest low-carbon energy options—and that will have a big impact on business confidence and inward investment. Figures from Bloomberg New Energy Finance published today forecast that over the next five years investment in renewable energy could “fall off a cliff”. The hon. Member for Beverley and Holderness (Graham Stuart) spoke about the big investment, but the world in 2016 is a more uncertain place for such investment. Bloomberg predicts that the country will lose at least 1 GW of renewable energy generation because of the early closure of the renewables obligation, which is not good news. As with solar feed-in tariffs, the Government are changing energy policy with very little notice, and that damages investor confidence and puts at risk jobs and our energy security.

 Hundreds of those jobs, particularly in the solar industry, are in Wakefield. Kingspan Renewables has its main manufacturing plant in my constituency and employs 140 people. Crompton Solar also wrote to me five years ago with the first proposed changes to the feed-in tariffs. It is an electrical engineering company that manufactures excellent inverters that are used in solar installations, and it is based in the city. I want those high-skilled jobs at Crompton and Kingspan in Wakefield to be safeguarded and secured for the future.

 The Government’s programme on smart meters is behind schedule and behind time. They have tasked energy suppliers with installing those smart meters by 2020, but will the Minister consider using that installation as an opportunity to educate householders about the dangers of carbon monoxide poisoning? More than 200 people a year go to hospital with suspected carbon monoxide poisoning, and around 40 of those people die. We have a once-in-a-generation chance of going into people’s homes. People should wear the carbon monoxide monitors so that staff are not at risk, but they should have that opportunity to educate people about any difficulties with their boilers. At a conference that I hosted on carbon monoxide poisoning in November, that was one concrete area that we wanted the Minister to consider.

 In conclusion, our energy policy should focus on the triple challenge of warm homes, low bills, and green energy. The Government’s track record in all those areas has been chequered, and they need to stop changing the goalposts on green energy. All changes reduce and affect our ability to meet our climate change targets. They affect families, businesses and growth, and we must live up to our past record as a leading player, not just on the big picture of climate change, but on green energy investment and tackling fuel poverty.

 7.47 pm

 James Cartlidge (South Suffolk) (Con): It is a privilege to speak about this Bill and to be asked to serve on the Bill Committee, as well as to follow so many excellent contributions, especially from my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), and my hon. Friend the Member for Hertsmere (Oliver Dowden), who made a passionate defence of the beautiful English countryside.

 It is also an honour to follow the hon. Member for Wakefield (Mary Creagh), although I will not attempt to spell or pronounce the age that she said we live in. She spoke a lot about fuel poverty, but I cannot think of a single measure to help my constituents tackle fuel poverty that even begins to compare with the fact that, with so many people heating their homes with oil tanks, it is now 60% cheaper to fill those tanks than it was a year ago. The same goes for petrol and diesel, although the percentage falls are not as steep. I welcome that fall in oil and diesel prices, particularly for our hauliers who have been so hard hit of late. I was intrigued to hear the hon. Member for Swansea West (Geraint Davies) call on those on the Labour Front Bench to lobby the American Government to curtail shale production, so that we can increase oil prices. I would be interested to know what the leader of the Labour party thinks about that policy.

 Oil prices are key, and the most important part of this Bill is that it establishes the Oil and Gas Authority in what is clearly a time of crisis for the industry. Hon. Members have mentioned the cost of oil falling to $29 a barrel. In fact, according to the internet, today it fell to as low as $27.70, and Ladbrokes are now offering odds of 10:11 on its falling to below $25 in the coming weeks, and 10:1 on oil being below $10 a barrel— incredible prices.

 As several hon. Members have said, 65,000 jobs have been lost in the oil sector since the beginning of 2014. It is a difficult time for the industry, but there are roughly 24 billion barrels of oil left in the North sea, which one day will not sell for tuppence ha’penny. We need an effective regulator, because that can bring stability and encourage investment.

 I have no expertise or background in the industry—my background is as a director of a small business that was regulated by the Financial Services Authority and is now regulated by the Financial Conduct Authority. It is fair to say that the FSA was not a brilliant regulator—it
failed fundamentally—but it is incredibly important that there is now a trusted regulator in the sector. I am sure it will be the same in the oil and gas industry. Oil & Gas UK has said:

“We believe the OGA is a critical catalyst for the work being undertaken to sustain offshore oil and gas activity and the associated employment in the sector, and its tools and capabilities should remain focussed solely on this task”.

I have one other point to mention on oil and gas. I am glad the hon. Member for Wigan (Lisa Nandy) said what the SNP could do, he suggested that it was naive to think that the Scottish Government should try to do anything about the crisis. It is a UK crisis, but it is hitting Scotland hard, particularly his constituency.

Callum McCaig: That is not a fair assessment of what I said. In response to the hon. Gentleman’s suggestion that the Scottish Government should use their new fiscal powers to support the oil and gas industry, I said that I did not see that as manageable, and that to think otherwise would be naive. Support is being provided by the Scottish Government and is being well received.

James Cartlidge: The Scottish Government will have the power to raise tax. They can do that and say to the Chancellor, “We are extremely worried about the crisis hitting our countrymen and countrywomen. We will contribute to a fund to reduce the tax rates on North sea oil.” What is so controversial or naive about that? We had all that passion from the SNP at the referendum about Scotland. Now that we have a crisis in Scotland, what are the SNP Government doing about it? They have a duty to pull their finger out, put their hand in their pocket and step up to the breach.

On the subject of devolution, we also have devolution in England. I have a question for my Front-Bench colleagues. There is an important measure in the Bill on planning and onshore wind. The result of the Bill is that power will go to local people, but I ask the Minister what will happen if a combined Suffolk and Norfolk authority has strategic economic powers. Will that take over the planning powers that will be devolved to local authorities under the measure in the Bill? That is a question about the impact of the measure and English devolution.

As in other constituencies, there have been significant cases in my constituency. In the run-up to the general election, there was a major case of a wind turbine in Pannington farm in Wherstead, near the famous “Jimmy’s Farm” of BBC TV fame. I am pleased to say that it was soundly rejected by Babergh District Council, with great support from the affected communities of Pinewood, Belstead and Wherstead in the northern part of my constituency bordering Ipswich. Of course, those communities will very much welcome the measures in the Bill.

On the subject of planning, several hon. Members, including the hon. Member for Wigan (Lisa Nandy) asked this question: if communities have a say in onshore wind, why should the same not apply to fracking? I see the point they make, but that planning currently rests with the minerals planning authority of the higher authority—in Lancashire, that meant Lancashire County Council. As a result of the time that it is taking, I understand that the decision will eventually go to the Secretary of State. [Interruption.] Is the hon. Lady trying to intervene?

Lisa Nandy: I wanted to make the point that Wigan rests within Greater Manchester.

James Cartlidge: I did not say that it did not; I was talking about Lancashire, which obviously has an extremely important fracking issue at the moment.

My position is that fracking is clearly incredibly controversial. The point is that, because of some of the stuff coming out in the media—warnings of terrible things that could happen—I do not see how a district council in that climate would ever approve a fracking application, and yet that industry potential offers so much. We at least have to give it a go. Indeed, shale production could create up to 74,000 jobs, many in areas of high unemployment. It has to be said that it is easier for the MP for South Suffolk to support it—east Anglia apparently has no shale deposits—but we have to recognise the different context. Renewables is a developed industry and shale has not got going. We have exploratory drilling but no commercial drilling. We at least need to give it a chance to get commercial drilling going to see what impact it has in reality, so that we can get away from some of the hysteria and examine the potential. It could be a vital economic resource for this country.

Lisa Nandy: I am sorry to detain the hon. Gentleman on this matter, but is he really arguing—I cannot honestly believe he is—that, because fracking is incredibly controversial, communities should be denied a voice? Surely that is a reason why communities should be given a say.

James Cartlidge: That is the point I am making. If there is a lot of hysteria about a sector, it can be very difficult to achieve a rational, objective decision. Let us not forget that the whole point of planning applications is that they must be considered in a semi-judicial and balanced fashion. That might not be possible—that is just a statement of fact—and yet, strategically, we need that industry. That is my view. I know it is divisive and that not all hon. Members share that view. As I have said, if I were an MP in Lancashire and had the problems that some of my hon. Friends have had, it would be difficult to cope with that pressure, but there is no doubt that shale has huge strategic potential.

Simon Hoare (North Dorset) (Con): Does my hon. Friend share my view that, with the plummeting price of oil and while the oil price is as low as it is, there is no way that the OPEC countries will allow another country to develop a commercial fracking enterprise, and therefore that the costs associated with the planning process, land acquisition and so on will not present a sufficient dividend on the investment to support a UK fracking sector?

James Cartlidge: That is a very interesting question and I am not sure I am qualified to comment. I saw in some of the City commentaries today the first predictions of US shale production falling in response to the price of oil and predictions that they will go lower.
James Heappey: Be that as it may—US shale production might be about to fall—but the US has not yet started to export what it has. When it does, it will undoubtedly have a big impact on the liquefied natural gas markets both in Europe and the far east.

James Cartlage: I hope that that is the case. The point I was about to make is that there is no doubt that US shale has had the single biggest impact on the falling oil price, although it is not the only factor—there are many factors. I am grateful for that because the economic impact will be huge. Many in the other place said in that debate that, because the oil price was so low and energy prices were falling, we should use the opportunity to introduce new charges for renewables or whatever. First of all, we know those prices will not be temporary. Secondly, energy prices are low but there are other, negative impacts of the energy crisis, such as loss of jobs, lack of confidence and the up and down in the stock market. In effect, falling energy prices are an automatic economic stabiliser—they relieve economic pressure and help the economy to keep growing, supporting the consumer and so on.

I support the Bill because I believe it will give stability and a future to an industry that is struggling. That is the single most important part of the Bill. I also support the measures on the renewables obligation. I look forward to going through it thoroughly in Committee.

7.58 pm

Stephen Kinnock (Aberavon) (Lab): It is a pleasure to speak after so many engaging and insightful contributions. As we meet today, it is easy to forget that it is almost 10 years since the Prime Minister, who was then Leader of the Opposition, decided it was time to hug a husky, and five years since he declared his determination to lead the greenest Government ever. As soon as he had walked down Downing Street and made his way through the rose garden, and once he was out of the earshot of the right hon. Member for Sheffield, Hallam (Mr Clegg), what did he do? He instructed his advisers to “cut the green crap”. I say that not to imply that the Prime Minister and his party were lacking in sincerity—of course they were not—but because it shows the undeniable truth that talking is easy but action is hard.

We saw that today in the Government’s failure to act to support the steel industry and jobs in my constituency, and we see it on climate change. Warm words will not stop global warming; only concrete action will. The connection between how we tackle climate change and how and where we get our energy is self-evident. It was for that reason that the Department of Energy and Climate Change was set up and why the Climate Change Act 2008 committed to reducing emissions by 80% by 2050. Alongside the Act was a detailed plan for moving to a low-carbon economy. Today, however, the Government are enthusiastically dismantling it, injecting as much uncertainty and instability into the energy sector as possible.

When I worked at the World Economic Forum, I was privy to the thoughts of CEOs and leaders of some of the world’s biggest companies. I have to say that most of those people got it. They would simply tell me, “Look, our business is not sustainable if our planet is not sustainable.” It is not just the case that business and the private sector could or should be partners in sustainability; the truth is that the business community desperately wants and needs to partner government on green growth. Like me, they have seen the reports that unchecked climate change threatens at least $4.2 trillion of assets around the world. They know that a sustainable business needs a sustainable planet.

I have seen the revolutionary capacity of private sector actors in attaining public goals—but that requires support from government. Part of that government support must be about creating an environment of certainty. Business can only mobilise and invest its intellectual and financial capital in green energy if it can have some sense of certainty—if it can be sure that the floor will not be pulled up from underneath it overnight. It is on this, and with the Bill in particular, that the Government are failing. Already the Government have decided effectively to block the solar industry from any certainty over the feed-in tariffs that it will receive once projects are finished. Now we see greater uncertainty being injected into the issue of carbon capture and storage and wind farms with the early closure of the renewable obligation.

Onshore wind is one of the most cost-effective and low carbon energy sources available to us in the UK, so the Government’s decision retrospectively to close the existing subsidy scheme, which was not in the Conservative manifesto, is an example of the Government’s reckless chopping and changing of energy policy. It should be particularly worrying for the following reasons. First, it will cost jobs. Hundreds of highly skilled workers will be laid off because of the Government’s mismanagement of clean energy subsidies. Secondly, the Government claim that ending solar and wind support will save households 80p on their annual bill, but most of the savings will be offset by hand-outs they have announced to more expensive energy projects, such as Hinkley Point B. The Government’s approach is inconsistent: stripping support for clean energy—for the cheapest energy we have—just when it is on the verge of reaching parity with non-renewables, while announcing new subsidies for the most expensive forms of energy. That is not about a fair market, but about ideology.

Thirdly, all this has been done with almost no notice, so it will totally wreck investor confidence. I have to ask the Secretary of State to put herself in the position of an investor in the energy market. Faced with the choice of investing in the UK or the US, where renewables investment has doubled under President Obama, where would she choose? Faced with the choice of investing in the UK or Germany, which has seen renewables rise from 6% of the energy sector in 2000 to almost a third of the sector by 2014, where would she choose?

David Mowat: The hon. Gentleman mentions Germany. He is right that there are more renewables there than in the UK. It is also a fact that in Germany carbon emissions per capita are one third higher than in the UK and one third more per unit of GDP because of its reliance on coal. Does he not accept that the Government have a responsibility to decarbonise as cheaply as possible? There was a terrible announcement today in his constituency. The cost of electricity for making strip products in Port Talbot is double the price for electricity in his constituency. The cost of electricity for making strip products in Port Talbot is double the price for electricity in his constituency.
Stephen Kinnock: I absolutely accept there have to be exemptions for energy-intensive industries. The steel industry has needed the energy-intensive industry compensation package for over four years. The Chancellor recognised the need for that in 2011 and it has taken until now to get it sorted. One reason for that is that we are expending so much political capital in Europe trying to negotiate a Brexit, but that is another case altogether.

Does the Secretary of State really think that investors are going to choose the UK, where one could be liable to see governmental and regulatory support wiped away overnight with no warning, or choose to invest in an environment of ever-increasing certainty? In fact, would she not consider investing in emerging markets, such as China, which is now investing more in clean energy than the whole of Europe combined, or in India, which is planning a fivefold increase in its clean energy investment by 2020, instead of putting money in an uncertain British market? We must be clear: the uncertainty will affect not only the renewable sectors explicitly covered by the changes; there will be contagion elsewhere from this assault on investor certainty.

On today of all days, I feel the need to talk about a specific example of where the Government’s failure to act decisively to support sustainable energy and create certainty for investors is costing our country dear: the Swansea Bay tidal lagoon. As hon. Members will be aware, Tata Steel announced over 1,000 redundancies today, with 750 of them at the Port Talbot plant in my constituency.

Mr Lilley: I can scarcely believe that I would hear such a clear example of sadomasochism: an hon. Member representing a steel constituency calling for the highest-cost energy-intensive industries to be exempted from the compensation package for energy-intensive industries. As I have mentioned many, many times in interventions and speeches on the steel industry, the Government’s foot-dragging on the compensation package is a major reason why we are seeing the crippling of the steel industry. It has been too little, too late.

This happened because of the Government’s failure to act against the dumping of subsidised Chinese steel, the failure to produce a long-term industrial strategy for steel, and warm words backed up with no concrete action on procurement and energy. The priorities for my constituents are preventing further job losses and act decisively to support sustainable energy and create certainty. My constituents urge the Secretary of State to take urgent and decisive action to support the project. We have been let down by the Government time and time again, today being a prime example. It is about time the Government took action, so I would appreciate a specific answer from the Secretary of State about the tidal lagoon project in her wind-up.

It is not just on the tidal lagoon and the arbitrary scrapping of the renewables obligation that the Government are failing. The decision to axe the carbon capture and storage programme, just when Britain is on the brink of securing major investment from the private sector, puts the entire future of UK CCS at risk. CCS technology not only offers the chance of decarbonisation and of transforming non-renewable energy into something that can be made part of a viable sustainable energy mix, it supports jobs. But, again, we see a Government who are unable to create an environment of certainty for investors, employees and our country, and so our energy security is put at risk, as is the future of our planet. There can be no doubt about it: the Government’s actions are being noted around the world. The Prime Minister will parade his signature of the Paris accord, but colleagues around the world, as well as in this Chamber, see him slashing vital support for clean energy.

The UK’s reputation as a world leader on climate change is under threat, and we now face an uphill battle to meet our legally binding EU renewable energy targets. We should ask: what is the theme running through all this? It is of a Government and a party driven by the politics of now. That is why in 2005 we saw “hug a husky” and in 2010 the pledge to be the greenest Government ever; that is why we saw the ditching of the green deal when those pesky Liberal Democrats had left the Cabinet table; and it is why today we see an end to support for wind, solar and CCS. Government Members have had too many complaints at their local association meetings. Government Ministers have been too preoccupied with expensive nuclear projects and cosying up to China. The Government—or Mr Lynton Crosby—do not feel green issues and the environment are fashionable any more, and the internal politics of the Conservative party pushes them again back to their comfort ground.

The climate challenge cannot be met by the politics of now. It cannot be met by short-term thinking and internal party management. The Conservative party claims to be the party of entrepreneurs. I say it is about time it started acting like it, with an entrepreneurial state willing to collaborate and work with the support of all those in the private sector who want to build a sustainable future. There has to be a collaborative approach between business and Government. At the heart of that, there has to be an environment of certainty. That is how we will secure investment and how we will secure jobs. Most importantly of all, it is how we will secure a sustainable future.

I implore the Government today to rethink and to go back and pay heed to those saying stop. They should stop destroying investor confidence, stop the uncertainty and start supporting a sustainable energy market and future.

8.10 pm

John Redwood (Wokingham) (Con): I remind the House that I offer business advice to an industrial and investment management company.
With oil at $28 a barrel, the North sea and its supporting investments face a very damaging threat. None of us can know whether in the near future OPEC might change its policy and suddenly put the price up; and none of us can know exactly when enough capacity will be closed elsewhere in the world where there are exposed investments and very high costs to get supply back into line with demand and to get the oil price higher. All we can do at the moment is try to manage what we have. Today, we have a very low oil price by recent historical standards, and it has completely undermined the business model and the investment case for many parts of the industry.

I am delighted that the Secretary of State has pledged strongly that she sees the North sea as a fundamental part of Britain’s energy requirements in the future and a fundamental part of our whole industrial base, as indeed it is. The North sea has not just spawned substantial energy reserves and large tax revenues for us, but enabled the growth of a large number of highly skilled and technical jobs, with talented people working in a large number of companies.

The Scottish Nationalists are saying, “Let us review oil taxation again and have lower rates going forward.” At the moment, as there is no revenue coming into the Treasury from North sea taxes because the oil price is so low and the investments so damaged, I am quite relaxed about that advice, and I am sure that my right hon. Friend the Secretary of State for Energy and Climate Change going forward with more investment. I have to warn Members that even if he were exceedingly generous about future rates of North sea taxation, it is not going to be enough to make a difference against the background of oil costing $28 a barrel.

What we are now battling for is not the revenues we used to get from North sea oil taxes. What we are now battling for is the very substantial income tax revenues that we have been getting, as the United Kingdom and as Scotland, from the very highly paid jobs in the Aberdeen area and the other supporting areas for the North sea. If we are not careful, $28 a barrel oil will lose a large number of those jobs—some have already gone—and flatten the incomes of many others. It will mean a very big hole in the Scottish income tax revenues on top of the damage done to the United Kingdom/Scottish revenues from the oil itself. That is why I hope that the Treasury and my right hon. Friend the Secretary of State will work with the industry to come up with any kind of scheme to give us a chance of reinvesting. We need to use the best extraction techniques and the best modern technologies. Of course we need the industry to work on its cost base, but that will require something very major.

My right hon. Friend the Secretary of State is also right that security of supply must be her single most important consideration. She is trying to balance security with costs and green issues, but I think she is right to regard security as fundamental. If there are tensions, the Government must surely put security of supply before all other considerations.

I notice that we are beginning to rely rather more in our policy on interconnectors. Let me provide a word of warning: they may provide a short-term solution, but to interconnect our supply to the continent of Europe—
and the grunt is now provided by electricity-driven machinery, not by human hands and arms. We need to understand that one of the core elements of any successful industrial policy must be cheap energy, so I wish my right hon. Friend every success in trying to bring together those three different components of her policy to put more emphasis on cheaper energy. To do that, we need to end these large onshore wind subsidies. To do that, we need a new generation of electricity plant that has cost as one of its main considerations. That may well be gas plant, but it will have to operate for considerable lengths of time in order to get the proper economies of scale.

The danger of the system we have inherited is that it makes sure that we pay as much as possible for energy at any given time. If very dear energy is available as wind energy, we have to run with that, which makes the cheaper energy dearer, because the base-load cannot be run any more, so the costs of switching on and off become rather large.

Three cheers for the Bill; I fully support it. Three cheers for the Secretary of State, but for goodness’ sake let us not rely on foreign supply and let us not rely on wind. Let us have some decent reliable base-load electricity at a price industry can afford.

8.18 pm

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): It is a pleasure to follow the right hon. Member for Wokingham (John Redwood). In their manifesto for the 2015 general election, the Conservatives undertook to “meet our climate change commitments, cutting carbon emissions as cheaply as possible, to save you money.” Although I welcome action towards achieving this goal, and particularly the introduction of the OGA, recent action seems at odds with the climate change agenda. While I agree with the Secretary of State when she says that this is one of the biggest challenges facing this generation, with the advances in technology, clean renewable energy can be less expensive to the consumer than traditional carbon-based energy.

Mr Lilley: Is the hon. Gentleman saying that renewables are cheaper? If renewables are cheaper, they do not need subsidies. Discuss.

Philip Boswell: The £92.50 strike price at double the current rate for Hinkley C, guaranteed for 35 years, is a case in point. As for alternatives that might be cheaper in future, one possibility is compressed air energy storage, allied to the admittedly intermittent nature of wind power.

I could also tell the right hon. Gentleman about advances in technology in the context of the carbon capture projects in Scotland and Yorkshire. Before coming to this place, I was fortunate enough to work in the energy sector for 13 years, and for some time I was Shell’s contract leader for the carbon capture project. I moved it from the coal-fired power station at Longannet to the Peterhead gas-fired power station, so I understand all too well what “advances in technology” means.

When we were talking about the amine process—before the rug was pulled from under our collective feet—we likened the technology to that of the mobile phones of the 1980s; the right hon. Gentleman is not young enough not to know about those clunky phones. The process would have captured 90% of emissions. Given the advances in technology, were we to retain and develop that process, the figure could rise to 92%, 94% or 96%, with ever-reducing costs. This was a missed opportunity: that is the point that I was making.

Creating market incentives to achieve the two-pronged goal of cheaper and cleaner energy requires a reworking of the United Kingdom Government’s involvement in the energy sector, and a rethinking of their relationship with energy. In the Bill, the Government propose to close the renewables obligation to new onshore wind projects from April 2016, a year earlier than originally planned. Given that the RO is the only current mechanism that enables large-scale onshore wind to enter the power market, the proposed closure poses a significant threat to the future of the onshore wind sector and the United Kingdom’s growing green manufacturing, export and investment potential, while increasing the difficulty and costs associated with meeting the challenging decarbonisation targets.

In the House of Lords, the Government proposed a number of grace periods designed to allow projects that had already committed significant investment on the basis of an expectation to deliver before April 2017 to proceed. Peers rejected the clauses on the RO closure, calling for the Government to respond more fully to the substantive concerns expressed by industry about the closure and the grace periods. I support that position. Investors and developers need clarity from Parliament on the future of the renewables obligation. Without that certainty, investors will be unable to proceed with projects that were expected to be delivered on the basis of RO grace periods. The Government must also explain how new onshore wind projects will in future be able to access and compete in the market for low-carbon power.

John Redwood: Will the hon. Gentleman give way?

Philip Boswell: No, I will make some progress.

Without such a route to market, the Government risk increasing the cost of meeting our long-term carbon reduction targets.

The deployment of onshore wind has greatly helped to keep the cost of decarbonisation down, while creating business opportunities for UK firms. The onshore wind industry has grown significantly in recent years, and now supports some 19,000 jobs. In 2015, the 8.5 GW of operational onshore capacity in the UK met nearly 6% of the UK’s electricity demand.

John Redwood: Why, then, was there such a high import component in the wind equipment that we needed, mainly from Germany?

Philip Boswell: We need to invest in research and development to establish that. R and D is another shortfall on the part of this Government and others, which is why we lag behind in respect of wind technology. We are well advanced with North sea and sub-sea technology, because we had the clout that encouraged research and development, but since that time this Government and its predecessors have failed to do the same for wind.
Scotland in particular has embraced the benefits of onshore wind, with over 5 GW of operational projects, and the country is home to around 70% of the onshore wind projects that are currently in the UK planning system. Onshore wind has been the driving force behind the fact that renewables now account for nearly half Scotland’s gross electricity consumption. It is also the cheapest source of renewable energy, and it will soon compete with conventional forms of power generation. According to the Committee on Climate Change, the full cost of onshore wind projects will be “similar to that of gas generation in 2020 (e.g. £85/MWh). In practice, some of the best sites could be considerably cheaper and costs should continue to fall” as efficiencies increase.

The Bill’s impact assessment states that the Government aim to achieve 11.6 GW of operational onshore wind by 2020, and that currently 10.4 GW is operational or under construction, leaving a further 1.2 GW to come forward before RO closure in April, or in the grace periods that the Government propose. It also states that there is 2.9 GW of onshore capacity with planning approval awaiting construction which could have come forward under the RO. That means that up to 1.7 GW of capacity will be lost under the Government’s plans. That amount of onshore wind capacity would generate about 3.8 terawatt hours of electricity, which is equivalent to the annual power needs of more than 900,000 homes. Closing the renewables obligation without explaining how further onshore wind can access the market poses the risk that the UK will fall further behind on our 2020 renewable energy targets, and that the cost of continued decarbonising of the energy system will increase.

The central estimate in the Government’s impact assessment is that early closure of the RO would reduce annual household bills by 30p per year. While the Government and industry must ensure that we minimise the bill impacts of achieving our renewable energy and carbon reduction target, the potential impact of RO closure on the onshore wind sector and on wider energy investor sentiment could increase the overall cost of investment in our energy infrastructure. Moreover, unless a route to market for new onshore wind projects is set out, consumers could face higher bills, because the UK must rely more heavily on more expensive generation technologies as we seek to cut carbon from the power sector into the 2020s. The £92.50 strike price for nuclear generation at Hinkley C, guaranteed for 35 years, is an example of that.

The latest edition of the EY renewable energy country attractiveness index, which was mentioned earlier, now puts the UK at No. 11. For the first time, it has fallen outside the top 10, and it has fallen from its position as No. 5 in February 2014. Indeed, industry and business groups, including the CBI, have been warning of the damaging effect that short-term changes in the framework for renewable and low-carbon technologies are having on the UK’s ability to attract investment into our energy infrastructure more widely. Moreover, a recent EY survey of lenders in the onshore wind sector found that more than half of those who responded were not prepared to lend until the Bill had received Royal Assent, largely owing to the current political and regulatory concerns about the RO and the lack of guidance on the process and timing of the Energy Bill’s amendment in Parliament.

As a leaked letter from the Energy Secretary acknowledged in November 2015, the UK is not on track to meet its 2020 renewable energy target covering the use of renewables in electricity, heat and transport. Of the three sectors, only renewable electricity is on track at present. The overall shortfall—estimated at 50 TWh—is made up of under-delivery in heat and transport. Increasing the share of electricity sourced from renewables is a cost-effective method by which the UK could seek to make up at least some of the shortfall, and has the benefit of involving established industries with a track record of delivering significant capacity over relatively short periods. The lack of clarity for renewables projects in both the RO and its replacement, the contract for difference, means that Scotland is also now at risk of not meeting its own 2020 target to generate the equivalent of 100% of its annual demand for power from renewables by 2020.

In conclusion, I thank those Members who have contributed to this critically important debate, and while I welcome the Government’s energy market reform, as it is an essential step in achieving clean, cheap, and secure energy, I have serious concerns about the ways in which the UK Government have enacted it, particularly in regard to onshore wind, carbon capture, the retention of core oil and gas infrastructure, the green investment bank and solar energy.

The closure of the RO a year early has been a huge blow for small, independent developers, whose projects have now potentially been compromised. Amendments introducing a robust grace period scheme must be introduced in Committee. The UK Government’s backpedalling on the closure date of the RO has created uncertainty among investors.

I look forward to hearing proposals from the UK Government as to how these issues will be addressed and urge all involved to expedite the implementation of this Bill as quickly as is reasonably possible. The energy industry in the UK has been undermined by the Government’s continuous moving of the goalposts and needs legislative stability to attract and retain finance, and to bring back much needed investor confidence that is essential to the success of this industry.

8.30 pm

Simon Hoare (North Dorset) (Con): It is a great pleasure to follow the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell), who readily admits—although with undue modesty—that he has a huge wealth of knowledge about the British energy sector. That said, I cannot be alone on the Government Benches in being slightly surprised at the sanguine—I was going to say “relaxed”—nature of the SNP with regard to its trumpeting of the bona fides of renewables when one of Scotland’s largest industry sectors and employers is in such crisis. I am sure that commentators and others in the hon. Gentleman’s constituency and elsewhere will note this.

It is a pleasure to speak in support of the Second Reading of this Bill. Those of us who look for what could be described as a golden thread to run through UK energy policy probably look in vain, because, as we have heard in many speeches, it has broken down into many sectors all trying to generate one particular commodity, but looking to different modes of generation in order to achieve it. The Government have to wrestle between
tensions which other Members have referenced. There is
tension in cost-effectiveness for large-scale users in
industry as well as for domestic users, and in trying to
reduce demand through energy efficiency in new build
and the type of refit that the hon. Member for Wakefield
(Mary Creagh) was talking about to try to address climate
change, and to ensure, as my right hon. Friend the
Member for Wokingham (John Redwood) made clear,
energy security. Security of supply has to be absolutely
at the top of the tree. I believe that the Government and
the Department wrestle with those often competing
tensions on a daily basis, but clearly have security of
supply at the top of their agenda as well, which is to be
welcomed.

A number of hon. Members have spoken about fuel
poverty, and I share that concern. That is why I trumpet
the huge reduction in the oil price. For a constituency
such as mine, which has well below the average annual
take-home pay, low oil prices for domestic heating are
a godsend. I do not think there is a single house in North
Dorset that has access to mains gas, so most of us will
be looking to oil heating. Therefore, that is rather good
news.

On the specifics of the Bill, it is good news that we
seem to have bipartisan support for the creation of the
Oil and Gas Authority, and I welcome its creation.
There are, however, some notable points that could be
focused upon. The fact that in the Bill the Secretary of
State retains the environmental regulatory functions,
notwithstanding the creation of the OGA, is important.
Those environment regulations should be dealt with by
democratically accountable people, as we have seen
with regard to fracking.

I also welcome the fact that the OGA will have access
to company meetings and to data acquisition and retention,
and will have a role to play in dispute resolutions as well
as imposing sanctions. I welcome the proposed changes
to fees and charges to ensure that the OGA’s costs are
far more closely linked to those who will benefit from its
services and functions.

I hope that the Scottish National party will support
the Government’s stance on carbon capture and storage
when we come to debate the Bill in Committee. An
amendment that was proposed and agreed to in the
other place by another unholy alliance—Labour and
Liberal Democrat peers—will only place a further burden
on the industry, particularly but not exclusively those
operating in the North sea, by requiring them to keep in
place and up to scratch certain facilities that they might
consider redundant and wish to decommission. That
would only add to their costs. I hope that we will be able
to reach agreement on that.

Following the vote in the other place on tax credits, I
suggest that the Lords are skating on incredibly thin ice
by voting against something that was clearly stated in
our manifesto, which was endorsed as recently as May 2015.
I pay tribute to the work that my hon. Friend the Member
de Daventry (Chris Heatton-Harris) has done
on onshore wind. Our proposals on those changes were
clearly set out in the manifesto. I welcome the Bill’s
proposals regarding the planning regime that will result
in such developments being determined by local planning
authorities, irrespective of the amount of power to be
generated.

I share the view expressed earlier by the shadow
Secretary of State, the hon. Member for Wigan (Lisa
Nandy), who is currently engaged in conversation with
the Leader of the Opposition’s representative on Earth.
The hon. Lady is still not listening to me. I am trying to
agree with her, but she is engrossed in conversation with
the hon. Member for Northwich South (Clive Lewis).
I agree with her point about the presumption of a principle
of greater community consultation and involvement in
determining planning applications for fracking. That
would be a sensible conclusion.

When the Minister of State, Department of Energy
and Climate Change, my hon. Friend the Member for
South Northamptonshire (Andrea Leadsom) considers
the planning aspects of the Bill further, may I urge her
to have a detailed conversation with her colleagues in
the Department for Communities and Local Government
about the national planning policy framework? In my
life prior to becoming a Member of Parliament, I saw
too many instances of an inspector and/or planning
officers saying, “Yes, yes, we hear all the arguments and
we understand that this is an area of outstanding natural
beauty, but the presumption of planning policy set by
the Government is that in principle this development
should go ahead.”

I do not expect my hon. Friend the Minister to be
acquainted with chapter and verse of the national planning
policy framework, but the second bullet point in
paragraph 97 states that local authorities are mandated to
“design their policies to maximise renewable and low carbon
energy development while ensuring that adverse impacts are
addressed satisfactorily”.

Paragraph 98 goes on to state that a local authority is
expected to approve an application
“if its impacts are (or can be made) acceptable.”

I think the NPPF might need some tweaking to better
reflect the Minister’s welcome ambitions with regard to
planning.

This has been an interesting debate, and a lot of
people have spoken forcefully. I hope that as the Bill
proceeds through Committee, Report and Third Reading,
it will take head-on the arguments deployed in the other
place and shred them, because the basis for those arguments
is very shaky indeed. I understand that I am to serve on
the Energy Bill Committee, and I look forward to
playing my role to ensure that my constituents in North
Dorset and every constituent in this country, whether
north or south of the border, can have reliable, secure
electricity that is cost effective to them and reliable to the
Exchequer.

8.38 pm

Caroline Lucas (Brighton, Pavilion) (Green): I am
grateful for the opportunity to contribute to this
important debate. I want to focus my brief comments on three
areas: the overall aims of the Bill; carbon capture and
storage, given the Lords’ activity on that issue; and the
Paris outcome, and why there is a strong economic and
employment case, not just an environmental one, for
going back to the drawing board with this legislation.

When the Energy Bill was first published, it appeared
to be competing for an award for the least fit-for-purpose
legislation of the year, and I have to say that competition
for that award is strong. Some positive amendments
have been made in the Lords, and since the Bill was first
introduced we have had the Paris climate conference, but the overall picture remains unchanged. At a time when we should be speeding up the deployment of renewable energy, getting serious about energy efficiency and working out how to leave the vast majority of fossil fuels in the ground, the Bill takes us in precisely the opposite direction. That is why I tabled a reasoned amendment to completely oppose it.

The bulk of the Bill takes forward the oil and gas industry's Wood review wish list. It continues the delivery of the strategy to maximise the economic recovery of oil and gas, which, quite shockingly, is made into a legal duty in the Infrastructure Act 2015. Were it not for the Lords amendments, the Bill would also be hammering a nail in the coffin of the UK's onshore wind industry. The early closure of the renewables obligation for onshore wind undermines investment, destroys jobs and flies in the face of ministerial rhetoric on cost, especially compared with the eye-watering subsidies for new nuclear power. Moreover, this ideological attack on onshore wind will crush the aspirations of many local people and businesses to harness wind power for their own benefit. The Bill is also vast, for purpose because of what it leaves out. It contains nothing on energy efficiency, fuel poverty, community ownership or maximising the economic energy security and employment contribution of home-grown renewables.

As I said, the Lords made a number of welcome improvements to all parts of the Bill, and I particularly welcome clause 80's moves towards honest accounting of the UK's carbon reductions, making sure that UK emission reductions count only when they happen here, rather than relying on the EU emissions trading scheme as an excuse to carry on polluting. The global carbon budget is so small that there is no room for free riders, least of all rich European countries such as those in the EU.

A lot of debate in the Lords was about carbon capture and storage, and there are new clauses on that, too. The fossil fuel industry is desperate for CCS as its get-out-of-jail-free card, but not only is CCS hugely expensive, uneconomic and largely unproven, it does not stand up to scrutiny, against either the speed or scale of the carbon reductions needed. To colleagues who may disagree on this, I recommend a Carbon Tracker 2013 report showing that even if CCS were deployed in line with an idealised scenario by 2050, it would only extend fossil fuel carbon budgets by 4% of total global reserves. Nor am I aware of any serious suggestions that CCS could even come on line before 2030, by which point the global carbon budget may already be used up—even that timescale is subject to a long list of "ifs". If politicians fail to heed the climate science and if our actions continue to fail to measure up to our words, not only will we perpetuate widespread disillusionment and disengagement with politics, but more citizens—students, grandparents, social workers and scientists—will be putting their bodies on the line and taking peaceful direct action to keep fossil fuels in the ground. This Bill demonstrates why they have my support.

Carbon is not the only reason to keep fossil fuels in the ground and go all out for renewables instead, and it is not the only reason why this Energy Bill is completely unfit for purpose—there are strong economic and employment arguments, too. Let me end by looking again at what the Paris climate agreement should mean for the UK's energy policy. The conclusion from Paris is, unquestionably, a diplomatic triumph, and if the UK is serious about keeping well below a 2° goal, let alone making our fair contribution to the 1.5° goal, which is a matter of life and death for many countries, there are major implications for energy policy. It is important to emphasise that the response, including from business, has in many respects been positive. An increasing number of businesses are recognising the need and advantage of shifting to post-carbon economics. As James Murray, editor of Business Green, wrote recently:

"From the tech billionaire's multi-billion dollar R&D commitments to the states and cities detailing plans to cut emissions by a level equivalent to the total current emissions of China. From the development banks unleashing billions of dollars of new climate funding to the various sector alliances promising to accelerate the development of solar power, green buildings, zero emission vehicles, and various other clean technologies. From the Financial Stability Board's climate risk disclosure commitment to multinational firms sourcing all their power from renewables. It is increasingly clear the shift in corporate engagement with climate change that has been gathering pace for the past decade is finally starting to come of age."

We have also had the entrepreneurs' call to climate action, a joint statement from 121 chief executive officers with international operations issued in the run-up to the climate talks. They made an incredibly powerful point that the technology and the business models already exist for "100% fossil free solutions, as opposed to a slightly better version of an already existing polluting alternative."

That is the direction of travel and it is recognised by many businesses, yet this Government are lagging far behind and this Energy Bill appears blind even to the economic case. To make the Paris agreement meaningful, the Government have to do more than simply restate their commitment to the Climate Change Act, important though that is, and parrot out past achievements. There is a very big difference between meeting existing targets and being on track to deliver future commitments, and Ministers should stop conflating the two.

There are some red lines for a post-Paris Energy Bill, which include provision to get to 100% renewable energy by 2050 at the latest for the UK, and for keeping the vast majority of fossil fuels in the ground. Should this Bill proceed, I look forward to working with Members across the House to change its direction. At this stage, it falls short of those red lines. The Paris agreement provides an even stronger case to refuse to give this Energy Bill a Second Reading. We should reject it in its entirety and demand that the Government go back to the drawing board.

8.45 pm

David Mowat (Warrington South) (Con): It is a pleasure to follow the hon. Member for Brighton, Pavilion (Caroline Lucas). It will not surprise the House to learn that there was not one paragraph in her remarks with which I agreed. [ Interruption. ] I am sure that she will wear my words proudly like a badge of honour.

We should remember why we are all here tonight, because, with a few exceptions, we have not really addressed the main purpose of this Bill, which was to implement the Wood review. That is why the Bill was initially introduced. That review, compiled by Sir Ian Wood, was very necessary as it looked to create a more participative and sharing environment in the North sea
over the last decades of its life. At the time, the life of the North sea looked longer than it does now. We should recall that, over the past two decades, this country has had two world-class industries—banking, and oil and gas. The latter has been centred in Aberdeen and has made a massive contribution to the Exchequer, to jobs and to our prosperity. The situation that it finds itself in now—I think the House is a little sanguine about this—is worse than some of the speeches have implied.

Right now, the operating costs—not the development costs or the exploration costs—in the North sea are round about $28 to $30 a barrel. That is where the world oil price is now, which implies that, unless something changes, not only will we not develop new oilfields, but we will struggle at current oil prices to keep operating the platforms we already have and our current activities. It behoves this House to sort that out and do what it can. I do not think that the Wood review will make a big enough difference to make a big enough impact, but let us remember that there are 475 installations in the North sea that have to be decommissioned in the next few decades, 10,000 km of pipeline and 5,000 wells. The industry employs nearly 400,000 people, and it does not employ them all in Aberdeen. When I knock on doors in Warrington and speak to people, I ask where they are working. The answer is often that they work offshore or in some part of the supply chain. Every Member here will find that many of their constituents work in highly paid jobs in the North sea. It therefore behoves us to get this right.

We are trying to create a facilitative environment. In the future, for example, when Shell wants to abandon a platform, or no longer use a pipeline that might be useful to Total, it will be prevented from doing so because people will be looking at the bigger picture and trying to maximise the whole basin. That has to be a sensible target, as is the central objective of the Bill, which is the maximisation of economic recovery. That is why I really regret the fact that the Labour party has not understood why any of it has to be in London. I leave it at that. We have a need in this country to have everything in London. If anything needs to be only in Aberdeen, it is the new authority.

The second point is whether the new authority is going to have issues with US competition law. I do not fully understand that, but my experience is that there could not even be a meeting between US oil companies in the same room without lawyers involved, because of their incredible concern about US anti-trust laws. I wonder how the authority will deal with that, but no doubt somebody cleverer than I am has thought about that.

We have spoken about CCS. Clause 80 is an interesting amendment proposed by the Opposition in the House of Lords. That clause says, broadly, that we should no longer take credits from the EU emissions trading scheme as part of the process. If we step back and think about that, it is the Opposition saying that they do not want a European solution to cap and trade. I made this point earlier and I think I am right. It is true that the European Parliament has sought to change that in the Lords, with this point earlier and I think I am right. It is true that the European ETS was supposed to deliver—and we would be in a European solution to cap and trade. I made this point earlier and I think I am right. It is true that the European ETS system is useless; that is a different problem. It is completely useless because the European Parliament would not increase the cost of carbon as we have, for example, but that is no reason to give up on a European solution. It seems odd that the two more pro-European parties in this House—I think it is fair to say that—want to go away from a European solution to sort out emissions.

Caroline Lucas: Will the hon. Gentleman give way?

David Mowat: I have taken two interventions and time is not on our side.

The two Opposition parties want to ignore the fact that what the world desperately needs—that might be a point on which the hon. Lady would agree—is a cost of carbon in the system somewhere. If there was a cost of carbon, the investment decisions right across the world would be affected in the same way—that is what the ETS was supposed to deliver—and we would be in better shape. It is a little odd that the Opposition take that view.

I shall not speak at length on the wind point. Others in the House feel more strongly about it than I do and I have spoken about it previously. It is clear that it was in
the manifesto and we need to do what we are committed to do. The wind point goes to the core of one of the issues in the climate change debate—the continuing confusion between renewables and decarbonisation. I have heard speeches today in which Members said that other countries are building renewables more quickly than we are, even though their carbon output is vastly more than ours. Germany is an example, but there are many others. We need to be focused with laser-like efficiency on decarbonisation. That brings in CCS, nuclear and other technologies which the focus on renewables has damaged.

On Paris, the hon. Member for Aberavon (Stephen Kinnock), who is no longer in his place, made a speech that I found strange in parts. I say to the whole house—I make this point every time—that the European commitment on the rate of decarbonisation, which it put forward in Paris in its intended nationally determined contribution, and of which we were a part, implies a rate of decarbonisation that is half that which the Climate Change Act 2008 requires us to achieve. Now, it may well be that those countries do not yet realise that we are leading them. It may well be that they have not yet cottoned on to the fact that they are slower than us. Or it may be that they desperately want to protect their Port Talbots, their Motherwells and their Redears, in a way that has not reached the consciousness of this House to the same extent.

I will finish with a point about jobs. We often hear how many jobs are at risk in solar and wind as a result of changing subsidy regimes, and of course that is regrettable, although I do not know the extent to which those numbers are true. However, it is wrong to say that higher electricity prices do not also cost jobs. It is not just about giving relief to energy-intensive industries. If we in this country expect to have a march of the makers—to use that phrase—and for that to be based on an energy regime in which our manufacturers are paying up to 50% more than manufacturers not in China, or even in the US and Singapore, but in France, Germany and Holland, it is going to be tough. I think that Members of this House need to respect the Government’s duty to balance cost with decarbonisation and all that goes with it.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am going to have to drop the time limit to seven minutes, but hopefully I will not have to drop it again.

8.56 pm

Ben Howlett (Bath) (Con): It is a great privilege to follow my hon. Friend the Member for Warrington South (David Mowat). He is modest, but his expertise in this area serves only to embarrass me by highlighting my lack of it. However, I am a passionate supporter of climate change action. I join other hon. Members in congratulating the Secretary of State on her work in Paris a few weeks ago. It does not necessarily support the campaign that I am helping with to remain in the European Union, and it is a great shame that the EU did not follow where she was leading. I want to focus on two key aspects of the Bill and explain my concerns, and those of my constituents, and seek further reassurances from the Minister. I thank Ministers for answering some of these concerns over the past few weeks.

As oil prices around the globe tumble, the Bill is obviously timely, as other Members have said. Workers across the UK who rely on this industry are starting to struggle, so we should be supporting them as much as possible. That is why I was a little shocked to hear the earlier comments from the hon. Member for Aberdeen South (Callum McCaig) about not necessarily supporting his constituents in the best way possible, as echoed by my hon. Friend the Member for North Dorset (Simon Hoare). Companies are also seen not to be passing on these cost reductions at the petrol pumps, which the debate has not focused on so far. I hope that the Secretary of State will join the call from me and other Members for the cost reductions to be passed on to the consumer.

First, I welcome the formal establishment of the Oil and Gas Authority as an independent regulator. Like many of my constituents who have contacted me on the issue, I fear that the regulatory framework has not been helpful enough. As the hon. Member for Blaydon (Mr Anderson) said earlier—he is no longer in his place—the Labour party did little in 13 years in government to improve regulation. That is why I congratulate this Government on drafting the Bill. The creation of one independent regulator to oversee the whole sector is a positive step, ensuring that it grows and develops in the best interests of the nation’s health.

I am particularly pleased that the OGA will be able to consider and make recommendations to resolve certain disputes. As the Wood review suggested, that is necessary to guide the industry and ensure that one of the most crucial sectors is protected from major disagreements. Where there are disputes that have the potential to put the successful recovery of the oil and gas industry at risk, it is crucial that there is an independent body that can take action. As the OGA can choose to get involved in a dispute even without having the incident directly referred to it, it can take steps to mitigate any risk and resolve the issue. Looking forward, once the independent regulator is set up, I am keen for it to take greater control over the potential energy production industries. I hope that the Minister can assure the House that an independent body taking a holistic approach across the sector can ensure effective regulation of these new industries.

On the provisions relating to onshore wind, as I have said in the House before, I am a strong advocate of renewable energy—for me, it is where we should be focusing our attention. These sources of energy will ultimately save our environment, as other Members have said. Climate change exists, and we need to ensure that we are taking the essential steps to help reduce our reliance on fossil fuels. Despite the fact that I want a greater reliance on renewable energy, I understand the Government’s reasoned decision to remove the subsidy for onshore wind. Combating climate change is essential, but it must be done logically. To this end, it is essential that in tight fiscal times developments are not relying on subsidies to survive and can instead develop into their own viable, successful entities.

Caroline Lucas: The hon. Gentleman is talking about a logical approach to energy. Why is it logical to lock ourselves into extremely high subsidies for nuclear for the next 30 years and not give a few more years of subsidy to renewables, which is all they would need to become commercially viable?
Ben Howlett: Particularly as we have Hinkley Point, which will benefit the economy of Somerset, only a couple of miles away from Bath, I believe that the long-term impact of the nuclear industry on the UK economy will be vastly felt in the pockets of the consumer. The hon. Lady missed that point in her speech.

We already have enough onshore wind in the pipeline to meet our 2020 aim. It is interesting that only a tiny proportion of the constituents who have contacted me about the Bill have identified that the sector is projected to propose that more onshore wind farms can actually be achieved. Given the number of studies showing that onshore wind production produces fewer kilowatt hours of energy than offshore wind and a wide range of other forms of renewable energy production, would not this money be better spent on other renewable technology rather than wasting it on projects that will never be delivered? I would like the funds previously earmarked for onshore wind subsidies to be channelled towards alternative renewable energy that could be supported by an investment injection. In the west of England, renewable energy is emerging as one of the key new economies, and it is contributing to the national economy as well. I hope that the Minister can reassure the House on both those aspects of the Bill.

I am pleased that the Government have listened to the Wood review. However, I agree with hon. Members who need assurances from the Minister that the Government consider that we should be focusing on climate change as one of the most important areas affecting our planet today, and recognise the need to invest in our renewable energy sector sustainably, productively and effectively.

9.2 pm

James Heappey (Wells) (Con): The bishop will be delighted that the Members for Bath and Wells should speak so soon one after the other.

It is an honour to rise to speak in this debate, not least in my capacity as a member of the Energy and Climate Change Committee. The Bill is relatively limited in scope, but the energy challenge faced by the Government generally is significant. For too long, the energy policy of previous Governments has focused exclusively on climate change and not on the cost to consumers and on energy security. I therefore applaud the current Front-Bench team for their work on rebalancing that so that all parts of the energy trilemma receive equal prominence.

As we transition from mostly carbon generation to carbon-free generation, it is important to recognise that, while that is absolutely the target of this Government, we must employ technologies of some sort—gas and biomass seem the most obvious—to bridge the gap until the renewables sector is fully ready to stand alone to meet the needs of this nation. We cannot risk the lights going out by jumping to that too soon. I entirely agree with the Government that coal’s race is run. However, it is important to understand that an enthusiasm for gas generation, biomass and any other bridging technology that we employ is not mutually exclusive from continuing to promote and invest in other renewable technologies that are available.

Much has been made of the reductions in subsidies to the solar industry, but members of the Committee have been struck by the fact that other things hamper the industry just as much, not least the European Union’s insistence that British consumers pay more to Chinese producers of photovoltaic cells for their solar installations, which results in price inflation. There is also an insistence that VAT is charged on solar cells, as if they were a home improvement rather than necessary energy generation. As we have heard, tidal, wave and offshore wind offer opportunities, although there is a clear challenge in making sure that those technologies are cost-effective before they can be employed and charged to the bill payer.

Onshore wind forms a big part of the Bill and I make no apology for having been involved in some successful campaigns to keep wind turbines off the Mendips and the Somerset levels. The Conservative party—now the Government—made a manifesto commitment to deliver a reduction in onshore wind, so I urge the Government to reinstate the original clause 66 so that we in this elected Chamber of Parliament can vote on our manifesto pledge without the intrusion of the Liberal Democrats, who seem to have abandoned this Chamber altogether and are instead using the Lords to do whatever it is that they have left to do.

I encourage my Front-Bench colleagues to be similarly enthusiastic about pushing on with the development of large-scale storage; the digitisation of our energy system, particularly the roll-out of smart meters; and the decarbonisation of the transport system. I think that every member of the Committee has been struck by the collegiate way in which the Secretary of State has dealt with her colleagues in the Department for Transport, even though they might not be running at her desired pace.

The green technology about which I have a reservation is carbon capture and storage. Undoubtedly, the technology is exciting and the Government have invested £130 million in research into it, but the reality is that it is simply too expensive to push on with at present. To require our oil and gas industry to maintain spent wells in the North sea for the purposes of carbon capture and storage would be a wholly unnecessary complication for and, indeed, additional burden on the industry at a time when it is struggling enormously. I therefore hope that clause 8 will be removed.

Ditto clause 80, where the House of Lords has been most unhelpful in adjusting the carbon trading legislation. It would make no sense for us to account for the totality of our carbon emissions when, under the EU trading scheme, anything that we do not use will simply be used by another country. We would make no saving whatsoever in carbon emissions by employing clause 80 as drafted by the other place.

I want to conclude by speaking briefly about security of supply, the reinvigoration of the oil and gas industry in the North sea, which I applaud, and my reservations about the onshore oil and gas industry. Both the Secretary of State and the Minister have been very kind in working with me to deal with the concerns of my constituents and to help me to fully understand what recent legislation will mean for them. There is an inconsistency, however, whereby the localism that we advocate so strongly for wind turbines is not being extended to fracking and gasification, so I hope there might be some scope for incorporating that.

None the less, I think that our push for a fracking industry may be premature, given that there is already a surfeit of liquefied natural gas on the European and Asian markets. A significant amount is also being stored in the United States, which is awaiting the opportunity...
to export it, and that will serve the European market further. Moreover, the Iranian rapprochement gives an opportunity for even more oil and gas to flow.

Graham Stuart: How does my hon. Friend square his argument? He is in favour of maximising returns from the North sea but cannot see the same argument for maximising gas on land, to keep money here and avoid handing it to a foreign regime.

James Heappey: I square it simply by having a profound concern for how the industry might affect the areas in which it is sited. Some areas will have a geology and a community that support it, and that is for them to determine, but my plea is that Ministers extend tofracking the same localism as we advocate so strongly for wind.

To conclude, the Lords amendments are unhelpful, so I would be grateful if Ministers could strike them out and bring back the original Bill. More than anything, however, it is important that the Bill makes quick progress from here onwards. The delay is causing great uncertainty, however, it is important that the Bill makes quick progress from here onwards. If one chose to approach Skegness from the north, on to one of the finest skylines in the country, on to one of the finest skylines in the country, dotted with a few offshore wind turbines. In a couple of years, you might be able to look out on to many more wind turbines, if the Triton Knoll project goes ahead. When originally proposed, it was on course to be the largest offshore wind development in the world. On my behalf and that of many tourists, I say that this view demonstrates that we can have economically successful offshore power generation that is not entirely unpleasant to look at and works well for everyone.

That said, Mr Deputy Speaker, the journey to Skegness offers a sad indictment of what happens when energy policies go wrong, because you might find yourself driving past, on the beautifully resurfaced A52, grade 1 agricultural land studded with solar panels. The finest land in the country, thanks to a broken subsidy market, is better used for solar panels than for growing the finest crops that Lincolnshire so often provides. We see in Lincolnshire what happens when these sorts of policies go wrong.

Victoria Atkins (Louth and Horncastle) (Con): I am grateful to my hon. Friend and neighbour for giving way. If one chose to approach Skegness from the north, rather than the direction he suggests, one would be unfortunate enough to see a great many onshore wind farms. On a swift calculation, I counted six wind farms, with well in excess of 40 wind turbines, that scar the local landscape and have been paid for by subsidies. I am sure he will join me in asking whether that is the best use of land in my constituency.

Matt Warman: Indeed. Bearing in mind the scars on the landscape, I would advise you to take a different route on holiday to Skegness. Mr Deputy Speaker.

Mr Deputy Speaker (Mr Lindsay Hoyle): It is Mrs Hoyle you need to convince, not me.

Matt Warman: I trust you refer only to the route, rather than the destination, which I know is a fixture.

My hon. Friend the Member for Louth and Horncastle (Victoria Atkins) makes a fair point: these developments emphasise why it is only right we give local communities a greater say over onshore wind farms.

On a subject even more serious than your holiday, Mr Deputy Speaker, I wish to make one major point about the Bill. The establishment of a regulator providing genuine certainty over the coming years will be the single greatest thing the Government can do to try, I hope, to put the oil and gas industry on a more sustainable footing. We know that, in the past 10 days alone, the oil crisis has been one of the many issues that have wiped £113 billion off the FTSE market. We know that the number of people employed in the oil and gas industry has fallen from 440,000 to 375,000. We know that, in the last financial year, the Treasury has received the lowest level of taxation from oil and gas in 20 years. More than ever, we now know that a stable regulator will provide the stable footing that the industry desperately needs.

The right hon. Member for Doncaster North (Edward Miliband) said that “certainty is the friend of business”, and the shadow Secretary of State said that we need to provide a stable environment if we are to encourage growth in an industry that employs many people now, and will, I hope, employ many more in future. As has been said, there is therefore cross-party support for much of the Bill. I hope that that will continue, and that some of the uncertainties introduced to the regulator’s role by amendments in the other place will be removed so that the regulator has a set of clear and very stable objectives to allow it to improve the position of an industry that this country needs to be stable. As hon. Members have said, we rely more and more on interconnectors, we must make sure, when Europe does not have the energy reserves that we are lucky to enjoy in this country, that we are not in the unfortunate position of exporting some of that energy, rather than ensuring our own stable supply.

Apart from referring to your newly sorted holiday, Mr Deputy Speaker, I conclude simply by saying that I hope the Bill will provide the certainty that the oil industry needs to grow for the future, rather than continuing to suffer from the terrible situation that threatens it and which indicates that even the strictures in the Wood review may yet need further revision to safeguard the industry better for the future.
with Lowestoft and its port being an important service centre. I am also a partner in a family farm that has a solar farm, but I will not comment specifically on such technology this evening.

Most of the Bill focuses on the Oil and Gas Authority, so I will concentrate my comments on the offshore oil and gas industry on the UK continental shelf. The Bill also contains provisions on onshore wind farms, about which I will say a few words. It is right that all such planning applications should be determined locally, regardless of their size. Local communities and local planning authorities know their areas best, and planning decisions should rest with them.

The Government should remove support for onshore wind and, indeed, other renewable technologies openly and transparently. Investors need to see a clear and smooth pathway to a point in time when there will be no subsidy. That best attracts investment, creates secure long-term jobs and reduces costs to the consumer in the long term.

The oil and gas industry on the UKCS faces very serious challenges. It is fighting for its very existence. The livelihoods of tens of thousands of people are on the line. Some 75,000 jobs have gone in the past 15 months. That is primarily due to the dramatic collapse in oil prices. An example of the problems facing the industry is that, at the beginning of the year, the combined market value of 112 publicly traded oil companies—the entirety of Britain’s listed oil and gas industry, excluding Shell, BP and BG—was, at £7 billion, the same as that of Marks & Spencer. Two years ago, one of those companies, Tullow Oil, was worth more than M&S on its own.

The UK offshore oil and gas industry still has a vital role to play over the next 30 years. First, as the Secretary of State has stated, energy security is the No. 1 priority. Maximising the production of oil and gas at home will reduce our dependence on imports. Secondly, while 42 billion barrels of oil equivalent have been produced from the UKCS, there are known reserves of 20 billion barrels of oil and gas to be recovered from our offshore waters. As she set out in her resetting speech, gas has a potential to bring exciting opportunities to my area. The offshore oil and gas industry has an important role to play in the transition to a low-carbon economy. Its supply chain is broadly the same as that of the offshore wind industry.

We have heard about the importance of setting up the Oil and Gas Authority and endorsing the Wood proposals so that we can move forward. I will not go over that, but in the time remaining to me I will comment on what else the Government need to do within the framework laid down by Sir Ian to help and support the industry at this crucial time.

In the March Budget last year, the Government brought forward a package of fiscal measures to support the industry and encourage investment and exploration. As the hon. Member for Aberdeen South (Callum McCaig) has mootted, we need to look closely at those measures again. We should look to reduce the supplementary charge and the petroleum revenue tax still further or, I suggest, get rid of them altogether. We should also consider providing more funding for seismic surveys, which will be the very lifeblood of the industry going forward.

Secondly, in line with Sir Ian’s recommendations, there is an urgent need to commence work on regional plans. I want a regional plan to be started as soon as possible for the southern North sea, where there are still significant gas reserves.

Thirdly, although the North sea is a mature basin in many respects, we are embarking on a final chapter of oil and gas recovery there, which is, in many ways, a new venture, built on a cornerstone of co-operation, collaboration and consolidation. In the past, innovating, investing in technology and reducing costs have been done by the big oil companies. I suggest that we look at what has happened with the catapult industry of offshore wind, in which the Government have led the way.

In conclusion, we need to get on with it. Time is of the essence. The approach that Sir Ian has advocated is in the best interests of energy security. It will give the jobs on which the industry depends the best chance of a secure future in what are very uncertain times. Moreover, it will give the UK offshore oil and gas industry the real prospect of an Indian summer.

9.24 pm

Luke Hall (Thornbury and Yate) (Con): I am delighted to speak in this important debate, not least because I follow many excellent speeches from Members from both sides of the House, and especially my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who chaired the GLOBE conference so ably in Paris in December. I have also now managed to make my holiday plans. When driving up the beautiful A52, which has been freshly resurfaced, I will have some of the most beautiful fish and chips in the country and look over the Boston and Skegness skyline—I hope my hon. Friend will join me on my holiday. I attended the conference in Paris in December, and I extend my congratulations to the Secretary of State for her leadership during that conference. She did an excellent job.

I wish to speak about clause 79 and how it relates to my constituency in south Gloucestershire. The clause sits alongside changes made last year by the Department for Communities and Local Government to transfer decision-making powers from the Secretary of State to local authorities, allowing them to become the primary
decision makers for planning applications for onshore wind farms in England and Wales. That pledge in our manifesto to decentralise decision making on new community developments such as onshore wind farms, and to give the green light to a project only if supported by local residents, was welcomed and supported by the vast majority of my constituents. This issue is close to the heart of many in my constituency. In Thornbury, Yate and the surrounding towns and rural villages, we have seen significant expansion and development in recent years, including applications for onshore wind farms across south Gloucestershire. Development continues to be one of the burning issues for rural communities in my constituency.

One concern that gets raised time and again is that local people feel their concerns are not heard during the planning process. Indeed, a number of people said that no matter what they did, they felt that their voices were being ignored. There are many examples of local community groups in my constituency opposing wind farm developments, including several examples across south Gloucestershire. Those include an application for two 130-metre wind turbines on a farm in Olveston, although because it lay on the green belt, thankfully it was protected. In 2013, an application for a 37-metre turbine on Wapley Road—which I and many of my neighbours see from our kitchen windows—was refused because it sat within the green belt and there were a large number of local objections. However, that decision was appealed and overturned, against the express wishes of local people. The further devolution of powers in the Bill is an extremely welcome additional protection to allow communities to have more say over their local area. I am a passionate advocate of local people being given the right to appeal.

Mr MacNeil: What the hon. Gentleman says about communities is important. I come from an area where many communities want wind farms. Would he support communities that want wind farms and the Government not taking away the mechanism to enable that to happen?

Luke Hall: If the hon. Gentleman’s constituents want to support wind farms, I am delighted that he will hopefully support any further measures that will allow people a greater say. People in south Gloucestershire continue to come to me and say that they are frustrated by applications such as those for 37-metre wind turbines being allowed or overturned against the wishes of the community.

I have campaigned time and again for a community right of appeal, and it is especially concerning that decisions could be taken contrary to an existing or pending neighbourhood plan, especially when that conflicts with the local development objectives of a community. I am therefore delighted that clause 79 of the Bill addresses that imbalance, as that will help to reassure local people in south Gloucestershire of the Government’s commitment to devolving power and including people in the planning process.

I am also reassured to hear that provisions in the Bill will ensure that onshore wind farm applications will be granted only in an area already outlined as suitable for wind energy development in the neighbourhood plan, and following a consultation in which the concerns of the local community have been addressed.

Glyn Davies (Montgomeryshire) (Con): May I draw my hon. Friend’s attention to my constituency, which is one of the most beautiful in the country—perhaps those who do not wish to go to Skegness should go there? My constituency has the prospect for perhaps 500 turbines, and 40 miles of cable, and the scale of what is happening is outrageous—

Mr Deputy Speaker (Mr Lindsay Hoyle): Mr Davies, you know you cannot make speeches. We want short interventions.

Luke Hall: It sounds like the second half of my holiday plans have been made, so I thank my hon. Friend.

The formal establishment of the Oil and Gas Authority as an independent regulator is a welcome step forward. I see it in the context of the Government’s target of combating climate change in a cost-effective manner. That approach can be taken alongside action in local communities. Volunteers in Thornberry run an effective community composting site, encouraging local composting, which takes wagons off the road and helps to reduce carbon emissions. Just today I have called on South Gloucestershire Council to continue to support that scheme.

The Government support renewable technology standing on its own two feet rather than encouraging it to rely on subsidies. I wholly endorse the further devolution of power to local communities. I will support the Bill this evening.

9.30 pm  
Suella Fernandes (Fareham) (Con): Providing affordable, reliable and sustainable energy is a key commitment of this Government, because climate change poses a threat not just to the environment, but to poverty eradication abroad and economic prosperity at home. The global deal secured at Paris last year goes far in tackling that threat head-on. I commend the Secretary of State for all her efforts in securing that historic agreement.

UK energy usage fell by 18% between 2000 and 2014, and yet domestic energy bills almost doubled during that time, driven largely by gas prices. Since 1990, the proportion of the UK’s electricity generating from renewables has increased by about 19%, which is good news and encouraging for the renewable energy sector.

At this point, I must mention Fareham and the role it is playing in keeping the lights on. IFA2, an electricity interconnector between France and the UK, is due to be connected at Chilling near Warsash on the south coast in Fareham, with a converter station at the Daedalus site in Gosport. IFA2 will provide the capability to export or import more than 1,000 MW of power and provides three important benefits, the first of which is in relation to affordability. By giving Great Britain access to the European electricity market, IFA2 will help to create downward pressure on wholesale energy prices. Our wholesale energy price is forecast to be higher than the price in France for many years to come, but it is estimated that, with each 1,000 MW of new interconnector capacity, there is the potential to reduce wholesale prices here by about 2%.

Secondly, interconnection will give us access to a wider range of electricity generation sources, increasing our supply from elsewhere, which will only assist our
energy security. Lastly, on sustainability, IFA2 will help to manage the fact that not all electricity sources can generate consistently and predictably, and that electricity cannot be stored efficiently on a large scale. IFA2 will help to forge a lower-carbon economy in Great Britain and Europe.

I am proud that the Government have committed to meeting their objectives on cutting carbon emissions and continue to make progress towards the UK’s 2020 renewable energy targets. The renewable energy programme aims to deliver 30% of the UK’s electricity demand from renewables by 2020, and we are on course to achieve that objective. Renewables already make up almost 20% of our electricity generation, and there is a strong pipeline to deliver the rest.

As we decarbonise, it is imperative that we manage the costs to consumers. Although renewable energy costs have been coming down, subsidies still form part of people’s energy bills. As the share of renewables in the mix grows, so the impact gets proportionally larger. That is why the Government’s priority is to bring about the transition of our carbon generation as cost-effectively and as securely as possible reflect their approach to fairness and sustainability. The levy control framework covering the period up to 2020-21 is one of the tools that will help to achieve that—it limits the impact of support for low-carbon electricity on consumer bills. We have a responsibility to manage support schemes efficiently within the levy-controlled framework to ensure we maintain public support for the action we are taking to bring down carbon emissions and combat climate change. Government support is designed to help technologies stand on their own two feet, not to encourage dependency on subsidy.

We therefore need to take tough decisions on which projects to subsidise. Onshore wind has been deployed successfully to date and is an important part of the energy mix. In 2014, onshore wind made up approximately 5% of electricity generation, supported by £800 million of subsidy. At the end of April 2015, there were 400 operational onshore wind farms in the UK, compromising 4,751 turbines in total. The wind farms have an installed capacity of 8.3 GW, which is enough to power 4.5 million homes. It is projected that we will require between 11 GW and 13 GW of electricity provided by onshore wind by 2020 to meet our objectives. We have enough wind in the pipeline, including projects that have planning permission, to meet that requirement comfortably.

This is the right approach, because otherwise we could end up with more onshore wind than we can afford. That would lead, ultimately, to higher bills for consumers, or to other renewable technology, such as offshore wind, losing out on support. The Government now need to refocus investment on less mature technologies. I am proud that we are acting on our manifesto commitment. The Bill has my full support.

9.36 pm

Dr Alan Whitehead (Southampton, Test) (Lab): We have had a wide-ranging debate on the Bill. Indeed, it has been so wide-ranging that in some instances I forgot there was a Bill in front of us. I was pleased to hear from the hon. Member for Waveney (Peter Aldous) who, in a thoughtful contribution, kept us on track. I intend to talk about the Bill in my closing remarks, as well as about what various hon. Members who did address it had to say.

My hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook) spoke about the original Bill being thin gruel, improved by amendments in another place. He is exactly right. My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) dispelled some of the myths and inaccuracies of some of the anti-renewables contributors tonight. He was also right about the missing parts and the ambition of the Bill, as was my hon. Friend the Member for Wakefield (Mary Creagh), who reminded us, in the light of our move to an Anthropocene age, of the ambition we need to have for our energy policy, in particular in relation to fuel poverty and energy efficiency.

The hon. Member for Brighton, Pavilion (Caroline Lucas) appeared to suggest that the best idea we could take was to close down the North Sea. That is not something I buy into. Since we know gas and oil will be with us for some time, albeit in reduced amounts relative to the overall energy mix and more concentrated in transport and heating, it is better that it is sourced from a secure resource in the North sea than bought in from across the world. The North sea is a great sustainer of jobs, industry and supply line for the UK, as we have heard from a number of hon. Members. It is right we look to gain the best out of it for those jobs and that industry and for the security of the UK. It is not an either/or. It is right that we should pay full attention to the climate change commitments we have made. Labour will be seeking to strengthen some of the commitments as part of the Bill. The creation of the OGA to secure the best outcomes for the next phases in North Sea development is an essential plank of Sir Ian Wood’s report. We fully support its creation as a free-standing body with powers to develop and co-ordinate the industry.

The North sea is, as Sir Ian Wood states, a mature resource. While we inevitably strain to know known and known unknowns, a number of authorities estimate that the North sea is up to 80% exploited already. Future finds and future fields will be small, possibly increasingly difficult to exploit, and will require support from existing infrastructure to ensure that production is logistically and economically possible. Increasingly, production will be underpinned from now on by co-operation and sharing of resources. One of the OGA’s particular tasks will be to ensure that this works equitably and effectively—a point underlined by the hon. Member for Richmond (Yorks) (Rishi Sunak), who in his contribution quoted a reminder from his local Unite official about the importance of jobs and security in his region.

There must be concerns about current responses to the low price of oil and their effect on longer-term considerations of the future development of the North sea. BP has just announced further job losses in the North sea that may well impact on maintenance work, safety and operation, and readiness for exploration, which reminds us of the sort of short-termism that, if the OGA works well, it can tackle effectively. Through the MER—maximising economic recovery—consultations, we need to see that the OGA really has suitable powers to sustain the UK offshore skills space and that phrases such as “cost reduction” are about efficiency and operation, not just code words for stripping back safety and imposing longer shift patterns and cuts to pay and conditions.
In thinking about the future of the North sea, it is right that we take care to ensure that what is there in the form of infrastructure—both in structures and skills—is used to best advantage. That is not only to the current low oil price but to difficulties with infrastructure, and since the bulk of those fields are below 50 million barrels of oil equivalent, they are unlikely to sustain infrastructure connections by themselves.

The OGA has some powers in the Bill to ensure that decommissioning is thought about, and that platforms and pipelines are not just taken away and disposed of in a rush to develop what some might see as a new industry for the North sea—important though that is. That thought carries over to what could be a very important future for the North sea as a repository for carbon dioxide sequestered as part of the carbon capture and storage process. This is not just for the UK, because the capacity and extent of potentially available strata for deposit mean that the North sea could be Europe's depository of choice in the future. An elegant underpinning of the need with us as the Bill goes into Committee came from my hon. Friend the Member for Greenwich and Woolwich.

The fact that the Government very unwisely scrapped the UK’s plans to get ahead of most of the world in CCS at scale technology does not mean that CCS will not come or that it is needed any less for future energy and intensive industry production. It just means that we will be buying someone else's technology more slowly at a greater cost, but the least we can do now is to ensure that the storage end of the process is secured in one of the best places in the world to undertake such activity and, on the back of it, to develop jobs, supply chains and income in parallel with the continuation of that mature field—and possibly at some stage even securing crossover between what is happening with oil recovery and the storage of CO₂.

I do not agree with the hon. Member for Aberdeen South (Callum McCaig), who said that these two issues, though connected, should be proceeded with separately. They are completely connected in respect of how the North sea will work now and for the future, so it is important to take careful note of what CCS has to offer the North sea in the longer term. We will therefore be pressing in Committee to secure a better overview of CCS by the OGA, and indeed to ensure that for the future the Government have a full strategy for dealing with CCS both in the North sea and across the country.

We will not divide the House tonight because some of the work to improve the Bill, which comes to us from the other place, has already been done. We shall seek in Committee to maintain those improvements, particularly in the part that deals with renewables and low-carbon energy, most notably in the Government’s clear intention—it is yet not with us as the Bill goes into Committee—to close the renewables obligation for offshore wind early. I am reminded of the strong contribution from my hon. Friend the Member for Sunderland Central (Julie Elliott), who told us just how wrong-headed a decision that looks to be.

I am afraid that the agenda that we have seen over the past few months—one of downgrading options for renewables in order to pursue a gas-based strategy overall—is at the heart of this particular issue. We say that there is, and should not be, a contradiction between supporting the continuing secure supply of the gas and oil that we will need for the foreseeable future and the development of renewable energy as a key component of the United Kingdom’s energy mix.

The hon. Members for Selby and Ainsty (Nigel Adams), for Daventry (Chris Heaton-Harris) and for Hertsmere (Oliver Dowden), who talked about subsidies for renewables, should be reminded that all energy is in effect now subsidised in one way or another. Indeed, we have just completed an exercise that subsidises gas, coal and nuclear generators to the tune of £940 million in one year—just to be there, not to produce anything. Perhaps that puts the figures for renewables subsidies that we have heard today into context.

In Committee, we will seek to defend the present status of the Bill without early closure of the renewables obligation, and will remind ourselves that we are talking about an existing subsidy rather than a new one. We will also seek, by means of new clauses, to clarify Britain’s longer-term low-carbon energy targets.

Mr Lilley: Will the hon. Gentleman give way?

Dr Whitehead: I am afraid that I have no time to take interventions.

My right hon. Friend the Member for Doncaster North (Edward Miliband) gave a clear and lucid indication of his wish to go further, and to table amendments in an attempt to underpin those longer-term targets. I detected strong support for that position on the part of the hon. Member for Beverley and Holderness (Graham Stuart).

We have an opportunity to forge, in a spirit of joint endeavour across the House, a key piece of legislation that will provide security and a clear way ahead for energy investors and operators, and for Britain’s energy workforce. My hon. Friends the Members for Aberavon (Stephen Kinnock) and for Ynys Môn (Albert Owen) reminded us of the need for coherence, long-term planning and stability in energy policy. We all know that that clear way ahead will be necessary for the health and prosperity of Britain’s future energy activities, and for clarity about the future direction of our country towards a low-carbon economy. Let us hope that, in Committee, the Government will recognise that compromise and discussion on both sides provide a joint opportunity to make that vision a reality, and that the Committee stage will produce a Bill that truly represents the interests of the whole House and moves us towards a low-carbon economy that will take account of our oil and gas in the context of that wider ambition.

9.48 pm

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): It is a great pleasure to sum up a debate to which there have been many contributions, to which I shall try to do justice, on subjects ranging from oil and gas and wind to carbon budgets and climate change. It has been fascinating. I am glad that the hon. Members for Wigan (Lisa Nandy) and for Southampton, Test (Dr Whitehead) welcome the work that is being done to give more powers to the Oil and Gas Authority. I have a great deal of respect for, in particular, the hon. Member for Wigan, who takes a
commercial approach to the issue. I am also glad to note that the Opposition spokesmen are keen for progress to be made in this regard.

I should point out to all Opposition Members that carbon capture and storage is part of the OGA’s mandate. The OGA issues carbon dioxide storage site licences, approves carbon dioxide storage permit applications, and approves the termination of storage site licences. In addition, when there are synergies between the oil and gas and CCS industries, we expect them to be exploited. For example, the OGA is considering the role of CCS in the technology and decommissioning strategies that they are developing. I hope that that gives all Opposition Members some comfort.

**Kirsty Blackman** (Aberdeen North) (SNP): With the continuing job losses and increasing gloom in Aberdeen, I welcome the shift in rhetoric from Members on the Government Benches. Will the Minister reassure me that the UK Government will do as much as possible to support Aberdeen to continue to be as productive as possible for as long as possible?

**Andrea Leadsom**: I can assure the hon. Lady that that is exactly what this Energy Bill is all about, and I will come on to the comments made by her hon. Friends. To finish off my remarks to the Opposition Front Benchers, this closure of the onshore wind subsidy is a very clear commitment. The then Minister with responsibility for energy, my right hon. Friend the Member for Wokingham (John Redwood), and my hon. Friend the Member for Warrington South (David Mowat), for Waveney (Peter Aldous), for Wells (James Heappey), for Richmond (Yorks) (Rishi Sunak) and for Boston and Skegness (Matt Warman) all spoke very knowledgeably about the vital importance of doing everything we can to sustain the North sea, not just for now but for the long-term future, recognising that we must cut the cost to consumers as far as possible, which means not continuing with subsidies for those technologies that are now well developed.

I had hoped that, for once, she would come on to the comments made by her hon. Friends. To finish off my remarks to the Opposition Front Benchers, this closure of the onshore wind subsidy is a very clear commitment. The then Minister with responsibility for energy, my right hon. Friend the Member for Wokingham (John Redwood), and my hon. Friend the Member for Warrington South (David Mowat), made a somewhat extraordinary contribution.

**Caroline Lucas** (Brighton, Pavilion) (Green): I cannot allow the Minister to keep getting away with telling us that she is committed to reducing prices in a way that helps consumers when she is still locking us into nuclear, with its huge subsidies that ordinary consumers are going to have to pay. Her hypocrisy and double standards on this are absolutely shocking, and if people in here do not know that, the people outside do.

**Andrea Leadsom**: Well, I don’t know where to start! I completely disagree with the hon. Lady.

We are acting to control the costs of renewable energy by ending new subsidies for onshore wind and providing local people with the final say on new applications. Members who spoke about renewables included my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), who gave us a spanking good speech on the importance of keeping costs lower for consumers, and my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who rightly raised the need to deal with intermittency. I can tell him that, since 2012, my Department has invested £18 million in innovative support for energy storage.

The hon. Members for Sunderland Central (Julie Elliott) and for Greenwich and Woolwich (Matthew Pennycook) again criticised the early closure of onshore
wind subsidies. I find it extraordinary that Labour Members seem to equate the deployment of renewables with decarbonisation. That is simply not the case. They fail to recognise that fuel poverty and endless renewables subsidies go hand in hand. They need to recognise that.

Graham Stuart: The hon. Member for Brighton, Pavilion (Caroline Lucas) asked where to start. We need to start by getting rid of the most noxious of the current fuels, which is coal. Does my hon. Friend the Minister agree that if other Governments followed our example in replacing coal with gas and then with other technologies as they develop, it would make a bigger contribution than almost anything else?

Andrea Leadsom: My hon. Friend is absolutely right. We are the first developed country to talk about getting rid of coal and moving to gas, which will be the best thing we can do for decarbonisation in the near term.

My hon. Friend the Member for York Outer (Julian Sturdy) spoke up strongly for the right of communities to decide on the location of wind farms. I want to pay a real personal tribute to my hon. Friend the Member for Daventry (Chris Heaton-Harris), who has done much to support communities and had a big impact on our policy relating to our manifesto commitment on onshore wind. I was glad to hear my hon. Friends the Members for Hertsmere (Oliver Dowden) and for Thornbury and Yate (Luke Hall) highlight the plight of the bill payer as a result of the renewables obligation subsidy. On this we have a clear manifesto commitment to get costs down.

The right hon. Member for Doncaster North (Edward Miliband) is owed a great deal of gratitude from Members across the Chamber for his personal work and commitment to the climate change agenda. He made a proposal for a zero carbon emissions strategy, with the Climate Change Committee deciding on the appropriate date, but as things stand, we are committed to meeting our legally binding commitments for 2050, and that is where our focus lies. I am sorry to disappoint him on that.

The hon. Members for Stalybridge and Hyde (Jonathan Reynolds) and for Aberavon (Stephen Kinnock) criticised the Government for not being green, but I can tell them that, since 2010, we have reduced the UK’s greenhouse gas emissions by 15%, which is the biggest reduction in a single Parliament. We are over-delivering against our first three carbon budgets, and according to the Climate Action Network, the UK is the second best country in the world for tackling climate change, second only to Denmark. This Government have done so much! My hon. Friend the Members for North Dorset (Simon Hoare) and for Bath (Ben Howlett) pointed out that the Opposition did not equate subsidies with fuel poverty, but they need to do so. They need to understand that the more we subsidise technologies, the more we add to fuel poverty.

In finishing, I wish to pay tribute to my hon. Friend the Member for Fareham (Suella Fernandes), who gave a knowledgeable and supportive speech on the importance of supporting both the OGA and our manifesto commitments. I am grateful to all hon. Members for their contributions, and I commend this Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.
That the draft Legislative Reform (Exempt Lotteries) Order 2016, which was laid before this House on 9 November 2015, be approved.—[Charlie Elphicke.]

Question agreed to.

BUSINESS OF THE HOUSE
Ordered,
That at the sitting on Wednesday 20 January, the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents) shall not apply to the Motions in the name of Secretary Theresa May relating to the draft Proceeds of Crime Act 2002 (Cash Searches: Code of Practice) Order 2016, the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (England and Wales) (No. 2) Order 2016, the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (Northern Ireland) Order 2016 and the draft Proceeds of Crime Act 2002 (Investigations: Code of Practice) (England and Wales and Northern Ireland) Order 2016 and the Motion in the name of the Solicitor General relating to the draft Proceeds of Crime Act 2002 (Investigative Powers of Prosecutors: Code of Practice) (England and Wales and Northern Ireland) Order 2016; the Speaker shall put the Questions necessary to dispose of those Motions not later than three hours after the commencement of proceedings on the first of those Motions; and proceedings on those Motions may continue, though opposed, after the moment of interruption.—(Charlie Elphicke.)

Cambridgeshire CCG and UnitingCare Partnership
Motion made, and Question proposed, That this House do now adjourn.—(Charlie Elphicke.)

10.1 pm

Daniel Zeichner (Cambridge) (Lab): I thank you, Mr Speaker, for allowing the House the opportunity to consider the extraordinary collapse, after just eight months, of one of the biggest tendering exercises conducted in the NHS: the £800 million contract between UnitingCare Partnership and Cambridgeshire and Peterborough clinical commissioning group.

Two weeks ago, I spent a morning out with an ambulance crew working from the ambulance station on the Addenbrooke’s site outside Cambridge. I saw the NHS at its best: top-quality care, provided quickly; people in pain and discomfort treated with dignity and respect; a swift, seamless transfer into hospital; and fantastic, caring, committed staff, on ambulances and in hospital. It was our NHS at its best and we should be proud of it.

When health leaders in Cambridgeshire said they wanted to create an integrated service for older people that would focus on prevention, it was a worthy aim, albeit polluted by the need for a competitive tender, insisted upon by the Health and Social Care Act 2012. When the contract was finally signed with NHS providers, it should have been the start of a new way to provide care, so what went wrong? That is what I want to quiz the Minister on tonight, because the failure of this contract matters way beyond Cambridgeshire, and it has rightly attracted national attention. A recent editorial from the Health Service Journal said:

“When a five year contract of this size and this importance to some of the most vulnerable people in society fails, it is not enough to shrug and walk away. As NHS England develops capitated, outcomes based contracts for national rollout, it is important to understand and explain what has gone wrong in Cambridgeshire so the lessons can benefit the health service as a whole.”

It is right.

This is a long and complicated story, which some of us have followed closely over many years. You will be glad to hear, Mr Speaker, that I will give an abbreviated account, but I must pay tribute to some of the campaigners who spent many, many months at meetings across Cambridgeshire questioning and challenging: my friend and colleague, Huw Jones; Steve Sweeney, then of the GMB; Jo Rust; Tracey Lambert and Martin Booth from Unison; and many, many others. We always knew something was not right and, sadly, we were proved to be correct.

I believe the story really begins back in 2012, when the future of Cambridgeshire Community Services NHS Trust, which had itself only a few years earlier been separated from the predecessor to the CCG, was thrown into doubt when it failed in its bid to become a foundation trust. Under Government guidance at the time, through the Trust Development Authority, trusts that were not foundation trusts faced being wound up. That was a foolish policy and, as so often, it was later rescinded, but given that this was happening when the infamous 2012 Act was under massive discussion, the real possibility was raised that many care staff would be transferred to private providers. That did not happen, because Cambridgeshire County Council, which many staff had originally worked for, took many of them back, but the consequence was a disintegration of services—the very
opposite of what was needed. Integrated teams were ripped apart—an act of vandalism that set care back. The Trust Development Authority, the body overseeing this early-stage debacle, remains the line of accountability for NHS trusts. Those trusts are now being merged, in their regulatory function if not steadily, into Monitor, which is yet another Executive non-departmental public body of the Department of Health.

It is worth noting in passing that, since the time it was denied foundation trust status, causing the disintegration of care, Cambridgeshire Community Services has gone on to be named as the best community trust to work for by the Health Service Journal, and is now doing very well, albeit by working mainly with others outside Cambridgeshire.

Against that backdrop, and because of the 2012 Act taken through Parliament by the then local MP and Secretary of State for Health, the Cambridgeshire and Peterborough clinical commissioning group, in wanting to move to a new model of outcomes-based care, was forced in 2013 to put health services for older people out to tender. The process attracted national attention and was very controversial locally, mainly because of its focus on trying to attract private providers. Shrouded in commercial confidentiality, rumours abounded. Many organisations expressed interest including Virgin Care, Care UK, Circle, Capita and UnitedHealth and more.

Over many months, campaigners and I sat through numerous CCG board meetings and what were described as public consultation meetings where we were assured that all was well and that the many concerns we raised were unjustified. It was announced that the three final bidders for the contract to lead the services were Care for Life, UnitingCare Partnership and Virgin Care. Eventually, in October 2014, it was announced that the five-year outsourcing contract to run older people’s healthcare and adult community care was to be awarded to the UnitingCare Partnership, which was not a private bidder but an NHS consortium of Cambridgeshire and Peterborough NHS Foundation Trust and Cambridge University Hospitals NHS Foundation Trust. The five-year contract was worth £800 million and covered: urgent care for infections; mental health services for people aged 65 and over; adult community care for people aged 18 and over, including district nursing and rehabilitation services; and health services to support the care of people aged 65 and over. It is one of the biggest contracts the NHS has ever tendered.

The partnership started delivering services last April, and regular updates were issued outlining how the new services would work. We now know that, behind the scenes, much wrangling over costs was going on, but that was withheld from public gaze. Then came the bombshell. After eight months, and just one month of the new system operating fully, a joint statement was issued by Cambridgeshire and Peterborough CCG and UnitingCare. Not much detail was given, other than an assurance that services would continue, that patients should be reassured but also that the provider and the commissioner had agreed that

“the current arrangement is no longer financially sustainable.”

The contracts that had been established were to be honoured by the CCG, and patients and carers were promised that services would go on as usual and would not be disrupted. It was also said that it would try to retain the new model of integrated service delivery.

Let us briefly review some of the damage. We still do not really know how much the procurement process cost, but on the public side it was certainly millions, and probably at least as much again for private providers working up failed bids—doubtless to be recouped from somewhere else in the NHS later.

Let me turn now to the impact on staff. Back when Cambridgeshire Community Services failed in its bid for foundation status, a transition steering group was established to oversee the future of thousands of its staff. Teams were ripped apart and, with the new contract, more than 2,000 staff were transferred to Cambridgeshire and Peterborough Foundation Trust and Cambridgeshire County Council.

That was a massive task for the Cambridgeshire Community Services Trust, distracting it from other work. There was huge uncertainty and stress for staff over the future of their jobs. Throughout the entire process, across the NHS in Cambridgeshire, senior managers and local health service leaders were spending large amounts of time on all of this. Was it really time well spent, when last year we saw so many major hospitals repeatedly in crisis?

I have said nothing so far about the strategic projects team. What was its role? Many would ask, “Who are they?” To many who follow these things, the STP is, in effect, the pro-privatisation arm of NHS England, and it played a key role throughout this process. Its website tells us that the team specialises in competitive procurement, the re-design of patient pathways via an integrated care model, change management, service reconfiguration and integration, trust development and culture change.

The STP is part of NHS England. We are told by Lord Prior of Brampton, the Minister responsible for NHS productivity, that in its investigation into the collapse of the contract, NHS England will examine the strategic projects team’s role, and will also consider how similar contracts will be managed and assured in future. So it is NHS England that will investigate its own strategic projects team—a hopeless conflict of interest. That is not good enough. We need a genuinely independent and transparent review.

People are right to ask questions about the strategic projects team. Its list of interventions reads like a roll-call of recent NHS disasters: not just this project, but the private hospital saga at Hinchingbrooke in Cambridgeshire, and the failed tendering process for the George Eliot hospital in Warwickshire, among others. Its website leaves one in no doubt about its leading role in the Cambridgeshire older people’s tendering process. It says:

“SPT delivered an open procurement process on behalf of the CCG”. It delivered—no room for doubt there. On 8 October 2014, when UnitingCare was announced as the preferred bidder, the SPT was again trumpeting its key role. On 12 November, when it was announced that UnitingCare would operate as a limited liability company, the SPT was there again, and it is worth quoting from the press release still on its website to get a sense of just how central it was:

“Andrew Macpherson, Managing Director of the Strategic Projects Team that managed the procurement on behalf of the CCG said: ‘The Strategic Projects Team are once again proud to have supported courageous leadership in the NHS.”

The SPT may call it courageous; others might describe it rather differently.
Let us be clear—it is the SPT, very much part of NHS England, that has been calling the shots. On the decision to set up UnitingCare as a limited liability company, it was approved by Monitor, the strategic projects team and NHS England at the time, yet all knew that that meant that there would be no room for flexibility, and no room for losses in years 1 and 2, when the model explicitly expected extra cost at the beginning, in expectation of savings later. Looked at from the outside, it is hard to see how that could ever have worked, so why did Monitor, the special projects team and NHS England give the go-ahead? Did none of them spot the potential VAT problems introduced by a limited liability partnership?

Having given a brief outline, let me come to the further questions that I hope the Minister will be able to help us with. First, on the flurry of investigations being announced, although it is right that individual organisations will want to look at their role, there is a danger not only of duplication but of exactly the kind of fragmentation that has caused such problems already. Given the conflict of interest within NHS England that I have already described, would it not be better to have a genuinely independent review carried out by the National Audit Office—a review in which we could all have confidence?

The Minister should surely be able to tell us about the role played by his Department and by Ministers, at two key moments in particular. When it was clear in October/November 2014 that there was insufficient information on costs to agree a final contract, why was the process not delayed until that had been sorted out? Did Ministers know? What exactly was the rush to achieve implementation for April 2015, coincidentally perhaps just weeks ahead of the general election? And what role did Ministers play in the final decision to end the contract in December 2015? There were clearly detailed discussions going on with NHS England and Monitor about how much was needed to keep the contract running. The figure seems to have been about £10 million, a lot of money, but given that killing the contract may well have cost more, it was certainly worth considering. What was the ministerial involvement at that point? Were Ministers consulted? Who made the decision to let the contract collapse?

Looking forward, which is what matters most, patients have been assured that services will be maintained. That may well be true in the short term, but what next? Will the outcomes model be pursued, just with UnitingCare taken out of the equation? Does the CCG have the capacity, and if it does why did we go through that ludicrous tendering process? This has been a sorry saga. It seems that everyone agrees that our NHS and our care services need to be integrated, but years of fragmentation make it extremely hard to achieve.

This was a well intentioned attempt to deal with the perverse incentives that shackle our health and care services, and we need to find out what went wrong. We have dedicated, hard-working staff who want to provide the best care possible to our citizens. We need to find a way of making it possible for them to do that. In my view that means an end to contractualised market models, and a move to a genuinely integrated public system: an NHS solution based not on competition but on collaboration; an NHS solution that patients desperately need, and that staff, I am sure, would cheer.
with voluntary organisations working together; a single view of the patient record, called OneView, providing professionals with a summary of all information about a person’s health; and a health analytics service to target interventions at those most at risk of admission.

To achieve those improvements, a contract was needed between the provider and the CCG. The main components of the contract were: a new framework for improving outcomes; a new contracting approach to align incentives in a better way; a five-year contract term; and a new lead provider, UnitingCare. It was therefore a high-value contract; it had a total value of around £800 million. Having taken legal advice, the CCG went to open procurement, using a standard three-stage process—prequalification, an invitation to submit outline solutions, and an invitation to submit final solutions. The CCG prospectus set out the CCG budget and the evaluation criteria. It was a contract entered into in good faith. This included submitting bids within the CCG budget. The CCG budget incorporated forecast population growth, an acuity factor, and QIPP—quality, innovation, productivity and prevention—savings for each year.

In 2014, there was in some quarters, as the hon. Gentleman said, concern that the process was “stealth privatisation”. Clearly no one, on any objective criteria, would agree that that was the case; it was merely, as he said, a service reconfiguration placed with a not-for-profit company set up by local health providers. The boards of Cambridge University Hospitals NHS Foundation Trust and Cambridgeshire and Peterborough NHS Foundation Trust held the firm belief that only by introducing radical change led by the NHS would the local health economy under the CCG become viable for patients, staff and the respective trusts across the region. For that reason, they decided to submit a joint bid and, following commercial and legal advice, opted to create a limited liability partnership to fulfil the role of prime vendor, as required by the CCG.

The CUHFT and CPFT consortium was appointed as preferred bidder at the end of September 2014. In October, it formed UnitingCare LLP to hold the contract. The strategic projects team was appointed as procurement adviser to the CCG through a competitive process and its role was to manage the procurement process. The strategic projects team is a specialist unit hosted by the Arden and Greater East Midlands commissioning support unit, which has substantial experience in managing complex procurements. The CCG also appointed legal advisers, Wragge Lawrence Graham, and financial advisers, Deloitte, to support the procurement process.

Much information about the costs of the current services, staffing details and timescales could not be provided by the CCG to UnitingCare until it was at preferred bidder stage. As a result, UnitingCare’s bid was heavily caveated and based on assumptions. To illustrate this point, at the time of preferred bidder award status, there were 71 outstanding clarification questions from the procurement process. The contract signed between the CCG and UnitingCare also included several protection clauses to be utilised in the event of the financial distress of either party. Subsequent to contract signature, additional clauses were agreed that allowed for the rapid exit of the contract in the event of the financial destabilisation of either party. With these protections in place, trust boards, the CCG and Monitor allowed the contract to be signed in November 2014 and for the necessary mobilisation activities to facilitate service commencement on 1 April 2015.

There were clear improvements in patient care. For example, in November 2015 emergency admissions for over-65s reduced by just short of 8% compared with the previous year and by 9% when taking into account population growth; admissions of more than two days’ duration for people over the age of 65 reduced by 14%; and A&E attendance reduced by 3.2% when taking into account population growth. However, in December the contract was terminated by mutual agreement.

Lucy Frazer (South East Cambridgeshire) (Con): As my hon. Friend says, there were advantages to this project and it produced good outcomes. If it is a good concept, will the Department of Health support the services that so need to be provided?

George Freeman: My hon. and learned Friend makes an excellent point. The service is currently being continued, albeit by the CCG rather than through the company that was created for the purpose. As she says, the reforms that were put in place were the right reforms. Indeed, they were led by local clinicians and designed with that in mind.

Sir Oliver Heald (North East Hertfordshire) (Con): In Royston we have the Royston NHS and social care hub, which will include beds as well as other services. Does my hon. Friend agree that there is no reason at this stage for people to become anxious that the difficulty with the contract will lead to any change in the quality of services that are planned for the future?

George Freeman: That is right. As both questions have highlighted, the change in the care pathway is being pursued by the CCG and there is no reason for patients—the users of the system—to fear any dramatic change to the service. The remaining issue is the residual issue of how the contract came to be put in place. The dispute between the parties is about their different conceptions of the financial and contractual situation. I do not want to prejudge the investigations, but the service reforms will continue.

The final decision to terminate was taken after extensive discussions between the CCG, UnitingCare, Cambridge University Hospitals NHS Foundation Trust, Cambridge and Peterborough NHS Foundation Trust, NHS England and Monitor. Prior to escalation to NHS England and Monitor, the CCG, CUH and CPFT worked hard to try to reach a resolution locally.

Daniel Zeichner: Could the Minister enlighten me on the role played by Ministers in that final decision? Did they know it was happening? Who ultimately terminated the contract?

George Freeman: As I will come on to say, due process was followed in the correct way. One of the reasons for listing all these acronyms is so that the hon. Gentleman can be reassured that the right bodies carried out their due diligence. I do not believe that there was any reason for Ministers to be concerned at any point until the dispute between the parties became clear. Indeed, the reforms had been generated locally by clinicians
and an accountable CCG led by clinicians. As the questions I have been asked have illustrated, the reforms were and remain very sensible. This is a better care pathway, with improved outcomes.

The issue is contractual and relates to a dispute between the parties about liabilities in the contract. As I have said, I do not want to prejudge the ongoing investigations, the point of which is to work out what should have been done differently. I can absolutely reassure the hon. Gentleman and the House that we are hungry to learn any lessons from that commissioning experience. We need novel commissioning. We need commissioners around the country to look into different ways of commissioning the reforms to our integration of health and care, and lessons need to be learned when it goes wrong. I emphasise that this was a contract between the parties. As I have said, the Department is looking forward to the reviews and wants to hear the lessons that others can learn.

The CCG has now taken over all relevant contracts with providers that were previously held by UnitingCare, to ensure that there is no service disruption to patients and carers. In addition, the CCG and CPFT, which employ the majority of the affected staff, have worked closely together to ensure that frontline staff are clear that, while the contractual model has now changed, the service model remains in place.

Of course, I agree with hon. Members that it is a matter of extreme concern that the new arrangements lasted barely six months. That is not ideal. We need to work out how the parties got it wrong and what mistakes were made. There are questions for the reviews to address. For instance, there is the question of why, given full procurement and assurance of the process, the result fell so far short in practice, along with other associated questions.

To describe modern commissioning as back-door privatisation is wilfully to misrepresent what is going on. These are clinician-led improvements to the care pathways, and I do not believe that most service users would consider it privatisation. We are talking about two public sector organisations coming together to form a company for the purposes of jointly commissioning care pathway innovation put together by clinicians in the local CCG. If Labour considers that privatisation, it has a serious problem, because most people would consider it enlightened commissioning for modern care pathways. This is a contract issue. The parties to the contract did not get it right, and we are keen to understand why and what can be done to make sure it does not happen again. I want those answers as much as the hon. Gentleman, and I repeat my invitation, to him and other hon. Members with an interest, to meet in due course to learn the lessons and make sure that the benefits of commissioning for integration go ahead without the contractual errors that have bedevilled this project.

Question put and agreed to.

10.30 pm

House adjourned.
Tuesday 19 January 2016

The Chancellor of the Exchequer was asked—

Long-term Economic Plan

1. Craig Williams (Cardiff North) (Con): What progress he has made on his long-term economic plan.

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): Britain is in a much stronger economic position than five years ago, with employment up and the deficit down. However, as I set out in my speech to business leaders in Cardiff, we face a dangerous cocktail of economic risks from around the world this year. That situation is reflected in the International Monetary Fund forecasts that were published one hour ago, in which world growth is revised down but the positive forecast for the UK is unchanged. That shows that the best thing that we can do is to continue to fix our public finances, back business and deliver our long-term economic plan.

Craig Williams: The Chancellor was very welcome when he visited Cardiff two weeks ago. He brought a sense of urgency to the Cardiff city deal process with the deadline of the Budget and a clear sense of direction with the compound semiconductor catapult. If we are to maximise the potential of Cardiff and the Welsh economy that our long-term economic plan presents, do we not need tangible partnership plans from the Labour Assembly Government? Is it not time that they came up with them, given that they have had 16 years to do so?

Mr Osborne: It was very good to meet my hon. Friend and business leaders in Cardiff; to back them and the brilliant work that is being done at the university there with the investment in the new semiconductor catapult; and to commit to additional capital investment. I hope that we can agree a Cardiff city deal with the Welsh Government and the authorities in Cardiff before the Budget. He poses the right question, which is if, after 16 years in power, the Labour party in Wales has not delivered a credible economic plan for Wales, is it not time for a change?

Mr Osborne: Of course the redundancies that have been announced at Tata Steel and elsewhere in the steel industry are a real matter of regret. We are providing all the support we can to the families who are affected and helping them to get into work. We are backing the steel industry by responding to its requests that we cut energy bill costs—that policy comes into effect today; that we change the rules around procurement so that companies and the Government buy British steel; and that we take action internationally against cheap imports from China. Not one of those things was done when there was a Labour Government, and during that period the number of steel jobs in this country fell by 50%. We will not take lectures from the Labour party, but we will back our steel industry.

Mr Andrew Tyrie (Chichester) (Con): Does the Chancellor think that the stamp duty surcharge that was announced in the autumn statement for the buy-to-let market will inhibit or advance labour mobility?

Mr Osborne: I think that it will help to promote home ownership, because it will mean that there is a more level playing field between an owner-occupier who wants to buy a house, a first-time buying family and a buy-to-let landlord. There is nothing wrong with people investing in property, but there should be a level playing field so that we reverse the decline in home ownership in our country.

Rachel Reeves (Leeds West) (Lab): A long-term economic plan means supporting small businesses across the country. On 26 December, 250 businesses in my constituency that employ 2,500 people were inundated by floodwater. Will the Chancellor take this opportunity to commit to a full flood defence scheme in Leeds so that this sort of disaster cannot happen to businesses in my constituency again?

Mr Osborne: I certainly commit to looking personally at what can be done to improve flood defences in Leeds. The Environment Agency and the Government are conducting a review after what was the highest level of rainfall in Yorkshire in modern history. Of course, having committed the additional £2 billion to flood investments, we are able to afford these things. We would not be able to afford any of this sort of thing if we had wrecked the economy like the last Government did.

17. Christopher Pincher (Tamworth) (Con): Does my right hon. Friend agree that as part of his long-term economic plan, the Help to Buy ISA will help people in my constituency, where housing is priced at a premium, to own their own homes—a dream that the Labour party wishes to quash?

Mr Osborne: My hon. Friend is right, and the Help to Buy ISA has been a spectacular success. In the few weeks since its launch, 170,000 families have taken it up,
and it is helping people to get on the property ladder and save for that deposit. We are doing everything that we can to support the aspirations of the families of Britain.

Stewart Hosie (Dundee East) (SNP): The Government’s plan requires the doubling of exports by 2020 to £1 trillion—a promise repeated in “Fixing the Foundations”, which was published in this Parliament. Does the Chancellor still hold to the intention and promise to see UK exports rise by £100 billion a year every year for the next five years?

Mr Osborne: We hold to that target, but frankly it will be very challenging to meet. We have been improving exports, but many of our main export markets have been weak, and we would like further economic reform on the continent of Europe. Some of the big emerging markets are struggling at the moment, but a good economic dialogue is taking place today with India, and British exports to India are increasing. Only recently has the United States economy started to grow. There are many challenges, but I do not think we should duck those challenges or ditch the target. Increasing exports is a key priority for the UK.

Stewart Hosie: I agree that we should set ambitious targets, but they must be credible. Given that the British Chambers of Commerce states that the export target will be undershot, and the Office for Budget Responsibility states that it will fail to be met by some £350 billion, is it better to set a realistic and achievable target, rather than risk losing credibility as the Chancellor did when he failed on debt, deficit and borrowing targets in the previous Parliament?

Mr Osborne: It is right to set and to try to meet a stretching target, even if that will be challenging. The hon. Gentleman talks about realistic and credible numbers. If Scotland had listened to the Scottish nationalists, it would be separating from the United Kingdom in two months’ time. The Scottish Government based their claim for independence on an oil price of $115. Scotland would now be heading for economic catastrophe if it had listened to the hon. Gentleman and Scottish National party members. Before they talk about credible and realistic economic policies anywhere else in the United Kingdom, they should get one themselves.

Julian Knight (Solihull) (Con): Motor manufacturing is crucial to our long-term economic plan and to exporting. The Land Rover Defender will soon stop production in Solihull. Will the Chancellor praise the workers of Solihull for producing that iconic brand and driving exports for the past 60 years?

Mr Osborne: My hon. Friend is right to pay tribute to workers at the Jaguar Land Rover plant in Solihull. The iconic Defender that they have produced over all those decades has been seen around the world and used in peacetime as well as during war. It is good news for Solihull, the west midlands and the whole country that Jaguar Land Rover will continue to produce brand-new models of great cars. It is one of the real success stories of the British economy. In general, while Conservatives have been in the Treasury and in Downing Street, car production in this country is up by 50%.

John McDonnell (Hayes and Harlington) (Lab): Only eight weeks ago the Chancellor promised “an economic recovery for all, felt in all parts of our nation”—[Official Report, 25 November 2015; Vol. 602, c. 1338.]

On the day that the International Monetary Fund warned about the global economy and called on Government to increase their investment spending—something that Labour Members have consistently called for—will he now reconsider his economic plan, and particularly his investment plans?

Mr Osborne: The economic plan has seen employment rise and unemployment fall, and it has meant that for the IMF forecasts that the hon. Gentleman mentions, the UK’s forecast has not been changed and remains one of the strongest among all advanced economies in the world. Perhaps I may gently suggest that the hon. Gentleman might want to change his own economic policy, since in the last week he has called for the return of flying pickets, and said that he wants to ban companies from paying dividends and spend billions of pounds on nuclear submarines without any nuclear missiles. Today he said that he is going to tour the country with the former Greek Finance Minister, Mr Varoufakis, to educate us all about economics—the one thing they have in common is that they have both lost their marbles.

John McDonnell: If the Chancellor will not reconsider his investment plans, can he at least appreciate how angry the families of steelworkers in south Wales are this morning? They know that when the bankers’ bonuses were threatened, he immediately shot across to Brussels with an army of lawyers to defend them and that he will jump into a helicopter for a Tory fundraiser. It has taken him four months to lift a finger to save steelworkers’ jobs. Does that not prove that he is actually the bankers’ Chancellor?

Mr Osborne: We want a successful financial services industry, because hundreds of thousands of people across the country work in it. We also want a successful manufacturing and steel industry, which is why we have taken action to reduce energy costs—something that had not happened previously and which comes into effect today—and why we are taking action to change procurement rules so that the British Government and others are encouraged to buy British steel. Again, that never happened when the Labour party was in office. We are acting internationally to deal with the dumping of Chinese steel. That is what we are doing. Of course it is an incredibly difficult situation, but as the hon. Gentleman knows, and everyone in this House knows, steel jobs are being lost in every single country in the world at the moment. The question is: what can we do nationally to defend and protect our steel industry? We are doing everything we can. If the hon. Gentleman has constructive suggestions, he should put them to me.

Banking Culture Review

2. Dr Rupa Huq (Ealing Central and Acton) (Lab): What discussions he has had with the Financial Conduct Authority on its decision to end its review of banking culture.

[903100]
13. **Jo Stevens** (Cardiff Central) (Lab): What discussions he has had with the Financial Conduct Authority on its decision to end its review of banking culture. [903111]

**The Economic Secretary to the Treasury (Harriett Baldwin):** The Financial Conduct Authority is an independent regulator. No Treasury Minister or official had any discussions with the FCA before it took the decision to discontinue the review.

**Dr Huq:** Given that the popular image of bankers right now is probably on a par with used car salesmen or MPs even, does the Minister not agree with the hon. Member for Wyre Forest (Mark Garnier) that to abort the review now, which could have looked at regulating challenger banks as well as historical mis-selling, is a missed opportunity?

**Harriett Baldwin:** I find it hard to take lectures from the Labour party on regulating the financial sector. In fact, since my right hon. Friend became Chancellor, we have set up the Financial Conduct Authority and moved on from the failed regulatory system under the Labour Government. We made it a criminal offence to manipulate the UK’s key benchmark, we brought in the toughest rules on bankers’ pay of any financial centre, and we are bringing in new criminal offence so that senior managers whose reckless decisions bring down banks can face up to seven years in jail.

**Jo Stevens:** With the terrible impact of bad banking practices highlighted in the Tomlinson report, particularly in commercial lending to small businesses, still unresolved for one of my constituents, does the Minister agree that both the public and small businesses still have significant concerns about the behaviour of many individuals within the banking sector?

**Harriett Baldwin:** I completely agree with the hon. Lady that we need to see the highest levels of conduct from the banking sector. We also need to continue to take steps in terms of our long-term economic plan to secure access to funding for small businesses. That is why we have taken steps to back peer-to-peer lending and extended funding for lending for another two years. We continue to benefit from record low interest rates thanks to our prudent economic management.

**Mark Garnier** (Wyre Forest) (Con): There has been speculation that the Treasury has influenced the decision by the Financial Conduct Authority. While I think that such speculation is certainly fanciful, it is important to remind the House that the FCA was set up in 2012 as an independent organisation. Does my hon. Friend agree that one way we could underpin the independence of the FCA would be to adopt a similar process to the one we have with the Office for Budget Responsibility, whereby the Treasury Committee can have power of veto over the appointment of the chief executive?

**Harriett Baldwin:** My hon. Friend, who is a very constructive and engaged member of the Treasury Committee, will have the opportunity to ask questions of the acting chief executive and the chair of the FCA on Wednesday. I agree that it is very useful for such a Committee to have pre-appointment hearings with any executive of the FCA.

**Andrew Bridgen** (North West Leicestershire) (Con): The Symphony interbank communications software, which allows for the permanent deletion of emails, advertises itself as being able to save banks billions of pounds in fines. Will the Minister join my campaign, in conjunction with the Business Secretary, to ensure that the FCA retains the encryption codes for the Symphony software system for seven years, as happens in America?

**Harriett Baldwin:** My hon. Friend asks a salient question. The FCA is investigating this matter, and he will be aware that new rules—the markets in financial instruments directive II—will require firms to keep information for a considerable period, but this is the subject of ongoing discussions.

23. [903122] **Tom Brake** (Carshalton and Wallington) (LD): Will the Minister agree that one of the biggest problems with the banking culture is that banks are too big to fail, and will she consider the issue of diversity in the sector, including, for instance, new lending platforms and market disruptors? In particular, will she consider new primary duties on the FCA to consider the issue of diversity?

**Harriett Baldwin:** I am sure the right hon. Gentleman will welcome the announcement we are expecting on Wednesday from the Bank of England, the FCA and the Prudential Regulation Authority about their working together to back innovation in the financial sector. A key part of our long-term economic plan is to back competition in the banking sector, which is why I am pleased there were eight new entrants to the banking sector in the last Parliament. In this Parliament, we are aiming for 15.

**Richard Burgon** (Leeds East) (Lab): Mr Speaker, “interventions by HM Treasury and other bodies have raised questions...regarding the board’s independence”—not my words but those of an FCA-commissioned external report on the FCA board published last week. How will the Chancellor demonstrate that the appointment of the new chief executive will not be yet another example of an overreaching Chancellor trying to get his own way?

**Harriett Baldwin:** It was good of the hon. Gentleman to turn up for Treasury questions this time—I guess there was not a Stop the War march or a picket line to join today. I can assure him that the Treasury has the power to appoint both the board and the chief executive and to set its remit, but from then on it has operational independence.

**Wage Growth/Inflation**

3. **James Heappey** (Wells) (Con): What comparative assessment he has made of the trends in the levels of wage growth and inflation. [903101]

**The Exchequer Secretary to the Treasury (Damian Hinds):** The latest figures from the Office for National Statistics show that real average weekly earnings were up 2.4%,
year on year, in the three months to October; wage growth has outstripped inflation for 13 consecutive months—the longest period of real wage growth since before the recession—and the Office for Budget Responsibility forecasts wages to grow faster than inflation over each of the next five years.

James Heappey: I welcome the Minister’s reply. Does he agree that the key to delivering further wage growth, particularly in rural areas such as Somerset, is improving productivity, infrastructure and the skills base, all of which underpin the Chancellor’s long-term economic plan for the south-west?

Damian Hinds: My hon. Friend is quite right. Last year, the hourly pay of the average Somerset employee grew well in excess of CPI inflation, and of course the south-west has a particularly strong employment rate. To keep on driving real wage growth, however, we must have productivity gains, hence the focus on the “Fixing the Foundations” strategy for skills and infrastructure and on making sure we have an attractive tax regime that encourages investment and brings jobs to that region and the country as a whole.

Geraint Davies (Swansea West) (Lab/Co-op): Some 400,000 fewer people earn more than £20,000 than did in 2010, because the Chancellor has been cutting full-time jobs and replacing them with more part-time, low-paid jobs. What is he doing to lift productivity and research and development to raise average and median wages?

Damian Hinds: The lowest earners experienced the fastest growth in median earnings last year, and recent growth in employment has been dominated by full-time workers, contrary to what the hon. Gentleman says. We have a comprehensive plan for driving productivity in the “Fixing the Foundations” strategy, and the national living wage is a dramatic, long-term structural change.

Northern Powerhouse

4. John Stevenson (Carlisle) (Con): What progress he has made on the establishment of the northern powerhouse.

Mr Osborne: As my hon. Friend knows—he is a real champion not just of Carlisle and Cumbria but of the northern powerhouse—we are working with local authority leaders and other elected representatives on whether we can have a new governance arrangement in Cumbria, which might include an elected Mayor. This is a decision for Cumbria, of course, but it has come to us with this proposal, and we are working hard with the people of Cumbria to see whether we can get an arrangement that boosts jobs, boosts investment and makes sure that decisions that affect Cumbria are taken in Cumbria.

Mr Dennis Skinner (Bolsover) (Lab): Does the northern powerhouse occur in Redcar where the steel industry has been closed because of the Chancellor allowing the Chinese to dump steel? Are they talking about the northern powerhouse at Scunthorpe, where they have lost more than a thousand jobs? Are they talking about it at Port Talbot, where they are going to lose a lot more jobs? The truth is that they do not talk about the northern powerhouse in the coalfields where the Tories have shut the last three pits. They call it the northern powerhouse. That is its real name.

Mr Osborne: The hon. Gentleman seems to forget that the Redcar works first closed under the Labour Government that he supported. It is also the case that during that Government, which he supported from the Government Benches, the number of steel jobs lost in this country was 30,000. We are doing everything we can to preserve the steel jobs that remain. We are working with the steel industry. We have acceded to almost all its requests, and we are looking at the last remaining one, which is changes to business rates—again, something that never happened under a Labour Government. We will report on that at the Budget. We are working to make this the competitive place to do business, and if we adopted the policies of the Opposition, where dividends are not paid to investors and flying pickets are reintroduced, do they really think that a single overseas investor, such as Tata Steel, would be expanding their business in the United Kingdom?

UK GDP: EU Membership

5. Emma Reynolds (Wolverhampton North East) (Lab): What assessment his Department has made of the potential effect of leaving the EU on UK GDP.

Mr Gauke): The Government are fighting hard to fix aspects of our EU membership that cause so much frustration in the United Kingdom, so that we get a better deal for our country and secure our future. We are confident that the right agreement can be reached.

Emma Reynolds: Jaguar Land Rover recently announced that it will double investment in the brand-new engine plant on the outskirts of my constituency, creating hundreds and hundreds of additional jobs on top of the 1,400 already announced. Does the Minister agree that unfettered access to the single market drives this sort of investment and that if we were to walk away or sacrifice that access, those jobs and that investment could well be put at risk?
Mr Gauke: I too welcome the new jobs being created in and near the hon. Lady’s constituency by Jaguar Land Rover. Indeed, my right hon. Friend the Chancellor visited that site recently. On our relationship with the European Union, the Government’s position is very clear: we want the benefits of access to the single market, but there are aspects of our relationship with the EU that can be improved. That is what we are seeking to do in our renegotiation.

Philip Davies (Shipley) (Con): Given that we had a £62 billion trade deficit with the European Union last year, and given that if we left the EU the UK would be the EU’s single biggest export market, does the Minister think we could have a free trade agreement with the EU from outside it, without handing over £19 billion a year in membership fees?

Mr Gauke: I am sure that will be one of the issues discussed at length during the referendum debate. The point is that under this Government the British people will have an opportunity to express their views on where our future lies.

Kelvin Hopkins (Luton North) (Lab):Britain has been a significant and, in recent years, a substantial net contributor to the EU budget. For over 40 years, this has had a negative impact on UK economic growth and GDP, the cumulative effect of which has been very large. Would leaving the EU not take that particular brake off UK GDP growth?

Mr Gauke: One point I would make is that thanks to Margaret Thatcher’s renegotiation of the rebate and thanks to the current Prime Minister’s negotiation of the EU budget resulting in a real-terms cut, we are paying less than we otherwise would have done.

Departmental Pay: Living Wage

6. Alison Thewliss (Glasgow Central) (SNP): How many staff in his Department earn less than £7.85 per hour.

The Economic Secretary to the Treasury (Harriett Baldwin): None.

Alison Thewliss: I thank the Minister for that answer, but does she not agree that it is important to pay the real living wage, which is £9.40 an hour in London and £8.25 in the rest of the United Kingdom? It is paid by the Scottish Government and by more than 400 employers in Scotland, so it is fair to all employees, particularly those under 25.

Harriett Baldwin: I am glad the hon. Lady welcomes the fact that, from April this year, all employees in the United Kingdom who are over 25 will receive a significant pay rise. That is thanks to the strength of employment throughout the United Kingdom, which in turn is thanks to our long-term economic plan.

Rishi Sunak (Richmond (Yorks)) (Con): According to my calculations, someone who earns £7.85 an hour today will benefit from rises in the personal tax allowance and the national living wage, and, by the end of this Parliament, will be more than £1,500 better off. Does my hon. Friend agree that that proves that this Government are committed to making work pay?

Harriett Baldwin: My hon. Friend makes an excellent point. In fact, it has been stated that not only will 2.5 million people benefit directly from the change in the national living wage in April, but up to 6 million whose salaries are very close to that hourly rate will benefit as well.

Mr Jim Cunningham (Coventry South) (Lab): When will the Chancellor, and in particular the Minister, give public sector workers a decent pay rise that reflects some of the jobs that they do for us?

Harriett Baldwin: We believe that every worker in the country will benefit from the change in the national living wage, which is an important part of the long-term economic plan, but, as the hon. Gentleman will know, this year public sector workers received pay rises that were above inflation.

Mr Ranil Jayawardena (North East Hampshire) (Con): The Minister has made important comments about the principle of making work pay. Will she give further consideration to extending the married couples’ tax allowance, so that more families can keep more of what they earn?

Harriett Baldwin: I will take that as a Budget submission.

Support for Businesses

7. Mr Alan Mak (Havant) (Con): What fiscal steps he is taking to support businesses.

Mr Gauke: Absolutely. I join my hon. Friend in congratulating Innova Design, are growing, thanks to the rise in investment allowance tax relief which takes effect this month. Will the Chancellor join me in congratulating Innova Design on its growth and success, and will he also continue to support the British manufacturing sector, an industry that was neglected by Labour for 13 years?

Mr Mak: Manufacturers in my constituency, such as Innova Design, are growing, thanks to the rise in investment allowance tax relief which takes effect this month. Will the Chancellor join me in congratulating Innova Design on its growth and success, and will he also continue to support the British manufacturing sector, an industry that was neglected by Labour for 13 years?

Mr Osborne: Absolutely. I join my hon. Friend in congratulating Innova Design on the work that it is doing. We are investing in transport infrastructure on the south coast, and we are also backing companies—not just there, but around the country—with a permanent annual allowance of £200,000, which is the highest that it has ever been.
Andrew Rosindell: What steps does the Chancellor intend to take to ensure that the quarterly tax returns that are made in 2020 will not harm small businesses in constituencies such as mine by affecting their productivity and their ability to make profits?

Mr Osborne: My hon. Friend is right. Our objective is to make it easier for businesses, and indeed individuals, to complete their tax returns by making use of modern digital technology, and we are introducing a simple and secure personalised digital tax account. We estimate that that will reduce the administrative cost to businesses by £400 million.

Ian Austin (Dudley North) (Lab): The best way to support manufacturing businesses in the Midlands would be to free the region from London's control, because it has been stifled by Whitehall for far too long. If the Chancellor gives us the powers and the funds that we need to strengthen the economy, develop brownfield sites and tackle congestion, we will deliver more jobs, better skills, quicker transport and new homes.

Mr Osborne: We have a deal, because that is exactly what we are doing with the West Midlands. We have worked with different political parties: I have met both Labour and Conservative authority leaders and Members of Parliament in the region, and we have collectively agreed to have an elected Mayor and to hand significant powers from this place and the Government to the people of the West Midlands. I think that that is one of the most exciting steps that have been taken in the devolution of power in this country.

Ms Margaret Ritchie (South Down) (SDLP): What further discussions have taken place with the devolved Administrations about the introduction of fiscal incentives to pump-prime apprenticeships and economic growth?

Mr Osborne: We are in discussions with the Northern Ireland Executive about what we can do to support the economy, and it is great news that we are now moving forward with the additional resources for capital investment there. Of course, one of the things that we would really like to see is the devolution of corporation tax rates, for which we have legislated, and provided that we can reach agreement on the budget implications of that measure, it would provide a massive boost for Northern Irish businesses.

21. [903120] Mims Davies (Eastleigh) (Con): I welcome the Chancellor's reduction in corporation tax, which has helped to create many jobs. Does he agree that some businesses cannot grow, despite that measure, because of local infrastructure constraints such as the one that needs addressing in my constituency at the Chickenhall Lane link road?

Mr Osborne: My hon. Friend is absolutely right. We are investing in transport infrastructure in the Southampton area and along the south coast, as I was just saying to my hon. Friend the Member for Havant (Mr Mak). We understand that all parts of the country can benefit from additional investment in transport infrastructure, and that is why we are increasing the transport budget even at a time when public budgets are tight. None of these things would be affordable if we crashed the economy.

Bill Esterson (Sefton Central) (Lab): The introduction of quarterly reporting and tax returns has been described by the Institute of Chartered Accountants as an additional burden for business. Does the Chancellor understand the very real anger among businesses in my constituency and around the country that they are being penalised while many of the largest corporations are allowed to avoid tax altogether?

Mr Osborne: We have increased our action against large-scale corporate tax avoidance and evasion, and the new diverted profits tax is designed to deal with the very real anger that people feel, particularly in the small business community, when they see large businesses not paying tax. We are also dealing with the burdens of tax administration, and we are consulting small businesses. I would just make the point that we would be crazy as a country not to make use of new digital technology and the internet to update and modernise our tax collection system, and we would regret not taking those steps today and letting other countries power ahead in reducing the burdens on business.

Trade Deficit

8. Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): What fiscal steps is he taking to reduce the trade deficit in order to reduce the reliance of the economy on domestic spending. [903106]

The Chief Secretary to the Treasury (Greg Hands): The Government have taken a range of steps to reduce the trade deficit. Since 2010, UK Trade & Investment has more than doubled the number of businesses supported, and UK Export Finance has provided more than £15 billion of support. Earlier this month, I saw some of the results of that support when I met entrepreneurs at ESpark's new hatchery in Edinburgh. Many start-ups and exporters in Scotland greatly appreciate UKTI's assistance. I welcome the Government's announcement this morning of an improved UKTI approach to exporters across the whole of the UK.

Dr Cameron: It is incredible for the Minister to continue with a policy that has failed and that resulted last year in a horrendous £123 billion deficit in the trade of goods. We all want to see reduced dependence on consumer debt, but is it not time for him to admit that the UK Government's policy has failed? I gently suggest revision.

Greg Hands: The trade deficit is actually improving as a share of GDP, and it is projected to continue to do so in the Office for Budget Responsibility's forecast. What would be an absolute disaster is the Scottish National party's policy of full fiscal independence, which would cost Scotland £10 billion a year, added to which the collapse in the oil price would, according to the OBR, result in revenues this year being down by a staggering 94%. That would be a disaster for Scotland.

David Rutley (Macclesfield) (Con): I welcome the Chancellor's earlier comments about export initiatives to India. Will my right hon. Friend join me in welcoming
the excellent work that is being done by businesses in
the north-west and the northern powerhouse to boost
exports?

**Greg Hands:** I join my hon. Friend in very much
welcoming that, particularly with reference to exports
to China and India, which have been a great success.
UKTI is doing what it can to support that, with a
doubling of funds in China over the spending review
period and providing tailored support for first-time
exporters, with an additional £20 million in 2015-16. It
is supporting northern powerhouse trade missions on
that specific basis, on the terms mentioned by my hon.
Friend.

**22. [903121] Peter Grant** (Glenrothes) (SNP): The British Chambers of Commerce is forecasting that the
much heralded doubling of UK exports will take not
another four years, as the Chancellor had promised,
but another 18 years—it will happen in 2034. Does the
Chancellor accept that this is clear evidence that his
efforts to reduce the UK trade deficit are failing and
will continue to fail?

**Greg Hands:** As I mentioned earlier, the UK has a
good future in terms of the trade deficit and improving
statistics. UKTI will also be playing an important role
here. On the announcements we made today on trade
policy, one of the most important things we can do is
adopt a whole-of-government approach to improving
the approach we take to trade and boosting our exports.

**Craig Mackinlay** (South Thanet) (Con): My constituency
contains a niche amusement machine manufacturer,
Harry Levy Amusement Contractor Ltd, which supplies
global export markets. What help and support can my
right hon. Friend offer to exporters so that we can really
achieve the new, cross-government approach to exports
launched today by the Business Secretary and the Trade
Minister Lord Maude?

**Greg Hands:** I have been to my hon. Friend’s constituency
quite a few times over the past year and a half, but I do
not think I have had the particular pleasure of meeting
the company he mentions. I am very happy to meet him
and that company, or perhaps to meet Lord Maude, if
that is more appropriate, to see what could be done to
help exporters in South Thanet.

**Sammy Wilson** (East Antrim) (DUP): The concrete
products industry used to have a surplus on the balance
of payments but it now has a deficit of hundreds of
millions of pounds. That is due to the imposition of the
aggregates levy on products made in the UK but not on
imported products, which has put thousands of jobs in
jeopardy. Will the Minister consider imposing the same
tax on goods produced abroad as is imposed on goods
produced here in the UK?

**Greg Hands:** I am happy to look in detail at the
points the hon. Gentleman raises. My understanding is
that there have been legal challenges to aspects of the
aggregates levy and that has prevented us from addressing
some of these issues, but I am happy to engage with him
on an ongoing basis to see what could be done better.

**9. Catherine West** (Hornsey and Wood Green) (Lab):
What fiscal steps the Government are taking to support
manufacturing exports. [903107]

**The Exchequer Secretary to the Treasury** (Damian Hinds):
Since 2010, we have cut corporation tax from 28% to
20%, which is the joint lowest rate in the G20—we will
cut it further to 18% by 2020; we have set the annual
investment allowance at its highest ever permanent
level, at £200,000; and we have made research and
development credits more generous and above the line,
available in the early loss-making phase for the first
time. In addition, UKTI has announced today enhanced
support for exporters.

**Catherine West:** Is the Minister concerned about
recent figures showing that the manufacturing sector is
back in recession? What does he intend to do about
that?

**Damian Hinds:** We have to get behind the manufacturing
sector. That is at the heart of this Government’s approach,
of the long-term economic plan and of the productivity
plan, through giving enhanced access to leading technologies
in the catapult centres; the apprenticeships levy; making
sure that we build up our skills base by attracting more
teachers into the STEM subjects—science, technology,
engineering and maths; and a range of other initiatives.

**Amanda Solloway** (Derby North) (Con): With Derby
being named as one of the No. 1 places to start a small
business, may I ask the Minister what steps are being
taken to assist and encourage small businesses to become
expanding, exporting businesses?

**Damian Hinds:** UKTI has an ambitious plan to increase
the number of exporting businesses by 100,000. There
are a number of aspects to that: moving to more direct
support as well as advice; learning from some of the
leading export promotion agencies in the world; and,
as my right hon. Friend the Chief Secretary was saying
just now, making sure that we leverage existing Government
relationships with firms and sectors through a whole-of-
government approach to supporting exports.

**19. [903118] Jonathan Reynolds** (Stalybridge and Hyde)
(Lab/Co-op): The slump in manufacturing exports
at the end of last year has to be proof that the UK
economy is still too dependent on consumer spending
to drive growth, and the Government must stop being
so complacent and so self-congratulatory in sessions
such as this. With the risk of Brexit this year only
making things worse, what are they going to do to expand
manufacturing exports?

**Damian Hinds:** Exports are a challenge; there has been
a long-term change in the UK’s share of world
trade, the majority of it coming before 2010. On the
hon. Gentleman’s point about investment expenditure
and consumption expenditure, business investment has
grown by two and a half times that of consumption
since 2010.
Michelle Donelan (Chippingham) (Con): Does the Minister agree that supporting engineering and manufacturing is absolutely essential to our economy and productivity, and that we must do all we can to address the skills gap that is threatening local jobs and businesses in my constituency and around the country?

Damian Hinds: I absolutely agree with my hon. Friend about the importance of engineering. The evidence of that was shown in the spending review and the autumn statement, with enhanced support for science as well as the apprenticeship levy, which is an important structural change in the way we invest in our skills base.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Five years ago, the Chancellor said that he would rebalance the economy towards manufacturing, exports and the regions. The director-general of the British Chambers of Commerce recently said:

“None of those things have actually transpired in practice yet.”

Will the Minister tell me why not?

Damian Hinds: We are rebalancing the economy, but it is a long-term and sustained programme — indeed, it is our long-term economic plan. We have talked already today about some of the enhanced support for science, technology, engineering and mathematics and the skills base, the apprenticeship levy, and the catapult centres, which give British business access to the best in leading-edge technologies. Of course there are some things in international trade that we cannot control; for example, there was bad news again today from China. Nor can we control the world exchange rates. However, we are absolutely doing the things that we can when it comes to supporting British exporters.

Seema Malhotra: There we go again — it is everybody’s fault but this Government’s. Here is the truth: the Chancellor promised to boost manufacturing, but instead it is in recession. Manufacturing output is now 6.1% below its pre-crisis peak and falling. The British Chamber of Commerce’s survey of firms found manufacturing close to stagnation, with export sales and orders falling. Instead of helping the sector, the Chancellor closed the Manufacturing Advisory Service in November without so much as a mention. Is it not true that British businesses and families are now paying a heavy price for this Government’s failures?

Damian Hinds: That is not true. The enhancement of manufacturing is absolutely at the heart of this Government’s approach, but we should not forget that services are also a very large part — in fact a bigger part — of the economy. The overall performance of the British economy is such that we had the highest growth rate in the G7 countries in 2014 and the joint highest in 2015. We have rising real wages and more people in jobs than ever before.

Employment Trends

10. Lucy Allan (Telford) (Con): What assessment he has made of recent trends in the level of employment. [903108]

The Exchequer Secretary to the Treasury (Damian Hinds): Employment stands at 31.3 million, which means, as I have just said, that more people are in work than ever before. In the past year, growth has been driven by full-time employees in high and medium-skilled jobs, showing that we are now moving to the next phase of our recovery, with high-quality employment, and a boost in productivity and living standards nationwide.

Lucy Allan: I thank the Minister for his reply. In my constituency, youth unemployment has halved in the past year and it is now lower than for the whole of the west midlands and the country. Does he agree that this excellent news for Telford shows that the economic plan is working?

Damian Hinds: I am delighted with that news from my hon. Friend’s constituency, and I do indeed agree with her. Across the west midlands, youth unemployment has fallen by almost a quarter on the year, with the rate now returning to pre-recession levels. The west midlands saw the fastest growth in full-time average earnings among all the English regions, and there are some 140,000 more people in work since 2010.

Tristram Hunt (Stoke-on-Trent Central) (Lab): One of the leading employers in Stoke-on-Trent is the ceramic industry, and part of the growth in recent years has been due to the anti-dumping ruling by the EU on subsidised Chinese imports. Shamefully, the British Government opposed that. Will the Minister now commit the Government to supporting the renewal of that anti-dumping ruling when it comes up?

Damian Hinds: The Government do of course raise all issues to do with dumping and unfair trade practices as and when they come up. I will be happy to look in further detail at what the hon. Gentleman says about ceramics in Stoke-on-Trent.

HMRC Regional Centres

12. Sir David Amess (Southend West) (Con): What recent representations he has received on proposed changes to Her Majesty’s Revenue and Customs’ regional centres. [903110]

The Financial Secretary to the Treasury (Mr David Gauke): HMRC announced its future location strategy on 12 November. As I have previously stated, delivering that strategy will help HMRC to deliver more for less and reduce its estate costs by £100 million per year by 2025. Both HMRC and I have received a number of representations from interested parties, most recently from my hon. Friend the Members for Rochford and Southend East (James Duddridge) and for Southend West (Sir David Amess).

Sir David Amess: Following my hon. Friend’s meeting with me and my hon. Friend the Member for Rochford and Southend East (James Duddridge), will he reflect further on the points made about Southend becoming a regional centre? Whatever changes are made in the future, will he ensure that the hard-working, dedicated and loyal staff of Alexander House are treated well?
Mr Gauke: Of course, my hon. Friend made his representations in a robust and forthright way in our meeting yesterday. I am sure that HMRC will be reflecting on that. Assuming that staff are relocated from Southend to Stratford, they will be compensated for their additional transport costs for up to three years and will benefit from London weighting, given that they will have moved to Stratford.

John Pugh (Southport) (LD): How exactly is any of this reorganisation going to do anything about the depressing call handling statistics of HMRC? Will the Minister guarantee an improvement?

Mr Gauke: At the moment, call handling is at a higher level than it has been for many years. It was certainly the case that in spring of last year call handling standards were not at an acceptable level, but HMRC has made significant improvements and I hope it will continue to make progress.

Illegal Money Lending

14. Nick Smith (Blaenau Gwent) (Lab): What his plans are for future funding of illegal money lending teams.

The Economic Secretary to the Treasury (Harriett Baldwin): The Government are exploring options to ensure that the England and Wales illegal money lending teams have the funding they need to ensure that consumers continue to be protected from illegal loan sharks, and are confident of transitional arrangements being agreed.

Nick Smith: Too many of my constituents are victims of loan sharks. The illegal money lending team has helped nearly 24,000 victims across the country, yet the Government have treated the service with disdain. Will the cuts to this vital team and to local employment standards not make the poorest more vulnerable?

Harriett Baldwin: Far from agreeing with the hon. Gentleman, I must say that the Government are finding ways to put the team on a sustainable basis to continue the valuable work it does to protect people from illegal money lending.

Topical Questions

T1. [903090] Gareth Johnson (Dartford) (Con): If he will make a statement on his departmental responsibilities.

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): The core purpose of the Treasury is to ensure the stability and prosperity of the economy.

Gareth Johnson: High exit fees act as a disincentive for people to take advantage of flexible pensions, so does the Chancellor agree that tackling these high fees is essential to give people freedom over their own pensions?

Mr Osborne: My hon. Friend raises an important issue. The pension freedoms we have introduced have been widely welcomed, but we know that 700,000 people who are eligible face some form of early exit charge. The Government are not prepared to stand by and see people being either ripped off or blocked from accessing their own money by excessive charges. We have listened to the concerns and the newspaper campaigns that have been run. Today, we are announcing that we will change the law to place a duty on the Financial Conduct Authority to cap excessive early exit charges for pension savers. We are determined that people who have done the right thing and saved responsibly should be able to access their pensions fairly.

Rebecca Long Bailey (Salford and Eccles) (Lab): Recent statistics show that household debt is now at a record high, but back in 2010 the Chancellor promised to move from an economy built on debt to one that saves. Will he tell us today why the figures contradict his original promise?

Mr Osborne: Household debt as a proportion of household income was 168% in 2008 and today it is 142%, so it has fallen.

T3. [903092] Johnny Mercer (Plymouth, Moor View) (Con): This Chancellor has given more than any before him to the cause of looking after our armed forces veterans in this country, and for that I thank him wholeheartedly. Does he agree that although the charity sector has a key role to play, ultimately veterans’ care is a state responsibility and we must ensure that the money coming from Government is used for evidence-based, empirically measured professional treatments for our veterans and their families?

Mr Osborne: My hon. Friend obviously has huge experience in this area, personally and because he represents a constituency that has given much to the defence of our nation. He is right: as well as the LIBOR fines, which we use for specific one-off causes to help military charities, we have the armed forces covenant and the annual commitment to support our veterans. I am always happy to look at either specific projects in which we can invest or ongoing concerns we can deal with.

T2. [903091] Deidre Brock (Edinburgh North and Leith) (SNP): The collapse of UK manufacturing has in fact been going on for some 50 years—it has gone from 30% of the economy in the 1970s to less than 10% today, and from more than 20% of all jobs in the 1980s to only 8% today. Given the scale and length of this decline, why have the Government not made manufacturing and exports one of their top priorities?

Mr Osborne: We have backed our manufacturers and exporters. We have cut corporation tax and other taxes that affect those businesses, and we have reformed UK Trade & Investment. As a result, the manufacturing sector accounts for a larger share of our economy than when I became Chancellor, but there is still a huge amount more to do. One thing I would say to the hon. Lady and the Scottish Government is that we want to work more closely with the Scottish Government on overseas trade missions, where we can promote Scottish businesses. We do not always get that co-operation, but we hope it will be forthcoming in the future.

T4. [903093] Kelly Tolhurst (Rochester and Strood) (Con): Although I welcome the Government’s move towards digitisation of tax, a number of self-employed
people and small businesses across my constituency, approximately 74% of which employ fewer than four people, have voiced concern about how quarterly tax reporting might have a negative effect on their human and financial resources, depending on their reliance on an accountant. What support will be provided to our small businesses to help them to adapt to the proposed changes?

The Financial Secretary to the Treasury (Mr David Gauke): First, may I reassure the House that there are no plans for quarterly tax returns, as has been reported? What HMRC is considering is making greater use of digital technology and ensuring that information is provided to HMRC more frequently. My hon. Friend raises an important point about ensuring that businesses are supported as they adapt to new ways of record keeping, and HMRC is determined to do that.

T9. [903098] Amanda Milling (Cannock Chase) (Con): The midlands engine has been turbo-charged, with recent figures showing four Staffordshire constituencies in the top seven ranked by the extent of the fall in the claimant count between May 2010 and November 2015, with Cannock Chase ranked fourth. What measures is my right hon. Friend taking to make sure that we maintain the positive momentum?

Mr Osborne: There has been good news in Cannock and across the midlands. Employment is up by 6% in my hon. Friend’s constituency. Since entering Parliament, she has been a great champion of the businesses in her area. We are working together to give more power to people in the west midlands to take control of the decisions that affect them, and I welcome her support for that; and we are investing in major transport infrastructure and backing science in the west midlands as well. We are introducing a whole set of measures, but if my hon. Friend has specific ideas to help businesses in Cannock, my door is open.

T5. [903094] Steven Paterson (Stirling) (SNP): How on earth will a £42 million cut over the next four years to the UK Trade & Investment budget enable it to become “a world class export and investment promotion agency”?

Mr Osborne: We set out today the strategy to give more direct help to our exporters across the United Kingdom, and Lord Maude presented to the Cabinet the proposals to do that. On getting lectures on public finances from Scottish nationalists, I have to say that we would be heading towards the break-up of our country in two months’ time if the people of Scotland had listened to the arguments of the Scottish nationalists, whose calculations were based on an oil price of $115, which at the time the right hon. Member for Gordon (Alex Salmond) described as “quite a conservative estimate”. The oil price is now less than $30. It would have been an absolute catastrophe for the people of Scotland if they had listened to the figures and economic advice given by the Scottish National party.

Nigel Huddleston (Mid Worcestershire) (Con): What efforts are the Government making to widen access to basic bank accounts?

The Economic Secretary to the Treasury (Harriett Baldwin): I am delighted to tell my constituency neighbour that at the end of last year we announced that all the major banks are now able to offer a basic bank account to customers who require one.

T6. [903095] Margaret Greenwood (Wirral West) (Lab): Many of my constituents who watch “Coronation Street” will be following the story of Tyrone Dobbs’ struggle with debt with keen interest. Unsecured lending reached a record high last year, with more than 3 million people in problem debt. The Government promised a review of what breathing space creditors should give to people who are engaged with a debt charity or agency, so that their debts do not continue to spiral out of control while they are working to resolve them. The review was due by the end of 2015. When do the Government now plan to announce it?

Harriett Baldwin: In answer to earlier questions I referred to the importance that we place on the team that will tackle illegal money lending. We have continued to support funding for debt advice, including through excellent organisations such as Christians Against Poverty, StepChange and Citizens Advice, to help individuals such as those mentioned by the hon. Lady.

James Berry (Kingston and Surbiton) (Con): On Friday I visited Barclays bank in Kingston to hear about the fantastic Barclays life skills course, which teaches young people financial literacy, among other things. I can see some candidates for the course here today. Does the Minister agree that by making financial education more accessible, we can ensure that the financial sector itself supports young people and people throughout every stage of their lives?

Harriett Baldwin: I am delighted that my hon. Friend found his visit to Barclays in his constituency to be so helpful. I know that he, too, will welcome the fact that since 2014 financial education has been part of the national curriculum.

T7. [903096] Barbara Keeley (Worsley and Eccles South) (Lab): The Conservative leader of Essex county council has told the Prime Minister that the 2% social care precept will cover only half the council’s increased costs. He has suggested bringing better care funding forward to 2017 and asked for a fairer redistribution of funds. Even Conservative councils cannot wait till 2019 for the funding that the Chancellor has allocated, so will he act now to avoid a further crisis in social care?

The Chief Secretary to the Treasury (Greg Hands): In advance of the spending review, the Conservative leaders of the Local Government Association came to see me. One of their specific proposals was to introduce the social care precept to help address the shortfall there may otherwise have been. We have also put a lot more money into the better care fund to make sure that local authorities and the NHS working together are able to meet the challenges of social care over the next years.

Mark Spencer (Sherwood) (Con): One of the key tools that the Chancellor has deployed to boost the economy has been the creation of enterprise zones.
Will he lend his support to the creation of an enterprise zone at Thoresby colliery in the northern part of Nottinghamshire?

Mr Osborne: I know Thoresby colliery and have been to the site with my hon. Friend. We were not able to give the go-ahead to the enterprise zone because the business case did not quite stack up, but I have committed to work with him and the local community to try to get that over the line and get an enterprise zone in place in Thoresby colliery.

T8. [903097] Alex Cunningham (Stockton North) (Lab): I have just chaired a packed meeting of the all-party parliamentary group on carbon capture and storage with the Minister of State, Department of Energy and Climate Change. There was a lot of anger in the room over the Chancellor’s decision to axe the funding for the CCS competition projects. What funding will the Chancellor provide when DECC comes up with its new CCS strategy in the autumn?

Mr Osborne: We have set out our capital budget and our energy policy, which will see a doubling of the investment in renewable energy over the next five years.

Mr Speaker: Robert Jenrick—I am calling you, man; don’t leave the Chamber.

Robert Jenrick (Newark) (Con): Thank you, Mr Speaker. You are very kind. My superb hon. Friend and neighbour the Member for Sherwood (Mark Spencer) had already asked the question, but I will ask it again as that is not unusual in this place. My parents formed their small business in the first enterprise zone created by Margaret Thatcher in Telford in 1984. My right hon. Friend the Chancellor has carried on in that great Conservative tradition. Will he afford the same opportunities to get on in life and create jobs to my constituents and those of my hon. Friend the Member for Sherwood by backing Thoresby colliery as the next and best enterprise zone?

Mr Osborne: My hon. Friend has just demonstrated that he is a very smart thinker on his feet. He is always ready to stand up for the interests of his Newark constituents. As I said to our hon. Friend and his neighbour the Member for Sherwood (Mark Spencer), I would love to get the Thoresby colliery enterprise zone into a condition where we can give it the go-ahead, and I give him and my hon. Friend his neighbour my personal commitment that we will try to do that over the next year or two.

Mr Speaker: Of course, as colleagues know, the fact that a question has been asked does not stop others asking the same question. Repetition is not a novel phenomenon in the House of Commons.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the Chancellor ponder the fact that we still have not tackled productivity? May I guide him and ask him and his Department to look at the way in which we further invest in manufacturing skills? Surely he will agree that what we want in this country are high skilled, high paid jobs, which are to be found in manufacturing.

Mr Osborne: The hon. Gentleman is right to draw attention to the fact that the UK has had a productivity challenge for many decades, and the financial crisis caused a significant impairment that had an impact as well. Productivity is improving, but the key weakness in the British economy, consistently identified by everyone who looks at it, is the weakness of our skills. I hope that the apprenticeship levy and the expansion of the apprenticeship programme will go some way towards addressing that historical weakness for Britain.

Mr Robin Walker (Worcester) (Con): Credit unions can play a vital role in improving financial inclusion and creating a stronger savings culture. As I know from my work with the all-party credit unions group, they have support in all parts of this House. With the opportunity of the World Council of Credit Unions coming to the UK—to Northern Ireland—later this year, will the Chancellor commit to making sure that we continue to build on the work of the credit union expansion programme and back this vital group?

Harriett Baldwin: My other constituency neighbour is a fine advocate for the excellent credit unions industry. As he will know, we have backed the industry with £38 million of investment through the credit union expansion project, and we will continue to seek ways to back credit unions.

Shabana Mahmood (Birmingham, Ladywood) (Lab): Given that manufacturing remains at 6.1% below pre-crisis levels, with worrying trends in the manufacture of plant and machinery and of pharmaceuticals, will the Chancellor accept that his domestic policy agenda has just as much impact on our performance as the global factors that he is so very keen to blame, and that if the march of the makers is now going backwards, he must bear a measure of responsibility and come forward with proposals to halt the decline?

Mr Osborne: As I said, manufacturing makes up a larger sector of the economy than when I became Chancellor, but there is a huge amount more to do to make the UK more competitive, to make our businesses more competitive, and to improve skills for our manufacturers and the like. I have to say, and I suspect the hon. Lady agrees with me, that the idea of banning manufacturers from paying dividends would not be a particularly sensible way forward. Unfortunately, that is now the policy of the Labour party.

Chris Philp (Croydon South) (Con): Is the Chancellor aware that since he took office in May 2010, the claimant count in my constituency has fallen by 62% and the youth unemployment count has fallen by 67%? Does he agree that reducing corporation tax, increasing the personal allowance and reforming welfare has caused these fantastic figures, and will he confirm that his long-term economic plan will continue?

Mr Osborne: We will absolutely deliver the plan in these more difficult economic conditions. As I say, the IMF has not revised down the UK’s growth forecast even though it has today revised down the global economic forecast. In Croydon and south London, we will continue with important transport infrastructure, and, indeed,
do everything we can to back homeowners in my hon.
Friend’s constituency—a group of people he particularly
champions.

Mr Speaker: Last but not least, I call Alison McGovern.

Alison McGovern (Wirral South) (Lab): May I return
the City Minister to the issue of the cancelled FCA
inquiry into banking culture? The Parliamentary
Commission on Banking Standards chaired by the right
hon. Member for Chichester (Mr Tyrie) pointed to the
“Murder on the Orient Express” excuse where everyone
was partly responsible but no one was really to blame.
The Minister said before that Ministers had no role in
the cancellation of that inquiry. Will she say, yes or no,
whether any civil servants did?

Harriet Baldwin: No.

Several hon. Members rose—

Mr Speaker: We must move on—demand always
exceeds supply.

Kate Osamor (Edmonton) (Lab/Co-op): On a point
of order, Mr Speaker.

Mr Speaker: Points of order come after urgent questions,
so I will await the hon. Lady’s inquiry with interest.
**Ebola: Sierra Leone**

12.38 pm

*Stephen Phillips* (Sleafield and North Hykeham) (Con) (*Urgent Question*): To ask the Secretary of State for International Development if she will make a statement on the death from Ebola virus disease of a 22-year-old student in Sierra Leone on 12 January 2016.

May I wish you a very happy birthday, Mr Speaker?

The Secretary of State for International Development (*Justine Greening*): Many happy returns to you, Mr Speaker.

The House will be aware that, as my hon. and learned Friend said, a new case of Ebola has been confirmed in Sierra Leone. A 22-year-old female student from the Tonkolili district sadly died on 12 January. This latest case in Sierra Leone demonstrates that we need to stay vigilant. Indeed, the news came just as the World Health Organisation formally declared the Ebola outbreak in west Africa over, following Liberia’s reaching 42 days without a new case, but it is not unexpected given the context of this unprecedented outbreak.

The new case was identified from a swab taken after death and is currently being investigated. The Government of Sierra Leone have activated their national Ebola response plan, and rapid work is under way to identify and quarantine people who have had contact with the young woman and to establish her movements in the final few days and weeks before her death. Teams in five districts are acting on that information. No other cases have been confirmed to date.

The speed of the process reflects the work that the UK has undertaken with the Government of Sierra Leone to develop their national response plan. As today’s International Development Committee’s report says, the UK has been at the forefront of the global response to the Ebola outbreak in west Africa and has from the very start led in Sierra Leone, working hand in hand with the Government of Sierra Leone. We took on this deadly disease at source by rapidly deploying the best of British military personnel and NHS and Public Health England staff, building treatment centres in a matter of weeks and mobilising the international response more broadly. We have worked with the Government of Sierra Leone to build up their health systems and strengthen all aspects of society, including civil society, to allow them to be prepared.

We continue to stand by Sierra Leone because, as we have always made clear, there is the potential for further cases. That is precisely why our response now is focused on assisting Sierra Leone in isolating and treating any new cases of Ebola before they spread.

*Stephen Phillips*: I am grateful to my right hon. Friend for that answer and, indeed, for coming to the House urgently today to answer questions on this subject. I am also grateful to her for the leadership she demonstrated during the Ebola outbreak of 2014-15, as I am to the brave military and civilian personnel who travelled to Sierra Leone to help west Africa during that period.

On 7 November 2015, the World Health Organisation declared Sierra Leone free of Ebola following a period of 42 days during which no new cases had been reported. Just last week, as my right hon. Friend has said, the WHO made a further declaration to the effect that, all reported transmissions having ended, the outbreak of Ebola in west Africa was over.

My right hon. Friend and the whole House will therefore have been dismayed at yesterday’s reports of the death from Ebola of a young woman in the northern Tonkolili district last week, particularly given that she appears to have travelled in three other provinces during the infectious stages of the disease.

What steps is my right hon. Friend taking, together with her colleagues in the Foreign and Commonwealth Office and the staff of our high commission in Freetown, to determine the source of this latest outbreak? Is she confident that the outbreak can be contained, given that the burial customs observed do not appear to have followed the procedures necessary to prevent further contamination? Are the quarantine measures adopted by the Government of Sierra Leone sufficient to ensure that widespread transmission of the virus is unlikely?

The assistance provided by the UK during the last outbreak cost the British taxpayer £427 million. My right hon. Friend will remember that I first asked about that outbreak in the House on 18 June 2014, at a stage when the number of cases was in the tens, rather than the thousands. None of us wishes to see a further significant outbreak, but is she working with her officials, the Government of Sierra Leone and the WHO to ensure that we get on top of the problem at a stage when relatively few individuals are likely to have been exposed?

It is fair to say that the worst epidemiological predictions during the previous outbreak did not materialise, but across west Africa more than 11,300 people died of Ebola in 2014-15. Many more died of preventable disease, which an overburdened and fragile health care system was incapable of addressing at the same time as dealing with Ebola.

What funding will my right hon. Friend make available to the Government of Sierra Leone and non-governmental organisations working in the region to deal with this latest outbreak and to establish long-term resilience in healthcare systems for dealing with a disease that may well now be endemic in the region? Has she held discussions with her colleagues in the Ministry of Defence about the potential for assistance to be given to ensure that the disease does not spread further? Does she have confidence that the failings demonstrated by the WHO in the past will not be repeated? To what extent is she confident that there are no further cases of Ebola present in Liberia and Guinea?

Retesting of samples taken from individuals who died in the 10 years prior to the 2014-15 outbreak indicated that Ebola may well have been present in west Africa for more than a decade. To the extent that Ebola is now endemic, what measures will my right hon. Friend and the Government support leading to the development of an effective vaccine for the virus? When does she expect that vaccine to be available?

The previous outbreak of Ebola and its spread across an interconnected world indicated the threat faced by the United Kingdom from the spread of hitherto unheard-of diseases. Direct flights have recently recommenced from Sierra Leone to London, but my right hon. Friend will know that the previous ban on such flights was unnecessary and, indeed, counterproductive. Will she...
assure the House and the Sierra Leonean diaspora in this country that the mistake of banning direct flights in the past will not be repeated?

Finally, the long-term prognosis for those previously infected with Ebola is not well understood by the medical profession. From cases such as that of Pauline Cafferkey, we now know that the virus can hide in the body for lengthy periods. Is the NHS aware of the risks of Ebola re-emerging in patients who have previously survived the disease? What assistance are the Government giving to non-governmental organisations and Governments in west Africa to ensure the long-term health of those who have survived Ebola and may still be able to pass it on to others? Specifically, what, if any, monitoring project does her Department intend to fund so that the disease is stamped out both for individuals in the region and to secure the biosecurity of the United Kingdom and those of us who live here?

Mr Speaker: Order. Before the Secretary of State responds, let me say to the hon. and learned Gentleman that his erudition, which is never in doubt, has been equalled today only by his length. He is a very sophisticated denizen of the House, and he has treated of a very serious matter. I am aware, and the House will also be conscious, that on top of that he is an illustrious Queen’s counsel. Perhaps I can express the hope that he does not feel that his erudition, which is never in doubt, has been greater than the time limits from now on, the House would greatly appreciate it.

Justine Greening: I must say, however, that my hon. and learned Friend achieved amazing value for money in the number of questions asked during the time spoken, for which I commend him.

To respond to the very serious issues that my hon. and learned Friend raises, from the very beginning this country that the mistake of banning direct flights in that way for even that country to go.

The final thing that my hon. and learned Friend mentioned was flights. We felt that the decision that we took on direct flights was in the interests of our national security. I think that it was the right decision to take.

Critically, the way in which we got on top of the outbreak in the end was by working with our fantastic Foreign Office as one team to bring the best of British—our military, our doctors and nurses, Public Health England—and working hand in hand in partnership with the Government of Sierra Leone to provide a platform that the rest of the international community could work on to combat the disease. I again put on the record my
huge thanks not only to the many DFID staff I am privileged to lead, but to all the other people across Government and all the public sector workers who in many cases put their lives on the line to help Sierra Leone get to grips with this terrible crisis.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): I am sure that the whole House will join me in paying tribute not just to the British health workers and military who went to help the people of west Africa in the last Ebola outbreak, but to all the local health workers who bore the brunt of the campaign against Ebola and the brunt of the deaths.

The Secretary of State will be aware that the International Development Committee report says that the Government were too reliant on the World Health Organisation, which eventually declared an emergency in August 2014, and should have listened to other groups, such as Médecins sans Frontières, which had been warning about Ebola months earlier. Does she agree with the Committee’s Chairman that “the international community relied on WHO to sound the alarm for an international emergency on the scale of Ebola. The organisation’s failure to respond quickly enough is now well documented”?

Does the Secretary of State agree that Ebola cannot be seen in isolation and that we have to look at the general issue of access to healthcare in the region and building a resilient health system?

Justine Greening: I am grateful to the hon. Lady for those questions. As she clearly sets out, the key to success in tackling Ebola was, of course, the response of the Sierra Leonean people and their willingness to run towards tackling a disease which, instinctively, many people would have wanted to run away from. Many Red Cross volunteers from across Africa also went into the region to help tackle it. They very much led the effort. The UK’s role was to work hand in hand with them and to ensure that our resources and know-how could be brought to bear to finally get on top of the disease.

Everybody recognises that there are serious lessons to be learned by the international system from the response to the crisis. Indeed, WHO reform is taking place. The Secretary of State for Health and I have talked directly to Margaret Chan about that. It is vital that we learn from the crisis so that we understand how the international system can mobilise far more quickly when a crisis hits. This outbreak spread rapidly, but it started in a part of the world that was one of the least able to respond to it initially.

The UK actioned the Ebola response much earlier than the official declaration of the outbreak by the WHO. As early as June and July, we were supporting MSF, which played a key role alongside many other non-governmental organisations.

There are lessons to be learned. Today’s International Development Committee report goes through the initial response and what happened subsequently in a systematic way. It is important that the WHO be reformed. It must not only look at its processes and how it responds, but ensure that the emergency response fund that it is setting up, which the UK helped to fund initially, is adequately resourced so that it has the means to respond, as well as the strategy.

Fiona Bruce (Congleton) (Con): The International Development Committee report, which was issued today, commends the strong leadership of DFID and the UK Government in co-ordinating the response to Ebola in Sierra Leone, but is very critical of the WHO’s delay in designating the outbreak as a public health emergency of international concern. Will the Secretary of State give us more of an insight into her discussions with Margaret Chan and confirm that the Department is ensuring that the WHO treats this matter as a priority among its radical reform needs?

Justine Greening: There are various aspects, but one that is particularly key is the regional response of the WHO. It is important to ensure, at that level, that emerging outbreaks be clearly identified in a depoliticised way. They must be identified as outbreaks simply from the facts on the ground, as Governments are sometimes understandably reticent about declaring a health emergency. Those are the key changes that we will steadily see in the WHO over time.

Critically, we need to be able to mobilise people. One aspect of the WHO reform is the setting up of an international register of healthcare responders, much like the one the UK has, which we were able to draw on to tackle Ebola. That will enable us to ensure that we rapidly have the right people in the right places the next time that a crisis hits. Having said all that, this was an unprecedented outbreak. It was the first time that an Ebola outbreak spread across borders. Nevertheless, we clearly need the WHO to reform and to respond far more quickly and effectively in future.

Patrick Grady (Glasgow North) (SNP): We echo the dismay at the new case and the tributes that have been paid to those involved in the response.

Bearing in mind the International Development Committee report, what more can the Secretary of State say about the steps DFID is taking to monitor the situation in the wider region? What contact does she currently have with service providers such as MSF on the ground to pick up early warnings? What consideration will she give to the recent report from the US National Academy of Medicine’s commission on creating a global health risk framework for the future, which called for WHO reform, including a permanent emergency centre and global investment of £3 billion a year in pandemic response?

Justine Greening: The work that is under way on the ground aims to ensure that the whole framework that we put in place to tackle the major outbreak swings into action again at the local level. That means the isolation of potential Ebola sufferers. It sits alongside ongoing surveillance work, which was how we picked up this case in the first place. We must continue to emphasise the need for safe burials so that this case does not spread more broadly, and work with communities to deliver that.

I mentioned the hospital and treatment centres that provide the isolation units we need to treat Ebola sufferers effectively, and the lab testing. Those things are legacies of the UK’s work with Sierra Leone, which means that it is now better placed to deal with this case. I emphasise that as we go through the contact tracing period and the quarantine period for high-risk contact, it is inevitable
that further cases may emerge. That is all part of the steady eradication of Ebola, and getting to what is called “resilient zero”. Unfortunately, we do not expect it suddenly to switch off overnight, which is why we were keen to ensure that some of the underlying processes remained, as well as having the right people and surveillance in place to deal with such situations.

The hon. Gentleman asked about WHO reform and the emergency response, and he is right about that. We must ensure that resourcing is funded internationally, to enable the WHO to put into practice the new strategies it is now developing. The UK was one of the initial contributors to a fund that was set up to do that within the WHO, and we are strongly lobbying other countries to join us.

Jeremy Lefroy (Stafford) (Con): Our thoughts are very much with the people of Sierra Leone. The Secretary of State said last July that the United Kingdom will stay the course until Ebola is defeated. Will she confirm that the UK will stay the course until Sierra Leone, in partnership with its Government, has health systems that are as strong as they need to be to tackle such outbreaks — and indeed all other diseases — in future?

Justine Greening: We will certainly stay the course, and my hon. Friend will be aware that part of our work with Sierra Leone over a number of years has been to strengthen healthcare systems. That has been vital for Sierra Leone and in the context of this outbreak, because there was a point at which people were extremely concerned about the potential of the disease to arrive here in the UK. It is not just in Sierra Leone’s interest that we do this work; it is in our interest to have a WHO that is able to respond effectively to international health emergencies.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I congratulate the hon. and learned Member for Sleaford and North Hykeham (Stephen Phillips) on securing this important urgent question, and I particularly welcome the emphasis on reform of the WHO. One of the central recommendations of the International Development Committee report published today is that the UK and DFID take the lead in reform efforts. Will the Secretary of State say more about the timescale for reform, so that we do not lose that opportunity this year?

Justine Greening: Reform is under way, and comparatively recently I met Margaret Chan, who heads up the WHO, to speak about that. Changes are already being made across the board, and the key thing that remains to be worked on is bottoming out the overall strategy for improving an emergency response from the WHO, and ensuring resourcing. We must work with the countries that are most at risk if a health emergency occurs, so that they are able to deal with it more effectively. This is not about having better systems and resourcing in place; it is about targeting what we know are potentially the greatest holes in an international response.

James Cleverly (Braintree) (Con): The Department, our medical professionals and armed forces can be proud of the assistance they gave to Sierra Leone during the Ebola outbreak of 2014-15. I am a Member of the House with a Sierra Leonean mother, so will the Secretary of State assure the House, my family and the wider Sierra Leonean diaspora that support for Sierra Leone will continue until local facilities are able to withstand further health difficulties such as this? Will she also assure the House that our future economic and diplomatic relationship with Sierra Leone will not be defined by this darkest period in the history of such a wonderful country?

Justine Greening: My hon. Friend makes his points extremely well, and the role of the diaspora and the links that people naturally have with Sierra Leone are critical. I remember meetings that I held with the diaspora in this country to ensure open lines of communication between the work being done by DFID and the Foreign Office, and that done by people on the ground. He speaks about the need and hope that Sierra Leone will bounce back from what it has been through. It was a terrible, terrible outbreak, and I visited three times in a short period. Only on my third visit did I feel that I got to see some of the country and its spirit, because the first two times were so embedded in crisis that it was really a different place.

Before this crisis hit, Sierra Leone was one of the fastest growing economies in the world, and our hope and ambition must be that it will now bounce back. The challenge is to bring the same urgency as we saw in the response to Ebola to the rest of that country’s development. We saw in that response that when we work together and there is a country-owned strategy, and when all different stakeholders pull in the same direction — when there is the political will — we can cover a lot of ground quickly. That has much broader lessons for development progress internationally, and we will try to ensure that that momentum is kept up in Sierra Leone, even though the outbreak is steadily being eradicated.

Mark Durkan (Foyle) (SDLP): Further to that welcome point, will the Secretary of State ensure that support for resilience will involve not just support for the infrastructure of a fragile healthcare system that clearly needs such support but support for village development committees in Sierra Leone? They have proved themselves to be an effective network of mobilisation, and their capacity will be relevant to other challenges, including those diseases that lost priority during the Ebola crisis.

Justine Greening: The hon. Gentleman mentions a number of different but related points, and the work that happened at community level proved pivotal in enabling us to tackle Ebola, both by steadily ensuring that victims of Ebola were buried safely and did not pass the virus on, and by improving surveillance. Surveillance is now a key plank of ensuring that no other case of Ebola romps away in the way it did when it took hold in 2014. There is a lot more work to be done, and improving district and community level healthcare is vital. Indeed, the lack of a strong district and community level healthcare system enabled the virus to take hold — I spoke about the legacy of Ebola, and if we were able to put one thing in place, it was good command and control that went from the Ministry of Health and the President right down to the most remote communities.

That was put in place to deal with the crisis, but as a structure it can help us to drive improvements in community healthcare, and to build on the back of that framework to improve health more generally in Sierra Leone.
Mr Philip Hollobone (Kettering) (Con): I thank my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) for asking this urgent question, and I congratulate the Secretary of State on the way she has responded. My constituents in Kettering are hugely proud of the fantastic deployment of armed forces and civilian NHS personnel to tackle this crisis, but I do not think that the full extent of the good news about this country’s involvement in the crisis is out there—most people do not know that this country saved 56,000 lives as a result of our intervention. Will she share with the House some more good news about the involvement of this country as the world’s leading responder to this huge crisis?

Justine Greening: The number of lives directly saved because of work that the UK was able to do is staggering—we can actually see the epidemic curve bending upwards, and then our steadily working with the Government to wrestle it down over a period of months. It was extremely difficult work that required a huge effort.

As part of our response, we had 1,500 military personnel. We provided six UK treatment centres in a matter of weeks. We trained over 4,000 Sierra Leonean healthcare workers. We deployed 150 NHS volunteers, who worked on supporting over 1,500 treatment and isolation beds. That was more than half of the beds available to treat Sierra Leoneans. As I said, we now have a 36-bed mobile field hospital. One hundred Public Health England staff helped to set up three laboratories. We delivered 28,000 tonnes of aid. We delivered more than 1 million protective equipment suits for people working in the red zone and dealing directly with people who had Ebola. We supported over 140 burial teams. We had RFA Argus, the Royal Navy support ship and Merlin helicopters out there. It was a phenomenal response across government and I am very proud to have been part of it.

I thank my hon. Friend for his question. After a crisis has been responded to, it is easy to move on and lose sight of the important and valuable role we played.

Andrew Gwynne (Denton and Reddish) (Lab): I very much support the Secretary of State’s efforts so far and I agree with her comments about the need for economic reconstruction in Sierra Leone. She will have heard the comments of the chief medical officer of Sierra Leone, who is reported as saying that in the case in Magburaka, I agree with her comments about the need for economic support the Secretary of State’s efforts so far and we continue to do that as we confront new challenges, such as the one seen in recent days. The House can be assured that we are working hand in hand and have resources in place. We have fantastic medical experts to help us ground any new strategy in terms of the science and of how we take the facts on the ground and respond to them effectively.

Wendy Morton (Aldridge-Brownhills) (Con): We should be very proud of the role played by the British military, health workers and volunteers, under the leadership of DFID, in tackling Ebola in Sierra Leone. This latest incident, which sadly led to the death of someone in Freetown, highlights the fact that we must remain vigilant in the face of this terrible disease. Will my right hon. Friend assure the House that DFID will continue to press the World Health Organisation and the international community to continue to play a part not just in monitoring but in strengthening and further developing the public health system in Sierra Leone?

Justine Greening: I strongly agree with my hon. Friend. We are playing that role already and will continue to do so. Much of it is pushed forward by our Department of Health and its very close working relationship with the WHO. It is vital we fix some of the underlying problems that led to Ebola taking hold in the first place. Essentially, this means strengthening the health system on the ground and having a better international responder system to deal with crises when they inevitably emerge around the world.

Diana Johnson (Kingston upon Hull North) (Lab): Further to the Secretary of State’s comments about supporting Sierra Leone, Hull is very proud to have been twinned with Freetown for over 35 years. There have been many reciprocal visits, especially by teachers. In the light of what has happened recently, is the Department considering what more it can do to strengthen such reciprocal visits to ensure that support, especially for education, is given to that country?

Justine Greening: I will take the hon. Lady’s ideas and thoughts away and respond to her following the urgent question today. She is right to highlight education. One of the key issues we now face and are working on is getting children, in particular girls who may have been out of school, back into school. We have to ensure they go back to school, and that is not always easy. There are a number of orphans as a result of the Ebola crisis, too. Education matters not just in terms of broader public health but of schooling for children, many of whom were out of school for a year. I will reflect on the point she makes about the important links between her local community and Freetown.

Andrew Stephenson (Pendle) (Con): The Secretary of State’s actions have undoubtedly saved thousands of lives. I pay tribute to the efforts of the UK Government. Kids in Kailahun, a small Pendle-based charity, does fantastic work in the Kailahun district of Sierra Leone and did so throughout the Ebola crisis. It describes the in-country response to Ebola orphans as too patchy across the country. What more can the Secretary of
State do to make it easier for small sums of aid funding to be provided directly to charities such as Kids in Kailahun, which can make such a difference on the ground?

**Justine Greening:** We had a particular fund to enable us to provide funding to some of the smaller charities. As my hon. Friend will probably be aware, at the beginning the main challenge was putting in place the key planks of a successful strategy, which we were able to do. Smaller NGOs played a key role and I pay tribute to the charity he highlights. DFID worked to support orphans, many of whom would have otherwise been in an incredibly vulnerable position throughout the crisis. We continue that work because, as he will be aware, many survivors of Ebola suffer stigma as a result of having had the virus, and some of them are children. Work is under way to try to ensure we reintegrate people into their family. Wherever possible, we help orphans to get back in touch with their extended family.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I warm to the Secretary of State’s words about the broad, holistic approach to reconstruction in Sierra Leone. Ebola knows no boundaries, however, and affects the whole of west Africa. That is why reconstruction in that part of west Africa is so important. She paid tribute to our troops and all the efforts they made, but many individuals were involved, too. We all remember the wonderful and moving diary on Radio 4 by the doctor from Huddersfield. The voluntary work of aid agencies, such as Save the Children, Médecins sans Frontières and the International Rescue Committee, where my own daughter works, was tremendous. We have to learn the lessons, however. I used to work for the World Bank. On many occasions, I had deep reservations about the effectiveness of the WHO. This is a time to reflect on whether the WHO is fit for purpose. If it is not, the UK should try to do something about it.

**Justine Greening:** A number of NGOs, many British-based, played a vital role in helping to respond successfully to Ebola in Sierra Leone and in other affected countries and communities. In particular, Save the Children was pivotal in enabling us to open Kerry Town, the first treatment hospital we were able to put in place, and save lives. For many NGOs, it was a step into the dark to have their volunteers working in such a dangerous environment, with all the training that needed to go alongside that. I pay tribute to the volunteers who went out, not just from our own public sector, as I set out, but from all walks of life. They did an amazing job and saved lives. The hon. Gentleman said that the international response and system needed improving, as we have heard in other questions today, and he is absolutely right. We must learn lessons from this crisis. There were some positive lessons about what it took to confront Ebola, but there were also some negative lessons about how a better job could have been done.

Finally, looking forward to reconstruction and recovery, I represented the UK at a UN conference midway through last year, hosted by the Secretary-General, that was all about mobilising resources and the effort around country-owned plans in Liberia, Sierra Leone and Guinea so that we can get behind one strategy that helps them get back on their feet. DFID’s bilateral programme in Sierra Leone is part of delivering that on the ground.

**Kevin Foster** (Torbay) (Con): I welcome the Secretary of State’s responses so far. As touched on several times, the work of our armed forces in Operation Gritrock is not just about saving lives in west Africa but about protecting and saving lives in this country, and demonstrates that maintaining military capability and delivering on our international development objectives are complementary, not exclusive, to each other. Given the re-emergence of Ebola, what discussions has she had with the MOD about the potential for further support, if it proves necessary?

**Justine Greening:** We hope that the procedures and framework we have left on the ground will be the most effective way of responding to this latest incident, but we can also learn from Liberia’s experience—it was Ebola-free and then saw fresh cases. I hope we can use the existing structures to respond. If we have learnt one thing over the past one or two years, it is that our fantastic MOD stands ready to be part of the UK humanitarian response, as we have seen in relation not just to Ebola, but to Typhoon Haiyan and Nepal. It plays a unique role in enabling this country to mobilise as effectively as any in the world and to play its part in helping save lives when disaster hits.

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): I commend the work of everyone involved in tackling Ebola. Given the key issues highlighted in the Select Committee report, will the Secretary of State outline what lessons have been learnt about engaging cultural leaders and working with cultural norms to provide a cohesive and fully implemented response?

**Justine Greening:** The hon. Lady’s constituency is home, of course, to our Scottish DFID headquarters, whose staff played a key role in helping us to shape our response. I would like to say a huge thank you to them. The issue of social norms and working with communities is vital. We had to work with the cultures already there—we cannot impose on people—and the leadership from the top down, from the President down to district-level community and religious leaders, made a real difference, particularly on safe burials. Only when we got the percentage of safe burials up towards 100% did the number of cases peak and did we stop the onward spread, and only after we got treatment beds in place did we start to improve survival rates. By working with communities, with the assistance of community leaders, we helped people to understand how to stay safe and not catch the virus and how quarantining was in their interest—if difficult—in saving their families. Bringing communities with us and the role of community leaders and mobilisers—often young people going into communities to talk about these issues—were a key plank in helping us turn the corner on Ebola. But it took time.

**Tom Brake** (Carshalton and Wallington) (LD): Does the Secretary of State agree that had it not been for the commitment, initiated under a Labour Government and delivered under the coalition, to the 0.7% GNI target, it might have been more difficult, at the very least, to deliver on the scale and at the speed with which
the Government responded to Ebola in Sierra Leone, and that it would have restricted their ability to negotiate with the WHO had we not been able to stand up in front of other countries and say, “We have delivered on our 0.7% commitment”? Justine Greening: There is no doubt that our having finally delivered on the promise we made many years ago to meet the 0.7% commitment gives us huge credibility, but our influence goes beyond that. We consistently help, constructively and positively, to shape the response. Ours is not just a significant but a thoughtful response that helps to shape strategy and ensure that the money, wherever it is from in the world, has the biggest impact on the ground. Whether that is leading on Ebola, our work on women and girls and tackling female genital mutilation, or our work on protracted crises—most recently, in Syria, shaping job creation, employment and education, which refugees need if staying in the region is to be a viable option—the UK’s work goes far beyond simply doing a lot; what we are doing is also smart and helping to ensure that the international community’s response more broadly is also smart.

**Points of Order**

1.26 pm  
Kate Osamor (Edmonton) (Lab/Co-op): On a point of order, Mr Speaker. During Treasury questions, the Chancellor said that the shadow Chancellor had lost his marbles, which I feel was unparliamentary. This comment comes in the week when the Government have been exposed as leaving mental health services underfunded. I just wanted to put it on the record that this comment goes to the heart of their callous attitude towards vulnerable people.

Mr Speaker: I am grateful to the hon. Lady for her point of order. I did not make the immediate judgment that the Chancellor’s remark was unparliamentary. I think it was intended in a jocular spirit, although, of course, we all have to weigh our words carefully in this place and think of the possible implications of the language chosen. I stand by the judgment I made, but equally she has taken the opportunity to make her own point and to make a wider point about an important public policy issue in the process. I thank her for putting her comments on the record.

Hywel Williams (Arfon) (PC): On a point of order, Mr Speaker. You have certified that the Education (Student Support) (Amendment) Regulations 2015 relate to England only and are subject to double-majority voting. Thousands of English students study at Bangor University and are constituents of mine. Can you advise me on how I might fully represent their views in the Lobbies?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order and his characteristic courtesy in notifying me in advance of its thrust. He asks how he can represent the interests of his constituents in relation to the education regulations before the House. This gives me the opportunity to explain the situation. Although I have certified the instrument as relating exclusively to England, the prayer to annul it requires a majority both of all Members and of Members representing English constituencies, so he is perfectly entitled to vote on it. The test that the Standing Order sets is that every provision of the instrument relates exclusively to England and is within devolved legislative competence. I am satisfied that the instrument meets that test. In forming my judgment, I am guided by advice from Speaker’s Counsel and from the Public Bill Office. Our exchange is now on the record and will, I hope, be useful to him in such exchanges or communications as take place.

Mr David Hanson (Delyn) (Lab) rose—

Mr Speaker: I am not sure whether this will be further to that point of order, but I shall discover whether that is so, courtesy of the right hon. Member for Delyn (Mr Hanson).

Mr Hanson: Further to that point of order, Mr Speaker. I fully accept your interpretation of this matter, Mr Speaker, which is right and proper. My further point of order is about the opportunities available to Members who believe that they have an interest in Wales to make representations to you prior to your certification. As my hon. Friend
the Member for Wrexham (Ian C. Lucas) will point out, there are implications concerning the impact of budgets on communities such as ours. For example, I have only just learned in the last few moments, prior to entering the Chamber this morning, of your certification on this particular matter, and I am interested for future reference in what process is in place for us to make those representations. Self-evidently, we Members with Welsh seats believe that we have a constituency interest in this matter.

Mr Speaker: I am grateful to the right hon. Gentleman for his point of order, but if my memory serves me correctly, I announced my decision on this matter on 6 January. There has therefore been a period of no fewer than 12 days in which it was open to right hon. and hon. Members to make representations. Moreover, in relation not, I concede, to instruments, but to Bills, the House will be conscious or will start to become conscious that it is my frequent practice to make a provisional certification, which is subject to review during the passage of the piece of legislation, depending on the sequence of events. If, during such periods, Members feel that their point of view has not been heard and that if I heard it I might reach a different judgment, they should take the opportunity to make that known.

The right hon. Gentleman looked rather sceptical when I said that a judgment had been made about this matter several days ago, but I emphasise that there is no intention at all to deny Members the opportunity to make representations. Indeed, it is rather the contrary. I would also very politely point out to the right hon. Gentleman and the House that this procedure is one that the House has decided I should operate. I am not, however, the Speaker’s procedure; it is something that the House has said the Speaker shall do. I am the servant of the House, and I am doing it to the best of my ability. The hon. Gentleman has made his own assessment of the procedure and he is, of course, as he has pointed out using other words, a distinguished ornament of the Procedure Committee. Members who wish to make representations to that Committee and to its illustrious Chairman, the hon. Member for Broxbourne (Mr Walker), should, of course, do so. That opportunity has been helpfully advertised.

Ian C. Lucas (Wrexham) (Lab): Further to that point of order, Mr Speaker. I am particularly grateful that you pointed out that this appalling procedure is not your procedure, but one that, unfortunately, the House authorised you to implement, and one subject to Standing Orders, which you are, of course, acting upon.

I think the difficulty is that the notification and notice are very late for those of us, such as me, who have constituents in Glyndwr University who are directly affected by this measure. In a spirit of being helpful, I would like to point out that the Procedure Committee, of which I am a member, is undertaking an inquiry into this appalling procedure and will be reporting on it. May I suggest that those who are motivated, such as my very good hon. Friend the Member for Denton and Reddish (Andrew Gwynne), who actually attended Glyndwr University and can vote today in a way that other MPs from Wales cannot, should make representations to the Procedure Committee?

Mr Speaker: First, I must emphasise that all Members can vote on this matter today. The hon. Gentleman can vote on it; I do not want him to develop—it would be sad and worrying if he did—a persecution complex. I would not want him to feel that he is excluded. The hon. Gentleman says that he is making his point of order by way of being helpful, and I cannot think I would doubt that for a moment; I do not think he ever intends anything other than to be helpful to me, to the House, to the nation and, of course, to his constituents. He certainly can vote on the matter.

The House will have been struck by the hon. Gentleman’s use of his adjective in relation to the procedure. I, of course, did not make any evaluation of the procedure. I simply made the factual point that it is not something introduced by the Speaker; it is something that the House has said the Speaker shall do. I am the servant of the House, and I am doing it to the best of my ability. The hon. Gentleman has made his own assessment of the procedure and he is, of course, as he has pointed out using other words, a distinguished ornament of the Procedure Committee. Members who wish to make representations to that Committee and to its illustrious Chairman, the hon. Member for Broxbourne (Mr Walker), should, of course, do so. That opportunity has been helpfully advertised.

Greg Mulholland (Leeds North West) (LD): On a point of order, Mr Speaker. On a separate matter, I was astonished on Friday lunchtime to be told by a constituent that the Prime Minister was visiting the wonderful Makkah mosque in my constituency on Monday morning. Having followed that up, I received an e-mail at 4.57 saying that that was the case, but those sending it refused to tell me where the visit was—even though I had already told them that I knew! Only on Monday morning was I finally told where the visit was going to be, given that I was not told in the first place.

Apart from the “Keystone Cops” attitude to national security, given that a sitting Member of Parliament was not told about a visit that constituents did find out about, I ask your advice on parliamentary protocol, Mr Speaker. On this occasion, I did not have the opportunity either to liaise with the wonderful Makkah mosque, which does marvellous work on integration, or to speak to the Prime Minister’s Office to give him my thoughts and advice on the work the mosque does before his visit.

Mr Speaker: I rather imagine that the Prime Minister thinks of little else in the course of planning his day than of the merits of receiving, in such terms as the hon. Gentleman thinks fit and at such length as is necessary, the hon. Gentleman’s advice. It occurs to me off the top of my head that it would have been open to representatives of the mosque to notify the hon. Gentleman in a timely way.

On the matter of the protocol whereby Members should be notified of visits, I would say that it is best for colleagues to interpret their responsibility in this matter broadly. That is to say—I do not refer to any particular case—that rather than taking a narrow view and thinking that notification would take place at a very late stage, it is better to notify a colleague well in advance of an intention to visit his or her constituency. My own personal view is that where we are dealing with
colleagues who are right hon. and hon. Members, it is a
courtesy to give more information rather than less. I
hope that is helpful to the hon. Gentleman and to the
House. These sorts of matters tend to arise from time
to time.

**Freedom of Information (Public Interest and Transparency)**

*Motion for leave to bring in a Bill (Standing Order No. 23)*

1.37 pm  
Tom Brake (Carshalton and Wallington) (LD): I beg to move,

That leave be given for me to bring in a Bill to amend the
Freedom of Information Act 2000 to remove provisions permitting
Ministers to overrule decisions of the Information Commissioner
and Information Tribunal; to limit the time allowed for public
authorities to respond to requests involving consideration of the
public interest; to extend the Freedom of Information Act 2000
to cover private companies, social enterprises and charities contracted
to carry out work for public authorities; and the Royal Household;
and for connected purposes.

I am no stranger to freedom of information ten-minute
rule Bills: this is the third Bill on this subject that I have
promoted in Parliament. I am hoping—without any
real justification, I confess—that today will be a case of
three times lucky. A country’s commitment to FOI is a
clear indicator of the strength of its democracy. For
that reason, I totally reject what one of Tony Blair’s former
advisers in Downing Street said to the BBC’s Martin
Rosenbaum, namely that

“FOI was the worst thing the Labour government did”.

I also think Tony Blair was far too hard on himself
when he said about FOI:

“You idiot. You naive, foolish, irresponsible nincompoop. There
is really no description of stupidity, no matter how vivid, that is
adequate. I quake at the imbecility of it.”

Instead, he should have saved those words to describe
his decision, on the flimsiest of evidence, to drag the UK
to war in Iraq.

Tony Blair’s views on the imbecility, or the alleged
imbecility, of FOI legislation are well known, as indeed
are those of Jack Straw, who used the ministerial FOI
veto twice—one to block Cabinet minutes from the
run-up to the Iraq war—and has condemned FOI
legislation in the following terms:

“We’ve ended up with a freedom of information act with more
access to documents than any comparable jurisdiction.”

Personally, I consider that to be something to celebrate,
not denigrate. I welcome the current more enlightened
view on the subject in the Labour party, and I hope that,
once completed, its review will disregard the views of its
dinosaur tendency and back FOI to the hilt.

Just as strong FOI legislation is a good barometer for
the health of any democracy, any attempt to dilute FOI
legislation represents a threat to it. With the number of
MPs falling, hundreds of thousands of voters dropping off
the electoral register, Short money being slashed and the Trade Union Bill being rammed through—all
of which hurt the Opposition parties much more than
the Conservatives—the Opposition parties’ ability to
challenge the present Government is being severely
curtailed. I therefore contend that we are more dependent
on FOI and the Freedom of Information Act than ever
before when it comes to holding the Government to
account.

What, though, are the present Government’s views
on FOI? In July, they established an independent
commission to review the Freedom of Information Act.
That “independent” commission includes Jack Straw.
There is no need to submit an FOI request to Lord Burns to demonstrate that there is nothing independent about it. The Justice Secretary claims that the review is necessary because the Government needed to revisit FOI to ensure that officials could speak “candidly” to Ministers in the “interests of good government”. He spoke of a “worrying tendency in our courts and elsewhere to erode the protections for that safe space.”—[Official Report, 23 June 2015; Vol. 597, c. 753.]

Some of those officials, including Sir Gus O’Donnell—as recently as this weekend—and the Cabinet Secretary, Sir Jeremy Heywood, dubbed “Sir Cover-up”, have made their positions known too. Sir Gus suggests that civil servants will not be writing down Brexit plans, but is that because senior mandarins have scared them into thinking that they cannot write things down because they will be exposed through FOI—when there is no such risk—or because it serves the Chancellor’s interests to require them not to? “I know from my involvement with the Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act 2014 that a “chilling” effect can be achieved because someone repeats the fact that a law or measure is “chilling” often enough for the effect can be achieved because someone repeats the fact that a law or measure is “chilling” often enough for people’s actions to be curtailed. In effect, people self-censor, rather than their actions being curtailed because the measure is actually chilling.

Sir Jeremy has spoken of the “chilling” effect of the Freedom of Information Act. In the interests of fairness, I should point out that now Sir Jeremy simply wants to make the FOI rules clearer, without making any substantial changes. If I can paraphrase Vince Cable, in the last few weeks we have witnessed his transformation from “Sir Cover-up” to the “Sir Lancelot du Lac” of FOI. Which incarnation is likely to have the longer shelf-life? I know where my money is.

Many legal experts point out—and the statistics confirm this very convincingly—that information tribunals that hear challenges against disclosure allow policy discussions to be revealed only in very limited circumstances, or when the arguments for disclosure are overwhelmingly in the public interest. It should also be borne in mind that the Justice Committee has already conducted a much wider post-legislative scrutiny, stating that FOI “has contributed to a culture of greater openness across public authorities, particularly at central Government level”, and that it “is a significant enhancement of our democracy.”

I am disappointed by the commission’s limited scope. Its remit does not cover which types of body should be covered by the Act, which is, in my view, a major failing. As we have seen with the activities of companies such as G4S and Serco, Southern and Thameslink, and charities such as Kids Company, a growing proportion of work that was previously undertaken by the public sector, which is subject to FOI, is now undertaken by other organisations, which are not. How many Medway Secure Training Centre scandals could be prevented if FOI applied to private sector companies doing public sector work? We need to act on the Public Accounts Committee’s 2014 recommendation, and include those private contractors in its scope.

The commission should have considered the question of bringing the Royal Household into the scope of the Freedom of Information Act. It is difficult to understand why it should not be within the scope of the Act, and why FOI requests to it should not be treated like any other—subject, of course, to the public interest test. The Royal Household is surely the most public of our public authorities.

The ministerial veto must be scrapped. In the words of Maurice Frankel of the Campaign for Freedom of Information, “The veto allows ministers for reasons of political embarrassment to overturn considered decisions of the commissioner or a tribunal. It allows them for bad reasons to overturn good decisions.”

Nor does the commission seek to consult on some of the tricks of the trade that are used to delay FOI responses, such as the absence of any time limits on internal FOI reviews. The News Media Association is pressing for such limits, and I am backing its efforts. A total of 40 days for all stages seems reasonable. Currently, the absence of time limits provides Departments with a convenient delaying mechanism, and they are already adept enough at kicking into the long grass. Andrew Lansley’s diaries from the period in the run-up to the Health and Social Care Act 2012 are a case in point. They are of interest because of what they might reveal about the number of meetings with private health companies. Their release was fought on the grounds that there might be gaps in Andrew Lansley’s diary that would have to be filled by spurious meetings to ensure that he could not be accused of laziness. That was rightly dismissed by the tribunal as “incredible”.

On the other hand, the commission does float the idea of upfront charges for FOI requests. No precise figure is given, but it could be at least £20 to recoup the cost of invoicing. The introduction in Ireland of a €15 fee in 2003 resulted in a 75% collapse in the number of FOI requests from the public, although I am pleased that the Irish Government subsequently scrapped the fee. The introduction of fees will not save money; indeed, I would argue the contrary.

FOI requests often ferret out abuse, inefficiency and waste, which can then be addressed. The most famous example was, of course, our own expenses scandal, but other examples include Network Rail, which spent £7.2 million on car allowances for senior staff last year, bringing its total expenditure on the perks over the past five years to £32 million. Incidentally, bringing Network Rail into the scope of FOI, with effect from March last year, was a welcome step, for which Norman Baker and I pressed when he was a Transport Minister. If a £20 fee were in place, investigating all 43 police forces in England and Wales would cost £860. There are more than 260 NHS trusts, which would push the cost of “FOI-ing” their performance to over £5,000.

I am also disappointed by the phrasing of the commission’s questions, all of which start from the premise that FOI is a constraint rather than a benefit.

Finally, let me bring this matter much closer to home, and mention Parliament. Parliament should always set an example when it comes to transparency, and I therefore support the Press Association’s bid to ensure that the Commons authorities disclose evidence or reports relating to alcohol consumption in Parliament—or, at least, are compelled to defend their decisions not to do so. The PA’s request was rejected on the grounds that such action would breach confidentiality, and would prejudice the effective conduct of public affairs. However, Parliament has a duty to lead on matters of transparency. It should,
in all circumstances—except those involving matters relating to parliamentary privilege, to prevent the courts from trespassing on Parliament’s turf—be treated like any other public authority, and should be subject to the public interest test. That would have enabled the question of whether the release of those documents was in the public interest to be properly assessed.

Our democracy is healthier, more resilient and less vulnerable to ambush with tough and challenging FOI laws in place. The Bill would strengthen FOI to ensure that no one was above the scrutiny of FOI—not Ministers, the private sector, charities, Parliament, or the Royal Household. I urge the House to support it.

Question put and agreed to.

Ordered,

That Tom Brake, Mr Graham Allen, Mr Alistair Carmichael, Mr David Davis, Mark Durkan, Tim Farron, Norman Lamb, Caroline Lucas, Greg Mulholland, Liz Saville Roberts, Mr Mark Williams and Mr David Winnick present the Bill.

Tom Brake accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 March and to be printed (Bill 119).
explaining our concerns and asking for a full debate on this matter. This was reflected in early-day motion 829, which attracted a number of cross-party signatures. However, the Business Secretary’s reply largely ignored the issues. The issue of failing to bring the matter to the Floor of the Commons was raised by the shadow Leader of the House in December, and at that time the Leader of the House intimated that there should be a debate on the Floor of the House, but no such debate has taken place. A question from my hon. Friend the Member for Sheffield Central (Paul Blomfield) was ducked by the Prime Minister last Wednesday. Colleagues raised the issue again in last week’s business questions, and I put a series of detailed questions to the Minister in the Delegated Legislation Committee. I and the other members of the Committee would like to see the responses to those questions in due course.

It is perhaps no surprise that The Independent led today on the way in which this Government have been using statutory instruments systematically to force through profound and controversial changes to the law without proper debate and scrutiny. Nor is it surprising that my hon. Friend the Member for Wallasey told the newspaper: “This is arbitrary rule that massively decreases the power of the Commons to effectively scrutinise the Government.”

The equality impact assessment was slipped out with a relative lack of ceremony at the end of November. As I said last week, this is the document that almost dare not speak its name, not least because the detailed evidence of the negative impact was tucked away in its central pages, to which I will refer later, and was rather belied by the bland conclusions appended to the front of the document. What is driving these panic measures from the Government—the £1.5 billion raid on grants and the threshold fees—is their belated recognition that the whole set of financial assumptions about repayment that underpinned their trebling of fees in 2012 is producing a black hole for them and for future taxpayers.

Steve McCabe (Birmingham, Selly Oak) (Lab): Did not a Tory Minister stand at the Dispatch Box in 2012 and assure us, on the question of tripling the fees, that increased maintenance grants and the national scholarship programme would protect students from the poorest backgrounds? Now the Government are scrapping both and trying to sneak the measures through. Is this not an absolute betrayal?

Mr Marsden: My hon. Friend is absolutely right, and he obviously has the power of telepathy, because I intend to refer to that later.

Mr David Lammy (Tottenham) (Lab): My hon. Friend refers to the impact statement. Does he agree that, in 2016, it is a scandal that the impact statement, which the NUS had to drag out of the Government and which confirms that the measures will disproportionately affect black and minority ethnic students, women and disabled people, does not merit a proper debate and vote in this House?

Mr Marsden: I entirely agree with my right hon. Friend, who was a distinguished Schools Minister. His points are absolutely valid, and I shall deal with them in more detail in due course. These measures are not simply incidental tinkering with existing financial regulations.

Mr Geoffrey Robinson (Coventry North West) (Lab): Can my hon. Friend confirm that 45% of the student loan book, amounting to some £5 billion, is suspected to be delinquent in some way or other? These measures would add a further £1.6 billion to that amount. Are not the Government building up a huge unfunded liability in their national accounts?

Mr Marsden: I am grateful to my hon. Friend, who has great experience in these matters. The Institute for Fiscal Studies and other organisations have commented on that matter.

James Cartlidge (South Suffolk) (Con): It is wonderful to hear Labour Members talking about unfunded liabilities. The hon. Gentleman mentioned the £1.5 billion cost of this measure, which is the money that will be saved. Is it his party’s policy to reverse the measure, and if so, where would it get the money from?

Mr Marsden: I am delighted that the hon. Gentleman is looking forward to the arrival of a Labour Government that he is already asking us detailed questions on this matter. I would remind him, however, that today is a day for the Government to be held to account for their failures.

Helen Whately (Faversham and Mid Kent) (Con): Will the hon. Gentleman give way?

Mr Marsden: I am sorry, but I must try to make some progress. I will take more interventions later.

These measures are typical of the ideology-driven but evidence-lite approach that this Government have too often employed. This is a major reversal of policy only four years after they hailed those maintenance grants for students from disadvantaged backgrounds. The statistics from the House of Commons Library tell me that the measures will affect around 500,000 of England’s most disadvantaged students. The statistics from the House of Commons Library tell me that the measures will affect around 500,000 of England’s most disadvantaged students. This amounts to a Domesday book listing the numbers of students who will lose their grants under the new rules. Universities across England, old and new, will be affected, as well as other higher education institutions. Further education colleges will also be affected, because they make an increasingly valuable contribution—10% and rising—to higher education, and a disproportionate number of their students will be affected.

Andrew Gwynne (Denton and Reddish) (Lab) rose—

Yasmin Qureshi (Bolton South East) (Lab) rose—

Mr Marsden: I will give way to my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) and then briefly to my hon. Friend the Member for Bolton South East (Yasmin Qureshi).

Andrew Gwynne: I commend my hon. Friend for bringing this debate to the House of Commons so that we can have a vote on this important issue. He has talked about the impact on universities and colleges. Perhaps he has seen the information released by UCAS
in December that shows that, even today, twice as many young people from advantaged backgrounds as from disadvantaged backgrounds go to university. How does he think removing £3,500-worth of grant a year is going to assist social mobility?

Mr Marsden: The reality is that it will not. I will have more to say about social mobility later.

Several hon. Members rose—

Mr Marsden: No, I will not give way again, as I have already indicated. A large number of people wish to speak, and I need to give them a chance to do so.

Yasmin Qureshi: Will my hon. Friend give way?

Mr Marsden: Yes, I have already indicated that I would do so.

Yasmin Qureshi: Does my hon. Friend remember that, in the last Parliament, the Government abolished the education maintenance allowance for 16 to 18-year-olds going into further education? They are now abolishing the maintenance grant for poorer people going into higher education, yet they managed to find tax cuts for millionaires in the last Parliament. Does this not show that this Tory Government are really not concerned about the poor and disadvantaged people in this country, whether in relation to housing, to universal credit, to disability or to education? They just don’t care.

Mr Marsden: My hon. Friend refers to the abolition of the EMA—

James Morris (Halesowen and Rowley Regis) (Con): Will the hon. Gentleman give way?

Mr Marsden: No, I am sorry, I will not give way. I have already said that.

The EMA is not the subject of our debate today, but that point illustrates the problems affecting further education colleges. There can be a cumulative effect for the future of such colleges because these measures can result in people no longer applying to them. That is why the Association of Colleges said in a specific response to these regulations:

“We have real concerns about the proposed change as many of the students may never earn enough to pay back the money and the policy does appear to penalise poorer students.”

Several hon. Members rose—

Mr Marsden: I have already indicated that I will not give way at the moment, but I will do so in a little while.

The expansion of higher education opportunities in further education colleges after 1997 was one of the most significant advances made under the Labour Government in this area, and it was a crucial part of beginning to address the lack of balance for higher education in the English regions outside the areas of the traditional clusters of long-established universities. It was part of a joined-up strategy to embed higher education and skills in our local economies and via the regional development agencies at that time. My local Blackpool and The Fylde College gained an excellent new higher education block in that period, where more than 2,800 students are now in higher education. We know that many further education students come from precisely the non-traditional backgrounds for participation in higher education.

James Morris: The hon. Gentleman is deploying the same argument that was deployed against the introduction of tuition fees, which was carried out by the previous Labour Government and developed by the coalition, but we have actually seen an increase in the number of students from disadvantaged backgrounds going to university. His argument, therefore, just does not stack up.

Mr Marsden: Perhaps if the hon. Gentleman listens as I talk further about the way in which these things have changed, he will understand that what was introduced in 2012 and the explanations—I will not call them apologies—that his Government gave for tripling tuition fees were based on a series of quid pro quos, all of which they have now abandoned. The pattern I have talked about is also seen in the number of people doing higher education in the so-called “post-92” universities and receiving the maintenance grant. That is why million+, whose membership contains a significant number of those post-92 universities, has expressed its alarm in the briefing it prepared for today’s debate. It said that “by virtue of nothing more than household income, some students will be saddled with debts far in excess of their fellow students.”

It continued:

“the freezing of the earning repayment threshold for five years will also exacerbate this problem and will hit lower earning graduates the hardest.”

My former colleague Bill Rammell, who was a higher education Minister and is now vice-chancellor of the University of Bedfordshire, made precisely those points in an excellent piece for Politics Home today.

Jack Dromey (Birmingham, Erdington) (Lab): Erdington is one of the poorest constituencies in England, but it is rich in talent, and maintenance grants mean a great deal to students who want to get on—42% are dependent on them. Does my hon. Friend agree that the Government are both breaking a promise, and dashing the hopes and dreams of a generation of strivers?

Mr Marsden: I absolutely agree with my hon. Friend. Of course, he comes from and speaks for a distinguished part of the west midlands, which is in the process of trying to gain control over areas of activity in their local economies. What the Government are doing for people in Birmingham and elsewhere is confounding their own devolution prospects.

Helen Whately rose—

Mr Marsden: No, I will not give way at this stage, but I might a little later.

We know now, thanks to a question I tabled to the Minister for Universities and Science to establish the extent of this issue, how many people will be directly affected by the withdrawal of the maintenance grant in further education. The statistics show that some 33,700 English applicants were awarded maintenance grants for higher education courses at further education colleges.
Within that 33,700 figure, we have a roll call of the English regions, where it is not just the individuals but the local economies, through the growth of skills there, that have benefited from this expansion of higher education and further education.

Let me cite some of the statistics that the Student Loans Company has produced: in the north-west, Blackburn College has 1,842 students on maintenance grant; in the north-east, Newcastle College Group has 1,669; and in the south-west and Cornwall, Cornwall College has 931. The list goes on, but a crucial subset comprises the numbers in those areas where, as I just mentioned to my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), the Government are encouraging combined authorities and local enterprise partnerships to take up their devolution offers and, therefore, potentially to have control of or take a role in higher skills initiatives. Greater Manchester has 410 on maintenance grants at Stockport College and 1,060 on grants across The Manchester College network. In Merseyside, 542 in total are on grants at The City of Liverpool College and the Liverpool Institute for the Performing Arts. In Leeds, 1,604 are on these grants, spread between Leeds City College, Leeds College of Music and Leeds College of Art. London has a huge further education sector, which caters to so many of the groups identified in the equalities assessment, as my right hon. Friend the Member for Tottenham (Mr Lammy) said. At a time of pressure already, from area reviews and cuts to ESOL—English for speakers of other languages—this new proposal could be toxic. If the effect of these changes, introduced without consultation, is to blunt those skills and that empowerment, this Government will be cutting off at the knees the very dreams. We'll support you with everything we've got."

Mr Marsden: Of course I welcome that fact. The point I am trying to establish today, which I hope the hon. Gentleman and his colleagues will accept, as I am actually trying to help them, is that these are fine words about an increase in social mobility and all the rest of it, but things will go in the opposite direction if they do not reconsider this measure.

Several hon. Members rose—

Mr Marsden: Thank you, Mr Speaker. There is a nudge factor here; it is a nudge away from progress, from that regional growth and from those opportunities for groups and individuals who traditionally have been debt averse. Asking people on higher education courses at further education colleges to take on up to £50,000 worth of debt in areas such as the north-east, where in some parts that sum could equate to the price of a small house or flat, concerns colleges such as New College Durham. Its principal, John Widdowson, has said that "nudge can work both ways—especially for people who've signed up for foundation courses and are considering going for honours—the more complex you make the funding process the more it can seem a barrier."

Those sorts of concerns were recently echoed by the Office for Fair Access. But it is the individual life chances that may be blighted or disrupted by these changes that should weigh heavily on all of us, which is why the NUS and its student bodies have been so passionate in campaigning against this change. For me, all those individual cases in FE are summed up by the email I received only yesterday from a student in Blackpool, who said that she would like to thank me for defending the students who will be affected by the loss of grants. I am from Blackpool and in my second year of my degree with UCLan, and a married mature student with two children."

She said that she had been plagued by illness as a child, which is why she was having to study in her late 30s, and stated:

"The complete U-turn by the Government who said education should not just be for the privileged and should not exclude the poor has now done exactly that."

The changes will also affect significant numbers of students in the traditional university sector, including 14,000 at Manchester Metropolitan University, 8,000 plus at the University of Manchester, nearly 11,000 at Nottingham Trent and 3,738 at King's College London. As I have said, it is a potential list of lost opportunities.

We can only speculate on what impact the regulations will have on future cohorts of students. The National Education Opportunities Network and the University and College Union are currently undertaking research with more than 2,000 final year A-level and level 3 students to look at how costs influence the higher education choices that those students make. The interim findings from that research show that more than half
the students who are deciding not to go into HE are taking that decision because of the lack of direct financial maintenance grant support that they had envisaged for the year ahead.

The equality assessment states:

“At an aggregate level there is no evidence that the 2012 reforms, which saw a significant increase in HE fees and associated student debt levels, has had a significant impact in deterring the participation of young students from low income backgrounds.”

That is now debateable, because the safety net of maintenance grants, which was introduced in 2012 with that tripling of fees, is now being removed. That is why, in her letter praying against the regulations, the shadow Secretary of State wrote:

“Labour is concerned this change won’t improve Government finances in the long term.”

That echoes the view of the Institute for Fiscal Studies, which said:

“The replacement of maintenance grants by loans from 2016–17 will raise debt for the poorest students, but do little to improve government finances in the long run.”

The IFS states that, in the short term, Government borrowing will drop by around £2 billion a year, because current allowances on grants count as current borrowing, while current spending on loans does not. In the long run, savings could well be less than that. The amount of money lent to students will rise by about £2.3 billion for each cohort, but the IFS says that only around a quarter of those additional loans are likely to be repaid. In the long run, therefore, the net effect is a reduction in Government borrowing by around £270 million per cohort, and a 3% decline in the Government’s estimated contribution to higher education. In a fair and balanced way, the IFS said:

“Students from households with pre-tax incomes of up to £25,000 (those currently eligible for a full maintenance grant) will have a little more ‘cash in pocket’... But they will also graduate with around £12,500 more debt, on average, from a three-year course. This means that students from the poorest backgrounds are now likely to leave university owing substantially more to the government than their better-off peers.”

It also states:

“The poorest 40% of students going to university in England will now graduate with debts of up to £53,000 from a three-year course, rather than up to £40,500. This will result from the replacement of maintenance grants”.

As I have already said, when the Government tripled tuition fees in 2012, they tried to sweeten the pill, by talking up the centrality of the maintenance grant to ensure that the most disadvantaged could still access higher education. They promised three things: a national scholarship programme; the maintenance grants for the disadvantaged programme; and the earnings-related threshold that would be uprated with inflation. The then Minister of State for Universities and Science, David Willetts, said:

“The increase in maintenance grant for students from households with the lowest incomes, the National Scholarship Programme, and additional fair access requirements...should ensure that the reforms do not affect individuals from lower socio-economic backgrounds disproportionately.”

That is what the Minister’s predecessor in the Conservative-led Government said in 2011-12, but the regulations that the Government passed in Committee last week will disadvantage the same groups that the Government promised to protect two years ago. David Willetts previously lauded the measures as a quid pro quo for the trebling of tuition fees, saying:

“Our proposals are progressive, because they help to encourage people from poorer backgrounds to go to university, because of the higher education maintenance grant, and because of the higher repayment threshold.” —[Official Report, 3 November 2010, Vol. 517, c. 940].

Now all three elements of those promises have been broken by this Government. The Minister’s colleague, now Lord Willetts, must be revolving in his ermine at the way in which his promises have been so lightly regarded by the Government.

The Government and their predecessors set great store by the principle of “nudge”—actions that persuade people to change their behaviour for the better. Let me remind the Minister that it is possible to nudge people away from desirable outcomes rather than towards them. A new Department for Business Innovation and Skills study shows that more than half the applicants said that they had been put off university by the costs. That is backed up by the Sutton Trust, which said:

“Replacing grants to loans may move them off the balance sheet, but it could also put off many low and middle income students and tip the balance against their going to university. Since grants were reintroduced, there have been significant improvements”—and we welcome that, but those will be put at risk by today’s Budget plans.”

Research from the National Union of Students, which was published last week by Populus, shows that parents are concerned that the Government’s plans to scrap the maintenance grant will discourage their children from applying to university. Two fifths of those with a combined income of £25,000 or less believe that to be the case. The range of the groups affected by the changes is daunting. The assessment concedes that black and minority ethnic students in particular will be disproportionately worse off. On older learners, it says:

“Mature students will be disproportionately impacted by the policy proposals to remove the full maintenance grant and replace with additional loan as well as the freezing of targeted grants.”

The Government have also conceded that disabled people will be disproportionately affected by the decision not to protect the real-terms value of disabled students allowances. The assessment spells out the potential for discrimination because of religious beliefs, stating that there is evidence to suggest that there are groups of Muslim students whose religion prohibits them from taking out an interest-bearing loan. Finally, the impact assessment also states that female students will be particularly affected by the freezing of childcare grants, parents’ learning allowances and employment and support allowances, given their significant over-representation in these populations.

Further to that, the scrapping of 24+ loans in further education is particularly relevant to the case before us today, because it is indicative of what has happened in previous circumstances when the Government have gone down this road. As the Minister knows, the Government released figures in October 2015 that showed clear evidence of the deterrent impact on learners that I and others warned about when these loans were introduced as replacements for grants in January 2013. The figures showed that in 2014-15 only £149 million of the £397 million allocated for the process had been taken up. It is no wonder that people in the FE community have lamented the lost opportunity of £250 million that could have helped some of our most disadvantaged learners. The very group of people who benefited from the concessions given in 2013 by the Minister’s predecessor, the right
hon. Member for South Holland and The Deepings (Mr Hayes)—that those who went on access to higher education courses would have the outstanding amount written off in their access course loan—face another knock back.

The damaging details from the Government’s own impact assessment should surely give Ministers pause for thought, given that they threaten to affect the most debt-averse groups.

Worryingly, it appears that the Government have yet to produce an up-to-date estimate of the impact that the shift from grants to loans will have on the resource accounting and budgeting charge, which calculates the cost to the Government of the higher education funding system, based on how much students are ultimately expected to repay. Having heard the evidence that we have presented so far and the comments from around the Chamber, will the Government tell us why, if they were so confident about these policies, they did not bring them to the Floor of the House? More to the point, why did they not consult independent experts and various representative organisations? Why did they not commission research from any of the reputable independent policy bodies?

Last month, along with a number of other MPs, I sat in the corridor of this place listening to hundreds of students who had come to lobby us. Their message was consistent: scrapping maintenance grants will leave people struggling to go to university. People in the Chamber today have talked about consequences and people will talk about their own experiences. I was a tutor for the Open University for 20 years and I know that many of the students whom I taught had been put off higher education at an earlier age by the costs. Such things do not alter just because we are now in the digital world of the 21st century, and the impact of the changes, particularly on mature students, cannot be divorced from the precarious position of so many of those who study part-time in higher education.

Statistics published by the Higher Education Statistics Agency have shown that the number of first-year part-time students in 2014–15 is down 6% on previous years. The number of part-time higher education students since the Conservatives came into office has fallen by nearly 40%. No wonder the NUS is exasperated about that, and it relates it to the trebling of student fees since 2012 for England and English students in higher education in Wales and Scotland. No wonder also that the president of Universities UK and the vice-chancellor of the University of Kent, Dame Julia Goodfellow, said that the decline in part-time numbers was a serious concern. I acknowledge, as they do, that the introduction of maintenance loans to some part-time students from 2018–19 announced by the Government is welcome, but in the meantime the nudge factors are very strong against such study. No wonder the Open University has also expressed its alarm, commenting on the Minister’s higher education Green Paper that flexible learning provision is also at the heart of Government policy development. Are not those concerns precisely why we need a proper discussion and are they not reasons why we need a commitment to bring a Bill to this House? I invite the Minister to give that in his response.

There is a lack of balance, as well as a nudge towards negative outcomes, and the issue will not go away. It is not surprising that connections have been made between the specific ways the Government have tried to dodge scrutiny in this matter. No wonder the Minister appeared relatively ill at ease in Committee, but to tell the truth perhaps the blame lies elsewhere.

The article in The Independent reminds us that it was the Chancellor who tried to use a statutory instrument to smuggle through his tax credit changes, and we all know what happened to them. The Chancellor is proud of promoting himself as the Government’s master builder—all his rhetoric is shot through with the image. He preens as he boasts of the march of the makers and of how the Government, on his watch, is fixing the roof while the sun is shining, but the truth is that the Chancellor is a man with whom we always need to read the small print. He has consistently missed many of his debt and other targets, and as far as building a secure future for Britain’s learners is concerned, he is Mr Dodgy, whose actions are unlikely to get a certificate from the Federation of Master Builders. While the sun is shining, he has dislodged slates on the way down and has disguised cuts to adult skills as efficiencies, as his Newspeak officials call them.

He is pushing those students off the ladder of social mobility. It is time for him to get real in the real world, where the elasticity of demand eventually snaps and where stretching the envelope can finally break it. The direction of travel is threatening to deliver not a northern powerhouse but a northern poorhouse, undermining his regional strategy. We want no part of the narrative of failure, nor should this House, and that is why this afternoon we are calling again for Ministers to think again, to support the motion, and to annul the misguided regulation that this Government tried to hide away.

Mr Speaker: Order. Before I call the Minister for Universities and Science, from whom the House will want to hear and who will need to treat of these matters in proper detail, may I gently express the hope that the combined effect of the intellectual powerhouses on the two Front Benches and their enthusiasm for communication will not succeed in crowding out Back Benchers?

We have also to hear from other distinguished intellects later in summing up the debate, and I hope that the product of their grey cells will be meaty but not too big.

Mr Speaker: Order. Before I call the Minister for Universities and Science, from whom the House will want to hear and who will need to treat of these matters in proper detail, may I gently express the hope that the combined effect of the intellectual powerhouses on the two Front Benches and their enthusiasm for communication will not succeed in crowding out Back Benchers?

The Minister for Universities and Science (Joseph Johnson): I welcome the opportunity to explain. I hope briefly, why it would be a mistake to vote for the Opposition motions that attempt to annul the statutory instrument agreed by the Delegated Legislation Committee last Thursday. The instrument delivers the Government’s policy of offering increased financial support for living costs for new students in the 2016-17 academic year in the form of loans rather than grants. The policy is part of the Government’s plan to ensure that our world-class higher education sector remains sustainably financed and open to more students from all backgrounds. The Government are extending the benefits of higher education to more people than ever before. We have lifted the artificial cap on student numbers, allowing record numbers to secure places last year.

A higher education sector that is not properly and sustainably funded cannot deliver the life-changing education that students expect.
Mr David Hanson (Delyn) (Lab): Will the Minister give way?

Joseph Johnson: I will when I finish my introductory remarks.

In the context of fiscal restraint, ensuring that we have a sustainable model for our higher education system is crucial. In this respect, the measure builds on successive reforms since 2010 which have delivered a higher education system that safeguards social mobility and delivers for students and taxpayers. Indeed, the OECD has commended the reforms in aggregate for the sensible balance they strike between the interests of taxpayers and students. Its director of higher education has said that England is “one of the very few countries that has figured out a sustainable approach to higher education financing.”

Very recently, on a trip to London, he added that England “has made a wise choice. It works for individuals, it works for the school system that safeguards social mobility and delivers for students and taxpayers. Indeed, the OECD has commended the reforms in aggregate for the sensible balance they strike between the interests of taxpayers and students. Its director of higher education has said that England is “one of the very few countries that has figured out a sustainable approach to higher education financing.”

Mr Hanson: If that is all so well and good, why was it not in the hon. Gentleman’s manifesto?

Joseph Johnson: I am grateful to the right hon. Gentleman for making that point. If he reads page 35 of the Conservative party manifesto, he will see a clear commitment to continuing the funding reforms that I have just described and ensuring a fair balance between the interests of taxpayers and students. There are also many other references in the Conservative manifesto to the need to achieve budget deficit savings.

Let me start by beginning to address the questions about the scrutiny of the regulations that were raised by the hon. Member for Blackpool South (Mr Marsden). The regulations were not sneaked in, as he suggested. In fact, the policy was first announced in principle in the 2015 summer Budget, nearly six months ago. It was in fact included in the Chancellor’s summer Budget speech, one of the most closely scrutinised events in the parliamentary calendar. The decision finally to proceed was made as part of the spending review in November 2015 and the instrument was laid before the House on 2 December. A comprehensive 80-page equality analysis was published the next day, in line with an earlier commitment I made voluntarily to the House. I shall say more about that later.

The regulations were made under powers granted to the Secretary of State by the previous Labour Government, under the Teaching and Higher Education Act 1998. Rather than using some obscure and arcane procedure, as hon. Members have suggested, we are following the very parliamentary processes that the previous Labour Government created for this purpose. Labour asked for a debate on the regulations on 9 December and the Government tabled a motion that appeared on the Order Paper on 3 January, referring the regulations to a Delegated Legislation Committee. Labour did not object, and the regulations went to such a Committee on 14 January. To put it simply, the processes were put in place by Labour when they were last in government and they did not object on 5 January, when they had the chance. I now welcome the opportunity to debate the issue further in this Opposition day debate and I note that the other place will also have a chance to consider the instrument following the tabling of a motion by the noble Lord Stevenson of Balmacara on 13 January.
Peter Kyle (Hove) (Lab): Brighton and Hove City Council has set up a fairness commission to make sure that it delivers fairness and social mobility in its public policy making. With 3,700 students out of 10,000 at Sussex University and 6,700 out of 16,000 at Brighton University on maintenance grants, has not their job just got an awful lot more difficult because of the Government’s policy?

Joseph Johnson: The hon. Gentleman can tell his constituents that university and going into higher education remain transformational experiences, especially for people from disadvantaged backgrounds. They are likely on average to go on to earn £100,000 more over their lifetimes as a result. Owing to the instrument that we are debating today, they will have access to more financial support while they are at university than ever before.

Let us acknowledge the success of these reforms. As a consequence, we today have a higher education system with record numbers going to university, record numbers of disadvantaged students, the highest ever rates of black and minority ethnic participation, and more women in higher education than ever before. The principles underpinning these reforms flow from a clear manifesto commitment to “control spending, eliminate the deficit, and start to run a surplus.”

I have already referred to the other commitments in the manifesto, on page 35, relating specifically to higher education funding.

Those Opposition Members who oppose our policy and want to reintroduce more direct taxpayer support must think about whether they would also have to reintroduce the student number controls we abolished and prevent thousands of young people from attending university.

Neil Coyle (Bermondsey and Old Southwark) (Lab): Does the hon. Gentleman wish to reintroduce student number controls?

Neil Coyle: The point I want to make is that applications to the most selective universities from students from the lowest income households has fallen since 2010, from 16.2% in 2010 to 15.3% in 2014. What impact, in terms of the number dropping further, will this policy have?

Joseph Johnson: We want people from disadvantaged backgrounds to go to the very best universities in this country in as high a proportion as possible. We want to see that increase, which is why we asked in our guidance letters to the director of the Office for Fair Access that he pay particular attention to institutions that are not pulling their weight in getting people in from disadvantaged backgrounds. We will continue that in our next letter to the director of the OFA.

Rebecca Harris (Castle Point) (Con): On paying for university, does the Minister agree that it is difficult for me to explain to residents in my constituency on low or moderately low incomes who have not had the benefit of a university education that the alternative is for them to pay more in their taxes for people who will have the opportunity to earn considerably more in their lifetimes?

Joseph Johnson: I thank my hon. Friend for her intervention, and that is precisely the point: it is unfair on people who do not go to university to pay for the educations of those who in their lifetimes will go on to earn considerably more. On average, men who go to university will earn £170,000 more in their working lifetimes than someone with two A-levels who does not go to university, and women who go to university will earn £250,000 more over their working lifetimes. It is entirely fair that we ensure that they contribute towards the cost of their higher education.

Let me turn now to specific changes to student finance for the coming academic year. We should first note that the instrument delivers more money for students from some of the most disadvantaged backgrounds. Evidence suggests students are primarily concerned about the level of maintenance support they receive while studying. They understand that student loans are not like commercial debt, in that they are progressive and only repaid in line with future incomes.

As a result of these regulations, an eligible student whose family income is £25,000 or less and who is living away from home and studying outside London will qualify for up to 10.3% more living-costs support in 2016-17 than they would under current arrangements, which is an additional £766 of support. Those who vote for the motion to annul this instrument will be denying poorer students this extra cash.

Studies show that graduates will, on average, earn £100,000 more than non-graduates over their lifetime. BIS research suggests that this premium could be as high as £250,000 for female graduates compared with those who hold two A-levels or fewer. This is our progressive A-level system and our progressive repayment system in action, and those who do not benefit from increased earnings as a result of undertaking higher education will not pay any more as a result of this policy.

The system we have put in place ensures that higher education is open to everyone with the potential to benefit from it, irrespective of background. Opposition scaremongering only risks deterring students from attending university. While the data available so far on this application cycle are provisional, early data from UCAS indicate applications in 2016-17 are broadly in line with last year. The BIS-funded student finance tour sends out applications in 2016-17 than they would under current arrangements, qualifying for up to 10.3% more living-costs support in 2016-17 than they would under current arrangements, which is an additional £766 of support. Those who vote for the motion to annul this instrument will be denying poorer students this extra cash.

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Patrick Grady (Glasgow North) (SNP): More than 45,000 students from England each year choose to study elsewhere in the UK, including at Glasgow University in my constituency. How does scrapping maintenance grants incentivise them to travel further from their home to get the benefit of education at universities outside England?

Joseph Johnson: We are making a record amount of financial support available to those students—more than has been provided by any previous Government. That will enable them to travel further away from home than they have in the past.
Let me turn to the significant savings achieved by these changes. The switch from maintenance grants to loans will, in a steady state, save around £2.5 billion per year from the fiscal deficit—not the £1.5 billion mentioned. We acknowledge that a proportion of the loans will not be repaid. This is a conscious decision to invest in the skills base of our country, and protect those who go on to lower-paying graduate jobs. We forecast that the long-term annual economic savings will be around £800 million per year.

Mr Geoffrey Robinson: The Minister said earlier that this is a deficit-reducing policy and we take that, and of course I entirely agree with all the points that have been made on the grounds of social mobility and denial of educational opportunity that this policy implies, but is not the point the Minister really has to answer that 45% of his loan books at the moment have been declared delinquent for one reason or another? How much of this so-called saving does he think he is going to get back? Is he not really just pretending he is making this saving, while in fact building up unfunded liabilities?

Joseph Johnson: There is an immediate grant saving of £2.5 billion, which comes directly off the budget deficit. As I just mentioned, there is of course the prospect down the line of some loans not being repaid, as a result of a conscious decision by the Government to invest in the skills base of the country and to allow people to pursue incomes that do not enable them to pay off the full value of the loan. The economic value of the savings, as I just said, is £800 million a year in a steady state.

I challenge the Opposition to explain how they would fund their alternatives. I note that the Labour party has in the past year put forward competing higher education funding policies, although they share one significant feature: their huge cost to the taxpayer. Labour’s leader, the right hon. Member for Islington North (Jeremy Corbyn), said in July that fees should be removed completely, with grants retained in full. The policy was costed by Labour itself at £10 billion. Such policies move us backward. They are unsustainable and, at a conservative estimate, would add more than £40 billion to the deficit over a five-year Parliament. We should be clear about what the results would be: more reckless borrowing, more taxes on hard-working people, and the reintroduction, inevitably, of student number controls. We have lifted student number controls and we will not allow the Labour party to reimpose a cap on young people’s aspirations.

I will deal with the risks associated with this policy as set out in the equality analysis, but let me first quickly respond to the false accusation that we refused to publish the assessment until prompted to do so by the National Union of Students. That is simply not true. Every year, when the Education (Student Support) Regulations 2011 are amended, an equality analysis covering the changes is published on gov.uk. This is standard practice. On 14 September, in a written response to a parliamentary question asked by my hon. Friend the Member for Totnes (Dr Wollaston), I said:

“The Government expects to lay amendments to the Education (Student Support) Regulations 2011 later this year and publish an Equality Analysis when the Regulations are laid. The Equality Analysis will include an assessment of potential impacts of the changes.”

Only on 22 September 2015, more than a week after that answer was given, did the NUS give notice that it would seek legally to challenge our policy. There has been no evasiveness in the presentation of the policy or its potential impacts.

I will deal now with some of the issues identified in the equality analysis and how they will be mitigated. Let it be remembered that similar issues were identified as a result of the 2012 reforms, but did not crystallise. Indeed, we now have a world-class higher education system, with record numbers of disadvantaged students in higher education, the highest rates of BME participation in higher education and more women in higher education than ever before. Our impact assessment explains that the risks will be mitigated by at least three factors, including the 10.3% increase in the maximum loan for living costs, the repayment protection for low-earning students and the high average returns on higher education.

More funding is also being provided through access agreements: in 2016-17, £745 million is expected to be spent by universities through access agreements, up from £404 million in 2009-10. That is money that makes a real difference to disadvantaged students, and we will of course monitor the progress of the policy through the data available from the Higher Education Statistics Authority and the Student Loans Company.

Rachael Maskell (York Central) (Lab/Co-op): At the University of York, 40% of students get a maintenance grant. What assessment has been made of the impact on universities of not attracting students because they simply cannot afford to attend?

Joseph Johnson: As I have already said, we are making a record amount of financial support available to students, and students from the poorest backgrounds will benefit from a 10.3% increase in financial support. They will have more cash in their pockets than ever before.

I hope that I have been able to clarify some of the misconceptions about our policy, the steps we are taking to increase living costs support and the process surrounding it. I will finish by directing Labour Members’ attention to the interview with Ed Balls in Times Higher Education this week, which should be of interest to them. He said that the “blot on Labour’s copybook” was that “we clearly didn’t find a sustainable way forward for the financing of higher education”.

He went on to say:

“If they”—

the electorate—

“think you’ve got the answers for the future, they’ll support you”.

We have a plan for the future. In a time of fiscal restraint, we are taking action to ensure that university finances are sustainable, so that more people than ever before can benefit from higher education.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the Scottish National party Front-Bench spokesperson, I remind Members that there are 18 people who want to catch my eye and the winding-up speeches will start in just over an hour, so we will have a time...
limit of three or four minutes by the time we reach the Back-Bench speeches. If everyone is as concise as possible, we will hopefully be able to get everyone in.

2.44 pm

Carol Monaghan (Glasgow North West) (SNP): Education has been a priority in Scotland for more than 300 years. The established Church in Scotland decided in the mid-16th century to set up a school in every parish to enable children to read the Bible and access its teachings. By the early 18th century, Scottish children led the world in literacy and fuelled the Scottish enlightenment.

That is important because it highlights the differences in how education is viewed across these isles. The focus in Scotland remains the student; there is not only a commitment to the young person's education but an acknowledgement that that same young person will develop skills through their university career that make them an asset to the country.

Tom Tugendhat (Tonbridge and Malling) (Con): Will the hon. Lady give way?

Carol Monaghan: No, because I have been urged to be brief.

By contrast, we see from this Tory Government an ideological attack on the most disadvantaged students. While still at school, talented pupils in England have had their education maintenance allowance scrapped, forcing some youngsters to leave before they have reached their potential. In England and Wales, fees of £9,000 a year are being imposed on students, and now grants for the poorest are to be scrapped, with the Chancellor describing them as “unaffordable”. In using such language, does the Chancellor consider those young people to be an asset?

In my previous profession as a secondary school teacher, I often came across extremely able pupils from difficult backgrounds. It was important early in their school career to plant a seed of possible career aspirations, because even with academic success getting them to university was not a certainty. A lot of work had to be done both with the young people and with their parents to encourage that progression.

Tom Tugendhat: The hon. Lady speaks with eloquence and knowledge from her great experience in secondary education and I very much welcome her contribution, but I challenge her description of the differences between Scottish and English education. In England, we have seen a greater ability of children from all backgrounds to achieve access to tertiary education. In Scotland, that is increasingly not the case. Does she not agree that one of the Scottish National party’s achievements of the past five years has been a fall, not a rise, in social mobility in tertiary education?

Carol Monaghan: Once again, we hear that myth here in this House. There is work to be done on the numbers of young people going directly from school to university; none of us would deny that. However, in Scotland young people have many more pathways to access university. If we look at children coming through further education colleges, we see that the number of young people from disadvantaged backgrounds is significantly higher in Scotland than in the rest of the UK.

May I return to those young people and their parents? Eventually the chat turns to logistics and how they will be able to afford higher education. We have to go into the detail. Parents are usually full of pride—often the child is the first in the family even to think about going to university. Explaining that in Scotland tuition is free makes a huge difference, but the parents still have to weigh things up. They have been expecting a new breadwinner, contributing to the household. They have been expecting their daughter or son’s Saturday job to become their full-time career. Instead, the financial burden on the family stretches on.

Hywel Williams (Arfon) (PC): My constituent Nathan Haley is an English student studying in Wales. He already faces debts of £36,000 in tuition fees and expects that to rise to £65,000 if the proposal goes through. Does the hon. Lady think that will encourage him to pursue a career path into teaching?

Carol Monaghan: I thank my hon. Friend for his intervention. The barrier becomes insurmountable for such young people. I was one of five who all managed to go to university and got grants throughout that time. For my family it would have been impossible for us to access a university education.

Being able to say to worried parents, “Yes, there is some support available. Yes, you will be able to apply for financial help” makes a massive difference to the decisions the family will make. When there is less family support, the financial support offered by a grant becomes a lifeline. Students can of course apply for loans to support them through their course, and many do, but we have to understand that loans are not viewed the same by children from different backgrounds. For families living under the constant threat of debt, for whom life is a continual battle to survive between meagre wage packets, the decision to take out a loan, incurring further debt, is extremely difficult, and often it is one that they just cannot take.

Clive Lewis (Norwich South) (Lab): I could not agree more with the hon. Lady on that point. The Institute for Fiscal Studies has said that the debt of the poorest 40% of students will increase by £12,500 to £53,500. I do not know where Government Members are coming from, but from my point of view, as someone who came from a working-class background, that would have put me off going to university and it will put off many thousands of other students. The policy is not about social mobility. There is no social justice in it. It is about social cleansing and keeping such students out of university, and it is wrong.

Carol Monaghan: I agree wholeheartedly with the hon. Gentleman.

There has been some success in widening access, which must be applauded, but there is a danger that the excellent work that has been done will be brutally undone if these grants are scrapped. Last week in a different context I heard a Member on the Government Benches refer to grants as “free money”. Let me be clear: grants are not free money. Grants are paid back.
The grant that I received when I was a student was paid back by more than 20 years as a physics teacher. The bursaries provided to student nurses are paid back when they provide vital care in our NHS. The grants paid to students across these isles will be paid back when they take their place as educated contributors to our workforce and to our nations.

In Scotland education has been a key national priority for over 300 years and the Scottish Government’s commitment to our young people is clear. The UK Government have to ask themselves whether they value education and the benefits to society that it brings. Do they value the skills gained by our young people, or is this simply another attack on the most vulnerable?

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am putting a time limit of four minutes on Back-Bench contributions. If we keep to four minutes, we might get through everybody who wishes to speak.

2.53 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): The problem with today’s debate is simple: no alternative is offered to the measure that has been laid before the House. For all the huffing and puffing from the Opposition, their idea of social mobility is, “We’ll just give lots of money and let lots of people go. We’ll worry about paying it back later, even though the economy will crash like it did before.” Social mobility went down 13% over 13 years of Labour government.

The game was given away last week at Prime Minister’s questions when the Leader of the Opposition made it clear that he thought it was a bad policy for this Government to try to improve social housing and get rid of some of the sink estates. The policy of the Labour party now seems to be, “Where you’re born is where you should stay because we will look after you by printing money.” It is nonsense.

I worked in the higher education sector for many years. I once asked what would happen if we did not increase tuition fees. The answer was that we would limit the numbers of people who could go to university. That is abysmal. The hon. Member for Norwich South (Clive Lewis) says he was from a working-class background. That is why such efforts have been made to address the issue of social mobility and get more people to university and reap the best of their potential.

James Cartlidge: Does my hon. Friend agree that it is not just about the number of students? If we had not increased the funding, the quality of the degree that each student receives would have suffered.

Alec Shelbrooke: I entirely agree with my hon. Friend. That is why such efforts have been made to address the A-level and exam system. As someone who was outward-facing in my career at the University of Leeds, I was shocked to go to countries in Europe such as Germany and be told of worries about the standard of UK degrees because of the A-levels that were done to get on those courses. As a prime example, we had to lay on two extra modules of basic maths in year 1 of our engineering degree because we had students who could not cope with the mathematics used in engineering, although they had good grades at A-level.

That is part of a bigger picture, and the point of today’s debate—opportunity for everybody to go to university. It is all very well to say that grants should not be cut without proposing an alternative way of raising the money, but the system would become unaffordable as a consequence, limiting the numbers of people going to university. I went to a comprehensive school. My parents were teachers. I became a professional engineer and then a Conservative MP. My sister qualified two months ago as a fellow of the Royal College of Surgeons. No money was spent sending us to private school. We went out and got our own part-time jobs to fund our way to university. I took on a private job at WH Smith when I was still at school.

Simon Hoare (North Dorset) (Con): My hon. Friend is telling the House in clear terms an explicit Conservative story of hard work, opportunity and meritocracy, in sharp contradistinction to the narrative from the Opposition, who were too busy thinking about their reshuffle to pray against the order and are far too busy plotting and planning to keep people in their places, rather than busting the glass ceilings.

Alec Shelbrooke: My hon. Friend makes an excellent point. This is what today’s Opposition debate is about. It is not about how we best move this country forward. That is why, under 13 years of Labour government, social mobility decreased. The statistics and the facts cannot be argued with. The fact that there has been a 36% increase in those from the poorest backgrounds going to university, the fact that we raised the income at which a student loan had to be paid back to £21,000, the fact that we reduced the amount to be paid back each day, the fact that people do not start paying interest on it until they leave university, the fact that it is time limited so that it is written off after a specified time—all these are key aspects of making sure that we get people to university and reap the best of their potential.

Rebecca Harris: Does my hon. Friend agree that the way to encourage more social mobility and get more young people from disadvantaged backgrounds into university is, first, to improve their chances in education, and then to show them what they can achieve and raise their expectations and their confidence, not to frighten them with fears of debt for the future?

Alec Shelbrooke: My hon. Friend is right. We have heard time and again from Labour, “You cannot afford to go to university. You are going to have huge debts. You are from a poor background—don’t go because you’ll be worried about debt. Don’t increase your life chances.” It is a disgrace of modern politics that the Opposition peddle such rubbish.

We have a generation who believe they can go on to “The X Factor”, win it and become rich. Why did we not see that in relation to the possibilities in academic education and professional careers? It was because we had a Labour Government who wanted to keep people where they were, and who said, “You may be lucky enough to pull yourself up out of that situation, but, if not, don’t worry—we’ll keep borrowing money. We’ll still rack up huge debts that hard-working people will have to pay for so that you can stay where you are.” That is not what we on the Government Benches believe.
We believe in an “X Factor” generation of people who go out, pull themselves up, get the education they are capable of getting, and become the people who drive this country. The idea we have heard in this debate—“Here is the working class on the Labour Benches and there is the upper class on the Conservative Benches”—is so outdated and misguided that it is laughable.

That has been the problem with the Opposition since the start of this Parliament: they have been laughable. It is laughable that they bring forward a motion saying, “We don’t agree with the legislative process that we laid down back in 1998.” We say, “You didn’t do anything about this when the time was right”—when it was laid before the House.

This is Labour Members trying to start the old class wars once again, because that is all they have to fall back on now. They have no coherent economic policy and no coherent plan for higher education. They have heard the words of the former shadow Chancellor of the Exchequer, yet they give no response.

Conservative Members specifically questioned the shadow Minister about Labour’s alternative. The response was, “It’s an Opposition day debate and we don’t have to answer that.” It is not a debate: it is a bunch of people stamping on the floor and not suggesting anything sensible. A debate is an exchange of policies whereby we come up with something that might take us in a better direction. Simply standing there and saying, “We don’t like it,” is pathetic. It is the politics of the sixth form, but frankly that is what we have come to expect from this ridiculous Opposition.

3.1 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab):
I begin by thanking my hon. Friends the Members for Wallasey (Ms Eagle) and for Blackpool South (Mr Marsden) for the fact that this debate is taking place. The Government would have been more than happy for these sweeping changes to higher education to pass through Parliament unnoticed, hidden away in delegated legislation—worst of all, a negative SI—with no public scrutiny. I am therefore pleased that at least we are able to call the Minister to account. However, it is extremely disappointing that he showed no contrition whatever for introducing policies that are likely to limit the aspirations of many young people in this country, or at the very least make it more difficult for them to achieve them.

Simon Hoare rose—

Dr Blackman-Woods: I will not give way to the hon. Gentleman because we are very short of time.

We know that these changes will affect many students. The House of Commons Library states that in 2014-15, 395,000 students received a full grant, with 135,000 getting a partial grant. That amounts to over half a million students. Currently, students who go into higher education from families with an annual income of £25,000 or less are eligible for the full grant of £3,387, and students from households with an annual income of between £25,000 and £42,620 are eligible for a partial grant. However, in the summer Budget of July, plans were announced to remove the student maintenance grant, arguing that the grants had become “unaffordable”. This, in itself, is an assertion that needs to be deconstructed.

Politics is about priorities, and this Government have chosen not to prioritise the needs of students from low-income families and, astoundingly, to make them a target for cuts.

The Government have talked endlessly about the importance of hard work and rewarding those who want to achieve, yet now they are undoubtedly making it more difficult for a number of our young people to have the opportunity to access higher education. The move to £9,000 fees in 2012 has meant that students and graduates now contribute 75% towards the overall costs of their higher education. The replacement of grants with loans will further increase the contribution of individuals compared with that of Government. Yet no conversation has taken place with students, their parents or across the country as to what the balance should be.

These changes will lead to a substantial increase in debt for poor students. Assuming that students take out the maximum loans to which they are entitled, the IFS estimates that average debt from a three-year course will rise from about £40,500 under the old system to £53,000 under the new system. This is not just a fear of debt—it is an actual increase in debt. We also know from the impact statement that these changes will particularly affect women, older students and students from ethnic minorities—reason enough to stop these policies in their tracks.

I stand here as someone who is passionate about supporting students from all backgrounds who can get to university in accessing higher education. These changes are likely to make that more difficult for them. As a country, we need to ensure that our young people have the skills to enable them to compete in a global labour market, and I am concerned that these changes will prevent them from doing so.

3.5 pm

James Cartlidge (South Suffolk) (Con): It is an honour to follow the hon. Member for City of Durham (Dr Blackman-Woods) and, in particular, my hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke), whose speech combined expertise and passion.

I am going to follow in the footsteps of the Leader of the Opposition and his new style of reading out emails from constituents. I am well aware that students are concerned about this measure. I have had an email from Jack Lay, who lives in Glemsford in my constituency, whose speech combined expertise and passion.

My answer to Jack and to all hon. Members concerned about this is that it will not hinder access to higher education for those from poorer backgrounds, and for five key reasons. First, we are increasing the cash that they will have in their hand to sustain university life and deal with the day-to-day costs they will face. Secondly, we have increased the level at which they will repay their student debt from £15,000 under the previous Government to £21,000—if they do not earn that, they do not repay. Thirdly, the statistics show that this is not having the impact that Opposition Members are warning about.
As we have heard, there has been a 35% increase in the access rate of people from disadvantaged backgrounds to university. The figure has risen from 13.6% in 2009-10 to 18.5% last year—an incredible increase. If the Opposition’s alarmism was based on fact, that would not be happening.

The fourth key reason is that, under this policy, the beneficiary pays. That is a key principle.

**Alec Shelbrooke:** Is this debate not taking place basically because it sticks in the gullet of Labour Members that we have increased social mobility? Does not that echo the words of the Prime Minister, who said, “If you want a lecture on poverty, talk to the Labour party; if you want action on poverty, speak to the Conservative party”?

**James Cartlidge:** That is absolutely right.

The principle that the beneficiary pays is about not getting the poorer working-class people who have chosen not to go to university to pay for the education of others who will go on to earn significantly more than them. That is a fair principle, and that is why this is about fairness.

The key reason why I support the measure is that it is about the quality of the education. What really matters to the student from a disadvantaged background is that they achieve an excellent degree that enables them to earn a good salary and get on in life. That is the single most important thing. If universities are well funded, students will have more chance of a good-quality degree. I also believe profoundly that when people pay for something—when they contribute—they take it more seriously and therefore get more out of it. [Interruption.] SNP Members are laughing. I am delighted to see so many of them, because only two or three of them were here yesterday when we were discussing the crisis in North sea oil. I was quite surprised about that.

My hon. Friend the Member for Elmet and Rothwell talked about his experience. Before I came to this House, I ran a small business as a mortgage broker. For many years, we were very fortunate to have an exclusive arrangement with Britannia building society for a range of graduate mortgages called Graduate Network. Having seen thousands upon thousands of applications from graduates—many of whom, I am pleased to say, went on to buy a home—I never failed to be astonished that the more debt they had, the higher their earnings were.

That was often because they had undertaken professional studies. Those who had had professional studies loans from the banks and gone on, for example, to do law and study at the Bar had the highest earnings.

Of course we do not want people to have ridiculously high debts. That is why, as my hon. Friend said, the debts would be cancelled after 30 years if not repaid. However, we have to get our heads around the key point that what really matters is the quality of the education that our students have.

**Mike Wood** (Dudley South) (Con): Does my hon. Friend agree that extending the system of finance so that more part-time and postgraduate students can receive funding is helping social mobility and providing greater opportunities for people who would otherwise not be able to have access to higher or postgraduate education?

**James Cartlidge:** My hon. Friend makes an excellent point. The Minister is introducing for the first time masters loans, and that is incredibly important. In my experience, those who had borrowed eye-watering sums to do professional studies and courses that led to the biggest salaries, such as a masters of business administration, often had very high earnings indeed. That is a reality of life. It is about the quality of degree someone gets.

I am pleased to see that the time remaining to me has frozen at three minutes and 13 seconds, but I will wrap up because lots of hon. Members want to get in. On the broader economic issue, the number of graduate jobs has increased by 7.5%. The most important contribution the Government can make to higher education is to have a strong economy offering lots of opportunities for our graduates to ensure that they can earn salaries and therefore repay the cost of the education that they have benefited from.

**Mr David Lammy** (Tottenham) (Lab): The Minister says he wants action on poverty. Does he think that matters?

The issue is not about widening participation, but about fair access. There has been a 50% increase in the number of students choosing to stay at home rather than go to universities to which they would love to go. What does that mean? It is likely that the university attended by students who stay at home in a deprived constituency is a modern university, even though those students may have got the three As they needed to do medicine at a more teaching and research-intensive university. That is what this debate is about and that is how it will affect students. The Minister's own impact assessment says that there will be a disproportionate effect on students from a black and minority ethnic background. Does he think that matters?

The Minister cannot in one breath rightly make statements about unconscious bias and the need for name-blind admissions, but then change the context for those students from poorer backgrounds in a way that disproportionately affects them. The situation is the
same for disabled students, and there will also be a great impact on mature students. That is why this debate was required and why I am surprised that the Government are making the changes in this way.

A few years ago there was consensus in the House that the state, the universities and the student would make a contribution to their education, but this settlement withdrew the state even further from where it was after the 2010 Parliament and lands the debt entirely on the student. The Minister says there is no alternative, but the alternative was to go to the universities themselves, whose funding per student has gone up from £22,000 to £28,000. There were alternatives available to the Government, who have made this decision despite the fact that the Minister’s own figures show that 45% of students will not be able to repay their loans.

This does not hang together. It will have a disproportionate effect on poorer students. I have to say that, despite the fact that the Minister is not a bad guy, this is a mistake he will regret.

3.15 pm

Huw Merriman (Bexhill and Battle) (Con): I speak as a member of the Delegated Legislation Committee that discussed this issue last week. I draw Members’ attention to the remarks I made at the time and I welcome the fact that this debate is being held in this Chamber.

I want to refer to my own situation. I feel strongly that it is right for Conservative Members to dispel the myth coming from the Opposition that students from a background similar to mine will not be able to go to university as a result of the changes. I say that as someone who took out loans to get through my professional training.

To further illustrate my argument, I went to a secondary modern school and failed my 12-plus. I was advised by my teachers not to waste my time doing A-levels, but I am glad that I ignored that advice. I went to a sixth-form college and was then fortunate enough to study at university. Although my parents’ background was by no means one where money was readily available to us, I just missed out on a maintenance grant, so I understood straightaway how important it was to work during my time at university in order to fund myself and, therefore, to study hard. As a result, I worked through Christmas, Easter and the summer, and during term time at Durham.

When studying for the Bar in London, I had to take out loans and work outside my course to cover not just my maintenance but my fees. I therefore took out tens of thousands of pounds in debt, with no earnings threshold for repayment. That was incredibly daunting, but it made me determined to succeed in order to be able to pay those loans back.

Working around my studies was hard, but it gave me invaluable experience of the world of work. Most students do that as a matter of course now, so it is incredible to be told that working outside a degree makes it impossible to do a degree. That certainly was not the case for me.

Twenty years on, I regard the loans I took out to have been the best investment I have ever made in myself. I visit schools in my constituency and tell students to chase their dreams and not be put off going to university because they may not be able to afford it. It is the most incredible investment an individual can make for themselves, including in the form of a loan, which can, of course, be paid back.

Although Labour Members’ comments are well meaning, I find it patronising in the extreme to be told that the loans system will put off students in a similar situation to mine and stop young people chasing their dreams, and that it is not possible to work and study at the same time. Those who have aspiration and self-belief will make it a target to repay loans, and then they will use their degree to enjoy the successful careers afforded to them by university.

In an ideal situation, this country could afford to fund university students for their maintenance, but successive Governments have moved towards a model whereby we allow everyone who wants to go to university to go to university. Record numbers of students are studying at university, including record numbers from disadvantaged backgrounds. Students from backgrounds similar to mine are now going to university.

Dr Blackman-Woods:—

Huw Merriman: I will not give way, because of the time. Most students understand that we are moving towards a loans system. They are comfortable with that concept and do not want bleeding hearts. What they want is a job at the end of their university degree. By balancing the books, we are making it more likely that they will have a job, security and success, and that they will be able to pay their loans back and to enjoy the fruits of their labour.

It is important that this House sends a message that university is available to all, no matter their background, and that is something that has carried me through so far.

3.19 pm

Paul Blomfield (Sheffield Central) (Lab): I have the privilege to represent more students than any other Member of the House. I am pleased to have the chance to raise their concerns, and more importantly, the concerns of those who hope to take their place in the future but will, I fear, be deterred from doing so by the Government’s proposals. Such a decision is one of huge significance for 500,000 students.

It is a major reversal of Government policy, and it is being taken without any mandate. The Minister for Universities and Science tried to bluster his way out of that by referring to page 35 of the Conservative manifesto. I challenge his colleague, the Minister for Skills, to read out the precise section of the manifesto that gives the Government the mandate to remove maintenance grants from the poorest students. I will happily give way now if the Minister for Universities and Science wishes to read it out.

Joseph Johnson: Keep going.

Paul Blomfield: I urge Conservative Members to think carefully about the policy. [Interruption.] Their party—it is a shame none of them is listening—has consistently supported maintenance grants. In November 2009, the then Conservative shadow Minister told the House that it “is students from the poorest backgrounds who are most desperate when they cannot get their maintenance grant”.—[Official Report, 3 November 2009, Vol. 498, c. 737.]
When we debated the Government’s changes to student funding in November 2010, a Conservative Minister said:

“Our proposals... help to encourage people from poorer backgrounds... because of the higher education maintenance grant... That crucial commitment... is one of the reasons we commend these proposals to the House.”—[Official Report, 3 November 2010; Vol. 517, c. 940.]

Reflecting on their approach, in September 2012 a Conservative Minister said:

“The maintenance grant and support for bursaries are going up. That is why we... have record rates of application to university.”—[Official Report, 11 September 2012; Vol. 550, c. 216.]

In opposition and in government, Conservative shadow Ministers and Ministers have rightly made the case for maintenance grants year after year.

That was, however, suddenly thrown into reverse by the Chancellor in the July Budget, without any proper consideration of its impact. Such a consideration is important because we are talking about the poorest students. We still have not seen the original assessment behind the July decision, but even the massaged assessment that the Government were prepared to publish in November, four months after the decision was made, is extremely worrying.

Conservative Members should pay heed to it, because it is the Government’s own assessment. On participation by low-income households, it warns of the evidence from past reforms on which the Government are relying that “there are limits to its direct applicability”.

On gender, it expects a “decrease in female participation”. On age, it says that there is a “risk for the participation of older students”. On ethnicity, it says that there is a “risk to the participation of students from ethnic minority backgrounds”. On religion, it talks about “a decline in the participation of some Muslim students”.

That is the real impact on real people.

That impact has been confirmed by those affected. A survey of students in receipt of maintenance grants found that 35% said that, because of their circumstances, they would not have gone to university without a grant. A new survey by Populus says that 40% of parents from low-income households believe their children will be discouraged from going to university without a grant. Evidence from the Institute of Education shows that for every £1,000 increase in the grant, there is a 4% increase in participation from lower-income families. No doubt the reverse is true, so with the level of cuts being made, there will be a significant decrease on the basis of that assessment.

The irony is that the Government have set ambitious objectives for widening participation. The problem is that this policy will prevent that. I urge Conservative Members to vote with us to annul it.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am sorry to say that, before I call the next speaker, I must drop the limit down to three minutes.

3.23 pm

Seema Kennedy (South Ribble) (Con): There can be absolutely no doubt about the Government’s commitment to building a highly educated, highly skilled society. That is part of our challenge—the challenge of the 21st century—to improve productivity. It was set out in the report “Fixing the foundations”, by my right hon. Friends the Chancellor and the Business Secretary, and it is essential to our competitiveness in the world.

I remember the discussions 20 years ago, when I was an undergraduate, about how, with the introduction of tuition fees, admissions from all sections of society would tumble. That did not happen, and the change we are discussing will not happen either, as is borne out by the figures. Record numbers of students were admitted to university last year, and record numbers of disadvantaged students secured places last year: up from 13.6% in 2010 to a record high of 18.5% in 2015. The arguments made by Labour Members are simply not borne out by the statistics.

My hon. Friend the Member for Castle Point (Rebecca Harris) set this out, but I repeat that the system needs changing. The needs of people from my constituency, who leave the excellent Runshaw College—I invite the Minister to visit it—with A-levels and who start to pay tax straightaway need to be balanced with the needs of those who go to university. We must face the fact that university graduates benefit from such an investment—to the tune of £170,000 for men over a lifetime and of £250,000 for women over a lifetime.

We should consider very carefully the fact that we need more and more people to have a tertiary education. We must absolutely face the fact that as many people leave university in China with doctorates as leave university in the UK with degrees. It is therefore absolutely essential to increase the number of people going to university. We should bear in mind the words of the Robbins report, which stated that university education “should be available for all those who are qualified by ability and attainment”.

If the next motion is passed, I fear that there will be a cap on university numbers, which is not what we want. By limiting student numbers, it would be a cap on aspiration, and it would be bad for social mobility and bad for our economy. I ask Labour Members what they are offering—are they offering cuts or taxes elsewhere, or are they offering caps? I listened very carefully to them, but once again, answers came there none.

3.26 pm

Mr Geoffrey Robinson (Coventry North West) (Lab): This is a very timely debate. I am pleased that the Opposition will divide the House on an important issue. I was struck by two remarkable statements by Conservative Members. The first was made by the Minister, who said that the policy was an important deficit-reduction exercise or measure. The other was made by the hon. Member for Bexhill and Battle (Huw Merriman), who said that all the students he knows are very comfortable with the present level of borrowing with which they will leave university. I do not know where he meets such students, but I have not met anybody who feels anything other than that they are, at the moment, at the utter limit of what is bearable.
The Government want to promote a shareholding democracy, to increase social mobility and all the other things they praise, but they do not realise that no one—ordinary people graduating in the normal course of events from the bulk of our universities—will ever be able to afford a mortgage in the foreseeable future when carrying £53,000 of debt. The Minister has done nothing to contradict the figures produced by the Institute for Fiscal Studies, which has the unhappy knack of being right about such things.

We would like to hear the Government’s argument, because it seems to me to be a very strange sort of accounting. A student loan book of £5 billion is currently sitting on the balance sheet. We know that 45% of it should be written off, although it will not of course be written off. We know that loans are defective for one reason or another—the interest is not paid, or there is no likelihood of the interest being repaid, let alone the capital—but no action is taken to write them off. Similarly, the loan book will now be increased by £2 billion a year. I think the Minister said £2.5 billion, but the figure I have is nearer £2 billion. We will increase the loan book by that amount and we will effectively write off 45%, because we know that that will not be repaid, but this is somehow still a great deficit-reduction exercise. It is nothing more than a great exercise in voodoo accounting, probably promoted by the Treasury for some reason or other. The Department just seems to accept it, and the Minister for Universities and Science accepts it when he knows full well that there is no real case for it.

I endorse everything that has been said by my hon. Friends. This measure is bad for social mobility, bad for access and bad for fairness. It will leave students with an enormous burden of debt—£53,000. How can anybody think that that is a sensible proposition to put to youngsters today? We need not do it and the Government will not get the money back anyway. It beggars belief. I urge the Government to think again and am very pleased that we will divide the House on this matter.

3.29 pm

James Morris (Halesowen and Rowley Regis) (Con):
I recently visited Ormiston Forge Academy, which is an improving school in my constituency, and took part in an aspiration day. What struck me when I talked to the year 8 pupils was that the barriers to their thinking about going on to higher education were only partly to do with money. Primarily, they were to do with their background, whether their parents had been to university and whether their friends aspired to go to university. That was an important part of the conversation that I had with them.

The arguments that we hear from the Opposition about loans are like a recycled debate from a few years ago. Young people and students are becoming much more attuned to and understand the progressive nature of the loans system that we have introduced. Low-income graduates will not have to pay back the loans until they get over a certain income threshold.

As the Minister rightly pointed out, putting our higher education system on a sustainable footing was a choice that the Government made. They chose to design a progressive loans system to enable students of whatever background to aspire to university. As hon. Members have pointed out, the system that has been designed by the Government introduces maintenance loans for part-time students for the first time and will have a considerable positive impact on social mobility. It also introduces maintenance loans for MAs and other post-graduate courses, which will provide different ways of accessing higher education.

Hearing the arguments from the Opposition feels a bit like groundhog day. As my hon. Friends have pointed out, no alternatives have been posited.

Simon Hoare: I think that the answer to this will be yes, but I wonder whether my hon. Friend shares my irritation with this debate because all of us in this House should be committed to improving social inclusion. He is stating very clearly the narrative that we deploy to explain these policies. The narrative from the Opposition, in my judgment, is tailored specifically to preclude people from applying to go on to further education. Is it not time that we all explained to students precisely what my hon. Friend is saying?

James Morris: My hon. Friend makes a powerful point. When I spoke to the students, it struck me that we needed to educate them about the realities of going into higher education, whether by providing better information about courses that they might be able to take or explaining what it means to take out a student loan. As he says, there is a lot of propaganda about being saddled with debt. There needs to be more education about what it means in practice.

Rebecca Harris: Does my hon. Friend agree that young people these days are getting much more savvy about the types of courses they want to take, whether courses will lead to a productive career and whether universities have good engagement, employability guidance and that kind of thing?

James Morris: Yes, I agree with my hon. Friend. Among the core benefits of the reforms that were introduced in the last Parliament and that are being developed now is that they encourage universities to raise the quality of higher education courses, make students much more discriminating about what they want to get out of higher education, and provide a greater understanding, as the Minister pointed out, of what economists rather dryly call the returns of higher education, which are tangible. We are seeing huge new opportunities in the graduate employment market. More graduates are getting high-quality jobs and more people are taking the opportunities that are out there.

The system that has been devised is progressive. The evidence is that the loans system has not had the detrimental impact on access that Opposition Members warned about three or four years ago. This is another one of those groundhog day, recycled scare stories. It simply is not happening. More people from disadvantaged backgrounds are going to university.

It would be very much a backwards step to accept the Opposition’s plan because it provides no credible alternative to the Government’s plan and runs away from the difficult choices that the Government have made to put our higher education system on a sustainable footing. I urge the House to reject it.
Jo Stevens (Cardiff Central) (Lab): I am privileged to represent a university constituency. Cardiff Central has one of the highest proportions, although not quite the highest proportion, of students of any constituency in the UK. Tens of thousands of students live and study in Cardiff Central. Many of them are from Wales, but many are from England. They, unlike their Welsh peers, will be badly affected by the proposal to scrap student maintenance grants.

The Labour Government in Wales believe in aspiration and in protecting students from crippling levels of debt, and they put their money where their mouth is. Today in my constituency, Welsh students are sitting next to English students in the same lecture on the same course at the same university and living in the same accommodation, but thanks to Conservative Members, and to the Liberal Democrats—oh, sorry, they are not there anymore—a Welsh student is paying a third of the annual tuition fees paid by an English student.

It is not just with tuition fees that the Labour Government in Wales have supported students. The coalition Government abolished the education maintenance allowance, and the Welsh Labour Government kept it. The Labour Government in Wales are not abolishing student maintenance grants either, or NHS bursaries for nurses and midwives studying in Wales. Unlike the Conservative party, we believe in investing in future generations.

The Government claim that scrapping grants will not prevent access to university for the most disadvantaged students, but how do they know? They have not even asked them. There has been no consultation with students, parents or higher education. What have Conservative Members got against young people? They have trebled tuition fees and abolished the EMA. They will not allow 16 and 17-year-olds to vote, and they are happy lecturing everyone on balancing the books and reducing debt, while at the same time their policies inflict crippling levels of debt on students. We can add to that the Chancellor’s plans to end housing benefit for anyone under 21.

Last week I heard speeches in Committee, and again today, about how various Conservative MPs have worked their way through university, and if they managed it, why should today’s students not do that? However, they already do, and now the Government will not even let them earn the increased national minimum wage, because they have excluded anyone under 25 from that. The impact of this policy will prevent young people from going to university, from learning, from gaining independence, and from equipping themselves with the knowledge and skills needed to be successful in the job market.

Rebecca Harris: Will the hon. Lady give way?

Jo Stevens: No, I will not. Those young people will be prevented from fulfilling their true potential. I will conclude by mentioning Kate Delaney, vice-president of Welfare at Cardiff University. She had her EMA abolished. It paid for her bus fare to get to sixth-form college. She qualified for a maintenance grant, and she would not have been able to go to university without it. She told me that that maintenance grant gave her a voice, and also the ability to represent 30,000 students at Cardiff University, and Conservative Members are taking that away.
enough homes. To be fair, that is true of preceding Governments, too. The packhorse generation is taking on huge levels of debt and faces a much more insecure future. That is why I hope the Government will think again. Intergenerational unfairness and intergenerational inequality are growing problems.

Rebecca Harris: I understand there is an increasing burden on the current generation largely because of the enormous, overwhelming burden of debt the Government inherited. Does the hon. Lady agree that the young people of this generation who are not going to university would otherwise be expected to pay for those who have the benefit of doing so?

Emma Reynolds: We had that debate in the previous Parliament and in Parliaments before that. We are talking about the very, very poorest students. Their parents do not have a penny to give to them in support and they will graduate with a huge level of debt.

I say this again to the Government: since the election of the Tory majority Government and the previous coalition Government, the younger generation have been hit with the removal of the education maintenance allowance, the trebling of tuition fees and now, for the poorest students, the removal of grants. The Government need to think really carefully about intergenerational inequality and the social contract between young people and the state. If the state no longer supports the aspirations and opportunities of the poorest students, the social contract will break down and we will all be poorer for it.

3.42 pm

Mr Jim Cunningham (Coventry South) (Lab): Much of what I want to say has already been covered by Labour Members, but taking an overview it strikes me that we are going back to the 1980s. This Government, like all Conservative Governments, have picked up where they left off. There is an agenda here. They are using the deficit as an excuse, not a reason, to take the country backwards.

Much has been made of the 3 million apprenticeships the Government talk about creating, but not much has been said about cuts to further education. Some further education colleges may close, so those 3 million apprenticeships will be under threat because students will not be able to get the facilities they want.

I want to pick the Minister up on the point about his manifesto. He said this was part of the manifesto. We will give him the benefit of the doubt, but it did not say there would be cuts to university grants and it did not say there would be cuts to bursaries. That was the point the Minister seemed to skate over in his speech.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Casting our minds back to over 10 years ago, the Labour Government capped fees at £3,000 and reintroduced maintenance grants. The third element was bursaries from universities. Does my hon. Friend agree that we should look very carefully at this direction of travel and ask the Minister to make it clear that bursaries are not the next target?

Mr Cunningham: I agree wholeheartedly with my hon. Friend. On the subject of bursaries, we had a debate last week about nurses. We have a shortage of nurses in the NHS, yet we are not doing much to encourage young people to enter the nursing profession. We are in danger of creating what was called the Thatcher generation—the lost generation—of the '80s, because young people always seem to be at the butt end of the Government’s policies.

The regulations will affect the west midlands economy, whether the Government accept it or not. They have talked about the west midlands powerhouse, but that relies on highly skilled labour. They have boasted about Jaguar Land Rover being one of their successes, but it was the Labour Government who encouraged Tata to invest in Jaguar Land Rover. The latter is now short of highly skilled labour. The impact of the Government’s measures will result in a lost generation and, in the longer term, affect the British economy. We are going back to the rationing of education, which we put right when we entered office in 1997.

I have the privilege, along with my hon. Friend the Member for Coventry North West (Mr Robinson), to represent two of finest universities in this country, if not the world; they are world-renowned. That can have an impact locally and around the country in encouraging students to study different disciplines. However, the measure before us will have a major impact on higher education and affect Coventry’s economy, the west midlands’ economy and the national economy.

3.46 pm

Wes Streeting (Ilford North) (Lab): It says it all about the Government policy that we are debating that so few of their Back Benchers have turned up to read the poor script they have been given by the Whips, and it says everything about how they conduct themselves that instead of having a proper debate on the Floor of the House, with a full vote involving all Members, they sought to have a debate down the corridor and up the stairs, hoping that nobody would notice, in a Committee that nobody has ever heard of.

Chris Stephens (Glasgow South West) (SNP): The hon. Gentleman made a similar point during his Adjournment debate a few weeks ago on student nurses and bursaries. Is he as concerned as me, first, that the Government are increasingly using this device to sneak through their most controversial legislative proposals without debate and, secondly, that it is contrary to the comments by the Leader of the House on 10 December 2015, on this very issue, when he indicated we would have a debate on the Floor of the House?

Wes Streeting: I agree wholeheartedly. In their cowardice the Government are treating with disdain the House and the students we are all sent here to represent. In spite of what the Minister says, there is absolutely no mention in the manifesto of cutting student grants. In fact, we would find Lord Lucan before we found any reference to cutting student grants, so they cannot hide behind a democratic mandate. As a student union president and president of the National Union of Students, I used to have arguments with previous Labour Governments—
Mr Lammy: Never.

Wes Streeting: That included arguments with my right hon. Friend the Member for Tottenham (Mr Lammy). But even with landslide majorities there was always a full debate and a vote in the House, whether they were abolishing student grants or, more wisely, reintroducing grants following the introduction of top-up fees.

This afternoon, these proposals will impact on 500,000 students from the poorest backgrounds. In my local university, the University of East London, that equates to about £30 million of financial support for students—gone. At my alma mater, the University of Cambridge, the figure is more like £9 million. If there is one thing we know about the higher education sector, it is that not only opportunity but financial support is unevenly distributed. It is completely unfair that students from the poorest backgrounds will now face a postcode lottery when it comes to determining how much non-repayable support they receive.

The very existence of student grants was won as a result of hard-fought negotiations. Student leaders argued that, if we were going to ask people to make a greater contribution, it was only fair that the poorest students received a non-repayable contribution. How must Conservative Members and the few remaining Liberal Democrats feel about the fact that, when under the coalition Government, the then higher education Minister justified the trebling of fees, they were told, ‘Don’t worry. We’ve got the national scholarship programme, student grants and the £21,000 threshold going up by inflation.’

What has happened since? The national scholarship programme has been abandoned; the threshold frozen at £21,000; and now we see the abolition of student grants. We cannot trust a word that these people say, particularly when it comes to fair access to higher education and support for the most disadvantaged. It is an absolute disgrace.

I am proud of what the last Labour Government did to widen access and opportunity to people from working-class backgrounds. I was one of the beneficiaries, from the excellence in cities work that was done in schools right through to the opportunities provided through expanded places.

Graham Stuart: The hon. Gentleman is doubtless equally proud of the fact that the Labour Government said that they would not introduce tuition fees, and then did; and said that they would not introduce top-up fees, and then did. Does he accept that he and others who said five years ago that the introduction of increased fees would lead to a reduction in those from poorer backgrounds going to university were wrong? They were wrong then, and we believe that they are wrong today.

Wes Streeting: I remember the debate here in 2003, and I think it was to the credit of the Government of the day that the introduction of higher fees did not come in until after a general election, when at least the voters could make their judgment on whether they wanted to re-elect a Labour Government, which they duly did.

So much has been said about participation numbers this afternoon. I am certainly not going to make prophecies of doom about participation, but we should bear in mind a few facts. First, there is the issue of equity. How can it possibly be justified that students from the poorest backgrounds graduate with the largest amount of debt? How can it possibly be fair that under these repayment mechanisms, the wealthiest graduates who go on to the most successful jobs will end up paying less over the course of their working career than people from middle and lower incomes? That cannot possibly be justified as fair. We should take seriously the evidence from the Institute for Fiscal Studies published in 2014 showing that a £1,000 increase in the maintenance grant led to a 3.95% increase in participation. Removing the grant does not necessarily mean that participation will plummet, but I think there is a risk that it could suffer.

There is a huge amount of complacency from this Government about the impact of higher tuition fees on applications to part-time routes and for mature students. It does not have to be that way; other choices are possible. We should look at what the Labour Government in Wales have done. They have not chosen to abolish student grants; they have kept those grants in place.

If the Tories want to talk about hard choices, how are they going to look the poorest students from the poorest backgrounds in the eye and explain why this Government continue to alleviate the tax burden on the wealthiest, while making the poorest pay the cost of their higher education? A 75% contribution to the cost of higher education is, by anyone’s estimation, too much, and there is not a single item in the Conservative manifesto that Government Members can point to in order to justify this outrageous attack on the poorest students.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Five Members are seeking to catch my eye. If no interventions are taken, we should be able to get everybody in, but if interventions are taken, I am afraid that people will have to be dropped off the list.

3.52 pm

Alison Thewliss (Glasgow Central) (SNP): I thank Labour Members for securing this debate. We in the SNP believe in the principle of free education, and we stand in solidarity with students in England against the principle of scrapping grants. I did have a lot more to say in the debate, but I shall be as brief as I can.

Other Members have referred to their own circumstances, and I shall do so, too. I moved from home in 2000 to go to the University of Aberdeen. I graduated in 2004, having taken out a student loan. I started paying it back to a significant extent only on coming to this place in May. I pay back £400 a month. That is my obligation, so I pay it. If, however, I had left university with a debt of £53,000, and assuming I could start to pay it back right away at £400 a month, it would take me 11 years to do so—11 years in a very well paid job. The expectation that some people may not pay their loan debt back at all makes a mockery of the whole process. If a loan is not expected to be paid back, what is the point of giving people loans in the first place? It seems ludicrous. We are bringing up a generation that expects to be in debt, and society should guard against that.

In Scotland, we will try our hardest to make sure that education remains free and that grants are available, but this Government are putting our budget under increasing pressure by their actions. We do not know—they have
not told us—what the impact of these decisions taken today will be on the Scottish budget. This has been designated as Evel, but it clearly has an impact on students from England. Wales and Northern Ireland who are studying at Scottish universities. What will the impact on those institutions be? What consultation has the Minister had with universities in my constituency, such as the University of Strathclyde, the Royal Conservatoire of Scotland, the Glasgow School of Art and Glasgow Caledonian University? He is not even paying attention; he is chewing his pen.

What conversations has the Minister had with my colleagues in Scotland about this measure? What impact will it have on members of larger families, and what impact will it have on Muslim students? The hon. Member for Ealing Central and Acton (Dr Huq) has raised that issue before. Some Muslim students cannot take out loans, and other students may not wish to do so either, for different reasons. My hon. Friend the Member for Banff and Buchan (Dr Whiteford) mentioned cuts in the disabled students allowance. What impact will the added loan burden have on them?

Conservative Members have asked, “What about people who do not go to university? How do they benefit?” They benefit from the common good. Glasgow Caledonian University is a university for the common good. People in Scotland know that university graduates will become the doctors who treat them in hospitals, and the lawyers who represent them. They will become the well-qualified people who pay us back through taxation to help the common good of our country.

3.56 pm

Liz McInnes (Heywood and Middleton) (Lab): I am grateful for the opportunity to speak in the debate, because I have been urged to do so by many students in my constituency. This is a matter of great interest to the general public, and the Government’s behaviour has been noticed by them, even if the Government themselves are still in denial.

The fact remains that the Chancellor’s replacement of maintenance grants with loans may dissuade many students from modest backgrounds from going to university, while none the less resulting in large sums never being paid back to the Treasury because graduates will go into what the Prime Minister described last week as “menial labour jobs”. That point has not been addressed, although a number of Members have raised it.

Even with maintenance grants, which support students from the poorest backgrounds through university, the system remains stacked against working-class students. According to the education charity The Sutton Trust, students from wealthy backgrounds are 10 times more likely to secure a place at university than those from poorer backgrounds.

The Government have consulted about freezing the current student loan repayment threshold at £21,000 for five years. Martin Lewis, of moneysavingexpert.com, has pointed out that only 5% of the responses to the consultation were in favour of the proposal, while 84% were against it. He has written to the Prime Minister to ask why the Government have pressed ahead regardless with increasing the amount that our students must pay for their current student loans. In 2011, Martin Lewis was appointed head of the Independent Taskforce on Student Finance Information. Ministers told him unambiguously that, from April 2017, the £21,000 repayment threshold would start to rise annually with average earnings. The decision to backtrack on that is hugely damaging. It means that many lower and middle-earning graduates will repay thousands more over the life of their loans.

Martin Lewis says that this issue is just as much moral as legal. The retrospective change destroys trust in the student finance system, and perhaps even more widely in the political system as a whole. The Government seem remarkably relaxed about the fact that our poorest students will graduate with £53,000 worth of debt before they have even started work. What guarantee will the Government give that they will not move the goalposts for repayment of this loan as well?

There is a huge body of evidence to support student maintenance grants. I do not have time to go into all of them, but they are opposed by the University and College Union, which says:

“Maintenance grants are crucial for engaging students from disadvantaged backgrounds who are already daunted by crippling high tuition fee debt. Increasing the debt burden...will act as a disincentive to participation.”

3.59 pm

Greg Mulholland (Leeds North West) (LD): I, too, represent one of the constituencies containing the largest number of students in the country. In 2011 there were just over 19,000 in the three fantastic universities, Leeds University, Leeds Beckett University and Leeds Trinity University. However, I have just three minutes in which to speak, which I believe equates to 0.0095 of a second per student in what is a hugely important debate. Given the importance of these measures, the fact that the Government have proceeded with them through secondary legislation without a full and proper debate is an absolute disgrace.

Why has there been no public consultation on these major changes? They were announced last summer, but there has been no consultation with the higher education sector in the six months since. There has been no consultation with the universities or with the student unions. It is also a matter of huge concern that the Government conducted an equality impact assessment “only after the National Union of Students instigated legal proceedings. If that does not suggest that the Government know they are doing something unacceptable and have something to hide, I do not know what does.”

The equality impact assessment explicitly states that the changes present a risk to the participation of students from poorer backgrounds, mature students, BME students, disabled students and Muslim students. So, having been forced to accept that all those groups will be affected, has the Minister done anything to deal with it or to suggest ways of mitigating the impacts? I am afraid that the answer is no.

I do not have time to go through all the facts, some of which have been put forward today, but these changes will clearly have a detrimental and unfair impact on students from poorer backgrounds—the students we clearly want to encourage to go to university. At the same time, the Government are also freezing the repayment threshold at £21,000. The House of Commons Library states that this will have “a proportionately larger impact on repayments by graduates with lower lifetime earnings”.

[Alison Thewliss]
Martin Lewis has already been mentioned. He was tasked with selling the new system to the public, but he is now looking into a judicial review of the freezing of the repayment threshold. You could scarcely make this up. Whether the Government wish to accept it or not, the evidence shows that these measures will hit students on lower incomes and discourage people from going to university. The Government must today announce a proper debate with a proper vote on this matter in the House. We will settle for nothing less.

4.1 pm

Tommy Sheppard (Edinburgh East) (SNP): I went to Aberdeen University in 1977. I was the first member of my extended family to go to university, and I was able to do so because the tuition was free and I got a full maintenance grant. If it had not been for the Wilson Governments of the 1960s, I would not have had the opportunities I have had in my life. I can understand people from privileged backgrounds protecting privilege, but what really sticks in my throat is that those who have climbed that ladder of opportunity themselves are now determined to kick it away from other students. That is a disgrace.

We should be in no doubt that these decisions will have layers of consequences. On an individual level, they will result in lives less fulfilled and opportunities forgone. On a community level, people will see this pathway out of poverty being barricaded before their eyes. Most of all, the effects will be felt on a national level. How many surgeons, architects, doctors and writers will not emerge because of the denial of this opportunity?

Let us make no mistake: this is an attack on the poor. The hon. Member for Bexhill and Battle (Huw Merriman), who is no longer in his place, asked whether poor people could not simply take out loans. Well of course they can, and, by the way, they are more used to doing so than many Conservative Members are. But the real question is this: is it fair that people from the poorest backgrounds should have to take on more debt to get the same opportunities as their counterparts in well-off families? That is iniquitous, and we should not tolerate it.

The Government seem to be labouring under the misapprehension that students are all rich, and that they benefit from their education so much that it is okay to charge them whatever they want to. That is not the case. A small minority do extremely well and become rich—

James Cartlidge: Will the hon. Gentleman give way?

Tommy Sheppard: I have been told not to take an intervention.

A small minority do become rich, and if the Government want them to pay, they should introduce a progressive taxation system whereby people pay more when they start to earn those high wages. Instead, of course, they are cutting taxes for the highest earners in our communities. Nowhere is this thrown into sharper relief than in the case of double standards here. These people signed up to a measure not applying and not being certified, it is this, because I have more than 2,000 constituents directly affected and it is unfair that my vote will be disregarded.

4.5 pm

Dr Rupa Huq (Ealing Central and Acton) (Lab): Until my election in May, I had spent all my adult life in universities, from being the recipient of a full grant, with my fees entirely paid, in 1990 at Cambridge University teaching at Kingston University until my election. I have also taught at a red-brick university. I contend that at all these categories of university—all seats of learning in this country—the student bodies will be poorer as a result of the abolition of grants, both socio-culturally and financially. The kind of students we are talking about in respect of this measure are not the “Brideshead Revisited” ones, they are not Neil from “The Young Ones” and they are not even Student Grant from Ff; they are people such as my constituents at the University of West London. They are people such as Josh Goddard, its student union president, who has been here since 1 o’clock today and who has told me that he is the first person in his family to go to university and he would not have done it without a maintenance grant. He said that he represents the students of the present but he also wants the students of the future all to have the chance to go to university. As well as the NUS, the Sutton Trust has condemned these changes, as they narrow the talent pool of who will be able to participate in higher education in the future.

I think of the students I taught at Kingston University—this was before the changes—who seemed often to be coming in between the burger-flipping shifts. The Conservative party puts great store by being the party of fiscal responsibility, but how does it reconcile that with saddling young people with £53,000 of debt? We have heard about the words of Martin Lewis, who was tasked with leading the taskforce in 2011. He is normally a financial man, and he is not a politician. He says:

“The regulator would not allow any commercial lender to make a change to its terms this way.”

It is surely bad governance. We are dealing with a case of double standards here. These people signed up to one experience and even after they have signed their loan agreements they are seeing the goalposts moved.

The Minister has a lot of explaining to do. Where was this on page 35 of the Conservative manifesto? None of us has seen it in the small print. What will the transitional arrangements be? What happened to the review promised in 2014 for Muslim students who want sharia-compliant student finance, given that this measure is coming in now? As we know, this has been done with no proper debate. It is only because Labour Members have forced this debate today that we are discussing it at all. The Government want to shunt it through using their new favourite toy, the statutory instrument. If their sums are wrong, the books should not be balanced on the backs of students. We have seen that the NHS bursary for nurses has gone and the education maintenance allowance has been removed. If the Government have a shortfall, it should not be students who are taking on that burden.
Kevin Brennan (Cardiff West) (Lab): We have had a lively and extremely interesting debate, with contributions from 17 Back-Bench speakers, by my calculation. I will not mention them, because time is short as a result of the interest in the debate.

I have some sympathy for the Minister for Universities and Science, the hon. Member for Orpington (Joseph Johnson), because we all know that the decision to scrap maintenance grants for the less well-off students in favour of loans was really made by the Chancellor and not by him. I know that he and the Chancellor are old friends—this goes back to the days when they were penniless students together, having to scrape by on their student grants and meagre Bullingdon club dinners—but I find it hard to believe that he went to his old friend the Chancellor and said, “Having been appointed as Universities Minister, I have suddenly decided that we were wrong to have maintenance grants for the less well-off students and it would be a great idea for the worse-off students to have the most debt after they have been to university.”

I might be wrong about the Minister, but he does not strike me—he has not until today—as the kind of person who would think it right to change the system so that, as the British Medical Association points out in its briefing for this debate, medical students from the poorest backgrounds could graduate with £100,000 of debt. Nor does he strike me as the kind of person who thinks that it is all right to go back on promises made by Tory Ministers when the new system was introduced. It was David Willetts after all who said that the tuition fees increase was progressive precisely because of the higher education maintenance grant. That was the argument made. The Minister does not strike me as the kind of politician who would cynically pursue policies that penalise younger people who are less likely to vote Tory, or even to vote at all, than others.

Despite what was said today about page 35 of the Tory party manifesto, I do not think that the Minister for Universities and Science would think it was really okay to carry out this kind of major change of policy direction without explicitly putting it into the party’s manifesto, so that the public, including young people, could see what they were voting for or against. Is he really the kind of politician who, having done all this, would then slink away from debating such a major change openly and properly on the Floor of the House in Government time? I may be wrong, but I never thought that he was that kind of politician, or that he was that cynical.

Simon Hoare: I do not know whether the hon. Gentleman was referring to me. Will he flick back through his archives and find where, in the 1997 manifesto, the Labour party had the introduction of student loans in the first place, because I cannot remember seeing it?

Kevin Brennan: The hon. Gentleman told us in his speech how hard he has worked. Given that he is from Cardiff and that he has such an accent, I can absolutely acknowledge that he is a very hard-working individual. He will know that a general election was fought following that decision being taken and before they were introduced.

We all know that the Chancellor prefers governing from the shadows, and this shameless betrayal of previous promises and the shabby manner in which this has been handled in Parliament bear all the hallmarks of the current Chancellor of the Exchequer. Being young in Britain should be a time of opportunity—a time when opportunity knocks. Instead, we have the Chancellor introducing an opportunity tax. His proposals are an assault on aspiration, on opportunity and on those who want to get on in life. That is why we oppose them and also why the Welsh Government, under Labour First Minister, Carwyn Jones, is keeping maintenance grants.

By the way, those who say that these proposals affect only England should think again—I say this to Welsh Conservative MPs as well: of the 30,000 students studying at Cardiff University, nearly 9,000 are from England.

Graham Stuart: On a point of order, Madam Deputy Speaker. I am sure that the shadow Minister would not wish to mislead the House, but he has just said that tuition fees were introduced not after the 1997 election, but after the following general election. That is not true. They were introduced in 1998. Having said that they would not introduce them, the Government started the process 12 weeks later.

Madam Deputy Speaker (Mrs Eleanor Laing): The hon. Gentleman is making a point of debate, not a point of order for the Chair. We have very little time.

Kevin Brennan: I would have been happy for the hon. Gentleman to intervene. Actually, I was asked about student loans, not tuition fees.

Students in constituencies such as Cardiff North are registered to vote in Wales, but, subject to the decisions that will be taken after this debate, local Welsh MPs can have their votes nullified under the constitutional monstrosity that is the English votes for English laws procedure, which the Government have foisted on this House.

Who will be affected by these measures today? This is what the IFS says:

“The poorest 40% of students going to university in England will now graduate with debts of up to £53,000 from a three-year course, rather than up to £40,500. This will result from the replacement of maintenance grants.”

Of course, as I just pointed out, it is about not just students going to university in England but students who are attending university and who are registered to vote in Wales, a thought that will not be lost on students in Cardiff North during next May’s Assembly elections.

Lady Hermon (North Down) (Ind): I would be very encouraged if the hon. Gentleman would also note that as universities in Northern Ireland have had the number of students they can take capped, hundreds and hundreds of very able students from Northern Ireland take up places in English universities, and are happy to do so. It is an absolute disgrace that this measure should be deemed exclusively English because it affects my constituents and many parents and students from Northern Ireland.
Kevin Brennan: I am happy to acknowledge that.

It is not as if this policy will save that much for the public finances in the long run, despite the claims made by the Government. The IFS says that the replacement of maintenance grants by loans from 2016-17 will raise debt for the poorer students but do little to improve the Government’s finances in the long run. The truth is that the Chancellor is fixing the figures, not the roof.

I am pretty sure that I would never have gone to university had no maintenance grant been available, let alone have been the first from my family and from my comprehensive school to go to university and to go to Oxford. There are many others in this place for whom something similar is also true. The Government must accept that that is still the case for many thousands of young people. Indeed, that is why, as David Willetts said, maintenance grants were part of the structure when fees were tripled to £9,000 per annum under the previous Tory-led Government.

The decision is mean in spirit and underhand in execution. It will be tragiic in its consequences for many young people, and I urge the House to reject it by supporting our motion.

4.16 pm

The Minister for Skills (Nick Boles): A middle-aged man like me needs to approach the subject of student finance with a degree of humility, for I was one of the lucky few who did not have to pay tuition fees and although I did not qualify for anything more than the minimum grant, many of my contemporaries did. The key fact about university when I was growing up was that it was just that: the exclusive preserve of the lucky few. Universities were bastions of privilege and the nation was poorer for it, as were millions of people whose lives would have been enriched in every sense by a university course.

It was Tony Blair, of course—remember him?—who first recognised that many more people could benefit from university education and started us down the road of reforming student finance so that we could widen participation. It was Gordon Brown—remember him?—who asked the noble Lord Browne to suggest further reforms of student finance. And it was Vince Cable and the right hon. Member for Halesowen and Rowley Regis (James Morris) talked about the returns on higher education, which in terms of lifetime earnings, interestingly, are even higher for women than for men. The truth is that student loans are not like ordinary commercial loans and it is frankly a disgrace that Opposition Members are willing to mislead would-be students by pretending that they are.

A commercial loan is often secured against specific assets, which can be seized if the individual cannot make the repayments. With a student loan, no bailiff is going to knock on a door and take a television if a low income means people cannot afford to repay it. A commercial loan will charge a rate of interest from the very first day and the poorer person is the, higher the interest rate is likely to be. With a student loan, the interest rate is held at a lower rate until the student starts earning over £25,000 a year, and the amount they have to repay in any year is limited to 9% of their income over £21,000. A commercial loan and all the accumulated interest will still be hanging around someone’s neck in 40 years’ time if they have not managed to pay it off. The balance of a student loan is written off after 30 years.

There are two ways to fund university students. We can limit access, undermine the quality of university teaching and get the general population, most of whom have not benefited from a university education, to foot the bill; we could call that the SNP approach. The alternative is to offer anyone who has the capacity to benefit from a university course the opportunity to do so, and to put in place a system of subsidised student finance which asks those who do go on to benefit to contribute while protecting those who do not from the need to repay the loans. That is the Conservative approach; it was also the approach of the Liberal Democrats when they were a party of government and of the Labour Government under Tony Blair and Gordon Brown.

One thing is clear at the end of this debate: a party’s attitude towards student finance is a leading indicator of its fitness to govern. In opposition, a party will take the irresponsible route in an attempt to curry favour with the National Union of Shroud-wavers—sorry, I mean Students. In government, it will suddenly discover the merits of a sustainable system of student finance that is fair to students and taxpayers alike.

If we are ever to see another Labour Government—and on the basis of the party’s current performance, that may be a very long time in coming—I confidently predict that they will quietly drop their opposition to the system of student finance put in place by Governments of all parties over 20 years, and that is why—

Martin John Docherty (West Dunbartonshire) (SNP): On a point of order, Madam Deputy Speaker. The Minister has called into disrepute a national organisation voted by, and elected for, the students of this country. Should he not withdraw his comments immediately? It is a disgrace to his position.

Madam Deputy Speaker (Mrs Eleanor Laing): The Minister’s language was perhaps not exactly what I would have chosen myself as a matter of taste, but it is
not for me to tell the Minister exactly which words to use. He was not strictly outwith the rules of the House, but I am sure he will now very positively return to more tasteful and moderate language.

Nick Boles: Madam Deputy Speaker, I feel that that reproof was perhaps a little more stinging than I deserved, but I will, of course, do exactly as you require.

If I may briefly reprise, a party’s attitude towards student finance is a leading indicator of its fitness to govern. If we are ever to see another Labour Government, I confidently predict that they will drop their opposition to the system of student finance put in place by Labour Governments, coalition Governments and this Conservative Government, and that is why I urge the House to reject the motion.

Question put.

The House divided: Ayes 292, Noes 306.

Division No. 165] [4.24 pm

AYES
Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Bents, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blankensop, Tom
Blomfield, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Clegg, rh Mr Nick
Coaker, Vernon
Coffey, Ann
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Cox, Jo
Coyle, Neil
Crausby, Mr David
Crawley, Angela
Creagh, Mary
Cressy, Stelila
Cruditas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
David, Wayne
De Piero, Gloria
 Docherty, Martin John
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Dougherty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Elford, Clive
Elliot, Julie
Elliot, Tom
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
fellows, Marion
Ferrier, Margaret
Field, rh Frank
Fitzpatrick, Jim
Flello, Robert
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hollem, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Khan, rh Sadiq
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Law, Chris
Leahy, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Lewis, rh Dr Julian
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
MacNeill, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhan
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, John
McFadden, rh Mr Pat
McGarry, Natalie
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, Sir Alan
Mears, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Roberts, rh Angus
Robinson, Gavin
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joa
To annul the Education (Student Support) (Amendment) Regulations 2015 (S.I. 2015, No. 1951), dated 29 November 2015, a copy of which was laid before this House on 2 December 2015, be annulled.-(Mr Marsden.)

The House divided: Ayes 292, Noes 303.

Votes cast by Members for constituencies in England:

Ayes 203, Noes 291.

**Division No. 166**

[4.40 pm]

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**Question accordingly negatived.**

Madam Deputy Speaker (Mrs Eleanor Laing): We come now to the motion praying against the Education (Student Support) (Amendment) Regulations (S.I. 2015, No. 1951), which will be taken without debate. I remind the House that because, as Mr Speaker has certified, this instrument relates exclusively to England and is within devolved legislative competence, it is subject to double majority. If a Division is called, all Members of the House are able to vote in the Division. Under Standing Order No. 83Q, the prayer to annul the SI will be agreed only if, of those voting, both a majority of all Members and a majority of Members representing constituencies in England vote in support of the motion. At the end the Tellers will report the results, first, for all Members and, secondly, for those representing constituencies in England. I think that is clear. [Interruption.] The instruction is clear. Members do not really have to do any thinking except to decide whether to vote Aye or No, and then everyone can pass through the Lobbies.
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Hanson, Mr David
Harman, Ms Harriet
Harpham, Harry
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hollem, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Khan, rh Sadiq
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Lewis, rh Dr Julian
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McCarter, Jason
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, John
McFadden, rh Mr Pat
McGarry, Natalie
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, Sir Alan
Mearns, Ian
Milliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morriss, Grahame M.
Mulholland, Greg
Mullin, Roger
Muray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
Om, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillis, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Gavin
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Salmond, rh Alex
Saville Roberts, Liz
Shannon, Jim
Sharma, Mr Virendra
Sheeran, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Simpson, David
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Spearal, rh Mr John
Stamer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Thewlis, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
Thorburn, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Akins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartledge, James
Cash, Sir William
Caufield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher

Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Hywel
Williams, Mr Mark
Wilson, Corri
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Mark Tami and
Jessica Morden

NOES
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Clevery, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davies, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Donelan, Michelle
Double, Steve
Dowden, Oliver
Dolley-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr lain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
the procedure we have undertaken this afternoon was a double majority vote and this is a different procedure. Indeed, he has made the same point in different ways at various times. However, this is the first time we have had a double majority vote, and this is a different procedure.

I understand the point the right hon. Gentleman is making. The Government said that nothing could pass against their will. Ensuring that nothing was imposed on English Members would still have been deprived of their vital maintenance grant. Will the Chair reflect on the complete swamp into which these people have led English students who are suffering under this Government in the knowledge that they have been knowingly deprived of their maintenance grant. Will the Chair reflect on the various times the Leader of the House and others on the Tory Benches told us. That will be of no satisfaction to the right hon. Gentleman will of course appreciate that the procedure was about ensuring that nothing was imposed on English Members against their will. We have just had an illustration of a vote that could have enacted an order against the will of the House. The majority was only 11; if the majority had been won in the other direction and the House had voted as a whole to annul the order, and English Members had voted against it, the matter would still have stood. Students would still have been deprived of their vital maintenance grant against the will of the House and contrary to what the Leader of the House and others on the Tory Benches told us. That will be of no satisfaction to English students who are suffering under this Government in the knowledge that they have been knowingly deprived of their maintenance grant. Will the Chair reflect on that procedure? Is it totally contrary and illustrates the complete swamp into which these people have led the House?

Madam Deputy Speaker (Mrs Eleanor Laing): I understand the point the right hon. Gentleman is making. Indeed, he has made the same point in different ways at various times. However, this is the first time we have had a double majority vote and this is a different procedure. The right hon. Gentleman will of course appreciate that the procedure we have undertaken this afternoon was...
approved by the whole House and put into Standing Orders just a few months ago. Therefore, the procedure under which we have operated this afternoon has been approved by the whole House—possibly not by the right hon. Gentleman, but by a majority of the whole House.

The right hon. Gentleman very reasonably asks me—this is what I can deal with from the Chair—whether this matter will be reviewed. I am happy to tell him that of course it will be. Mr Speaker has made it clear that he will be keeping the new arrangements under review. I also understand that the Procedure Committee will be keeping the arrangements under review. I am sure the point the right hon. Gentleman has just so eloquently made will be taken into consideration by both Mr Speaker and the Procedure Committee as they consider the matter.

Andrew Rosindell (Romford) (Con): On a point of order, Madam Deputy Speaker. This is the first time in 15 years that I have attempted to vote in the Lobby and been denied the right to do so. My name was not on the tablet used. This is a denial of the rights of my constituents to be represented in a vote in the House of Commons. I seek assurance from you, Madam Deputy Speaker, that my vote will be recorded in the Government Lobby and that this kind of error will never be allowed to happen again.

Madam Deputy Speaker: I can well understand the hon. Gentleman’s understandable consternation. I am absolutely certain that his constituency is in England, because it is right next to mine. He has a perfectly good reason to complain. It is quite wrong that his name did not appear and I am certain that that will be rectified. I am assured that although his name did not appear on the list and his vote was not recorded in the way all the others votes were, his vote has been recorded both by the Tellers and the Clerks this afternoon. He need have no fear that his opinion has been overlooked, nor should it ever be.

Jim McMahon (Oldham West and Royton) (Lab): Further to that point of order, Madam Deputy Speaker. If it is any consolation to the hon. Member for Romford (Andrew Rosindell), my name was not on the list either. However, I have been assured by the Teller that the vote was recorded.

Madam Deputy Speaker: I am particularly concerned for the hon. Gentleman, because he is very new to this House. Indeed, I hope he will be making his maiden speech later this afternoon. We are all looking forward to that. Of course his name ought to have been there. We will do everything to make sure it is there in future.

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Madam Deputy Speaker. I wonder whether you could help me with this. This is very serious. The fact that one of our Members—one of the most English of all English Members—has been denied the opportunity to vote in the first double majority vote in this House is something that has to be properly investigated. Can you suggest, Madam Deputy Speaker, whether it is now worth having a recount, given that hon. Members have obviously been left out of this very important first vote?

Madam Deputy Speaker: I can assure the hon. Gentleman that the vote of the hon. Member for Romford (Andrew Rosindell) has most definitely been counted. There is no need for a recount.

Lady Hermon (North Down) (Ind): On a point of order, Madam Deputy Speaker. As part of the review of the House’s adoption of this appalling procedure, which excludes the votes of MPs like me who represent Northern Ireland constituencies—because certification has indicated a matter is exclusively English, despite its undoubtedly affecting my constituents—may I invite Ministers to Northern Ireland, with the promise of a warm welcome, to meet students affected by this vote or those affected by last week’s vote on the Housing and Planning Bill and explain to them why the rights of their representatives have not been honoured equally with those of other MPs?

Madam Deputy Speaker: As I said to the right hon. Member for Gordon (Alex Salmond), the whole House decided on these new Standing Orders, but of course the hon. Lady’s vote has been registered and counted and her constituents will know how she has voted. It has not been counted twice, but it has, very definitely, been counted once. She has, however, made her point properly.

Michael Fabricant (Lichfield) (Con): On a point of order, Madam Deputy Speaker. First, may I assure the House that “Fabricant” was indeed on the tablet and that my vote was recorded? May I also take this opportunity to praise the Clerks, the Parliamentary Digital Service and you, ma’am, for taking us through, relatively smoothly, this innovative and creative bit of legislating, despite the travails of my hon. Friend the Member for Romford (Andrew Rosindell)?

Madam Deputy Speaker: I thank the hon. Gentleman. For his point of order, The Clerks, the Officers of the House and those working behind the scenes have worked hard to put this new procedure into operation. This is the first time we have had a double majority vote. It has not gone perfectly smoothly, but we all learn from our mistakes, and I am quite certain it will go more smoothly in the future. I assure the House, especially hon. Members with concerns, that both Mr Speaker and the Procedure Committee are keeping a careful eye on these matters, as, I think, is the Leader of the House, and everything that hon. Members have said will be taken into consideration.
Cost of Public Transport

Madam Deputy Speaker (Mrs Eleanor Laing): I inform the House that Mr Speaker has not selected the amendment.

5.8 pm

Lilian Greenwood (Nottingham South) (Lab): I beg to move,

That this House believes that the rising cost of public transport is adding to the financial pressures facing many households; notes that over 2,400 local authority-supported bus routes have been cut or downgraded since 2010; regrets that bus fares have risen by 26 per cent on average and regulated rail fares have risen by up to 38 per cent since 2010; further regrets delays to rail infrastructure projects including the electrification of the Great Western Main Line, the North TransPennine route and the Midland Main Line; notes with regret the decision by the Scottish Government to award the ScotRail franchise to a private operator, rather than exploring alternative options; calls on the Government to bring the East Coast Main Line, the North TransPennine route and the Midland Main Line; projects including the electrification of the Great Western Main Line, the North TransPennine route and the Midland Main Line; and further calls on the Government to rule out the privatisation of Network Rail and instead extend to franchised services the model of rail public ownership that delivered record passenger satisfaction scores on the East Coast Main Line.

I start by wishing the Secretary of State a happy new year, although that will not have been the sentiment that came to most commuters’ minds when they returned to work a fortnight ago. I am afraid it will have been cold comfort to be told by the Under-Secretary of State for Transport, the hon. Member for Devizes (Claire Perry), on the day that fares rose again, that the Government’s plan for passengers was to improve journeys for everyone. The chief executive of Transport Focus gave a more accurate assessment:

“In some parts of the country, given rail performance has been so dire, passengers will be amazed there are any fare rises at all.”

Hon. Members who attended the Southern Railway summit in this place yesterday, and most travellers, would not be able to reconcile the Minister’s statement with their own experience of increasingly overcrowded and unreliable carriages.

Mr Chuka Umunna (Streatham) (Lab): Does my hon. Friend agree that Members on both sides of the House are fed up with excuse after excuse and broken promise after broken promise from Southern rail, and that what we now want to see is action taken against this operator?

Lilian Greenwood: My hon. Friend is exactly right. I know that he and my other hon. Friends are holding Southern rail to account for its poor punctuality and poor passenger satisfaction. That underlines the need for reform of the railways.

Let us look at the facts. In 2010, the Conservative party said that it would “relieve the pressure off both the fare-payer and the taxpayer”. But what happened? Regulated fares rose by 25%. As a consequence, commuters from Birmingham to London are paying more than £10,000 for a season ticket for the first time. Worse still, Ministers bowed to lobbying from the train operating companies and restored “flex”—their right to vary prices by up to 5%, meaning that some season tickets have gone up by 38% since 2010, and a new Northern evening peak restriction hiked prices by up to an eye-watering 162%.

Mr Jim Cunningham (Coventry South) (Lab): I am sure my hon. Friend will be aware that senior citizens, who might have business in London working for charities, are finding it very difficult to afford to come here unless it is outside peak times, and they are often unable to arrange meetings at times that would suit the off-peak periods. Does she understand that and have a view on it?

Lilian Greenwood: My hon. Friend is quite right that it is indeed a concern that people who need to travel at peak times find it almost impossible to find an affordable ticket.

Bus fares have continued to rise, too—up by 26% on average, which is more than three times faster than wages. Some areas have seen much higher rises still. In the north-east, bus fares have consistently risen by 3% above inflation, and it is the non-metropolitan areas that have seen some of the steepest bus fare increases, including in the constituencies of many Conservative Members, with fares increasing by 27% on average.

Christian Matheson (City of Chester) (Lab): The problem with buses is not just bus fares; it is the fact that in rural areas, such as in Saughall or Guilden Sutton in my constituency, the privatised bus companies are simply withdrawing services because their profit margins are not big enough.

Lilian Greenwood: My hon. Friend makes an important point. In many cases, it is hard-pressed local authorities that are trying to fill the gap, but of course with cuts it is increasingly difficult to do so.

The Secretary of State may remember when Ministers said at the start of the last Parliament that their cuts to bus funding would not impact on fares or service levels. Perhaps it was before the Secretary of State’s time. Almost six years on, however, the impact of the reductions to bus subsidy and local authority budgets is clear: more than 2,400 supported bus services have been altered, downgraded or withdrawn altogether. Supported, socially necessary bus services accounted for 24% of overall mileage in 2010. Last year, that had shrunk to 17%. The overall mileage of socially necessary services is down by 10% in the last year alone, and the number of transport authorities funding a young person’s concessionary travel scheme has fallen by 24%.

Bus services are used by every section of society, and we need a growing bus industry that can provide new routes to areas that are not currently served, provide people with as many options as possible for travel. We know that buses are particularly important to disabled people, older passengers, those on low incomes, young people and jobseekers. I am proud of the support that Labour introduced, including the concessionary bus pass, which provides a lifeline for pensioners and has kept many networks viable. Six years ago, the Prime Minister said that he would keep Labour’s free bus pass. Indeed, a year ago the Transport Secretary told this House that “we have kept, and will keep, concessionary bus fares for older people.”—[Official Report, 22 January 2015; Vol. 591, c. 357.]

But what is the point of a free bus pass when there are no bus services left?
Craig Williams (Cardiff North) (Con): Before I entered the House, I sat on the board as a non-executive director of Cardiff Bus. Is the hon. Lady aware that we had to get together as Welsh bus companies and threaten legal action against the Labour Welsh Government on the concessionary fare funding because it was a breach of contract?

Lilian Greenwood: You do not want to talk about your own Government’s record on concessionary fares. [Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady does not mean “you”, does she? She means “he”.

Lilian Greenwood: The hon. Gentleman does not want to talk about the point at issue. He does not want to talk about what has happened to bus services here in England.

Anyone who searches the speeches and the statements of Conservative Ministers for references to fare rises on buses or cuts in routes will spend their time in vain.

Several hon. Members rose—

Lilian Greenwood: I will make some progress, and then I will give way.

Bus passengers account for two thirds of public transport journeys, but the Transport Secretary mentioned them only once, in passing, in his speech at the Conservative party conference a few months ago. No doubt he will say that funds have been provided for local authorities to bid for support, and of course investment in cleaner, more efficient buses is welcome, but taxpayers will not realise value for money without reform. Fares have outrun inflation and wage growth, and savings from the falling cost of fuel are not being passed on to passengers. Throughout the country, bus services are trapped in a vicious cycle in which fare rises dampen demand and routes are then cut, triggering another round of cost increases.

There was a time when Ministers insisted that “there have not been the cuts that the Opposition are so keen to talk up.”—[Official Report, 19 April 2012; Vol. 543, c. 485.]

However, when Transport Focus, the official watchdog, surveyed people who had been affected by the cuts, one person responded:

“I have one daughter who is disabled. They have cut her bus on a Sunday because there is no bus.”

Another said that they “can’t see elderly parents in the evening and care for them as much when they probably need it the most. Can’t afford a taxi because not working at the moment and relied on the bus.”

One respondent simply said:

“I can’t see dad” in a nursing home

“on a Sunday because there is no bus.”

Conservative Members may say that the Government cannot be held accountable for the operation of a deregulated market, and it is true that London was the only part of Britain that was excluded from the provisions of the Transport Act 1985, but the fact is that, across the country, buses continue to receive very high levels of public support. Of the industry’s costs, 41% are met by subsidy, and the Competition Commission found that genuine competition between bus companies, beyond occasional and disruptive bus wars, was rare. In too many areas the market does not provide comprehensive networks, forcing councils to fund additional services where they can still afford to do so, and placing an additional cost of more than £300 million a year on our hard-pressed local authorities. Nexus, the north-east transport authority, has only been able to maintain local services by drawing on its reserves, while also pursuing reforms that would allow it to deliver better services at a lower cost to taxpayers.

Andrew Percy (Brigg and Goole) (Con): Not everything that the hon. Lady is saying is incorrect, and obviously the position with bus services is very difficult, but it is a question of choices. The hon. Lady should consider what has been done by North Lincolnshire’s Conservative-controlled council. When we took control, it was able to reinstate the No. 37 bus, which had been cut by the previous Labour authority, and extend its services to Wroot and to Crowle. Labour-run Goole Town Council decided to cut the workers’ bus services so that it could pay for a bonfire once a year. So it is about choices.

When local authorities are innovative, they can do what we have done in North Lincolnshire, and expand services.

Lilian Greenwood: The hon. Gentleman should think about the powers that local authorities have to enable them to make effective choices on behalf of passengers, and that is what I intend to talk about.

While fares continue to rise and routes are cut, some of the biggest bus operators report profit margins of 13% or more on their operations outside London. What was the response of Conservative Ministers? For four years they ignored the calls for reform from Labour Members. I am proud of the fact that Labour has consistently championed the case for bus tendering, but Ministers rigged funding awards to exclude local authorities that pursued regulation, and, shamefully, they remained silent when councillors were subjected to appalling abuse and called “unreconstructed Stalinists” just because they were trying to deliver better services.

While the Treasury’s decision to accept the case for bus tendering is welcome in principle, as is the Transport Secretary’s Damascene conversion, we must question the sincerity of that commitment, and the test will come in the forthcoming buses Bill. Will the Bill make those powers available to all areas that want them, not just to authorities that have reached a devolution agreement?

Will it contain measures to protect rural bus services, which are particularly important to those communities, and which have been hit by some of the highest fare rises in the country? Will it protect transport authorities from crippling compensation claims?

The Nexus quality contract scheme boards said that the authorities should have set aside up to £226 million to compensate existing operators for the potential loss of business. If those payments were replicated in Greater Manchester, the Sheffield city region and the north-east, a key northern powerhouse commitment would never get on the road—not to mention the effects on Cornwall and other areas that have sought bus-tendering powers.
The bus market is costing too much and is not delivering for passengers, and we have seen the same trend on our railways. Commuters’ fares have gone up by a quarter since 2010, with season tickets costing up to £2,000 more. Ministers restored the loophole known as flex, which gave the train companies the right to vary prices by up to 5% a year, meaning that the cost of some season tickets has risen by up to 38%, and evening fares in the north have been hiked by up to 162% at the direct insistence of the Department for Transport.

The Secretary of State for Transport (Mr Patrick McLoughlin): Will the hon. Lady remind the House how many years flex was not available for when the last Labour Government were in office? Am I correct in thinking that it was just one year—the year of the election?

Lilian Greenwood: The Labour party scrapped flex permanently, and it was the Secretary of State’s Department that chose to reinstate it, as well he knows. It was only as a result of concerted pressure by Labour Members that this Government dropped it over the past two years.

As I was saying, evening fares in the north have been hiked by up to 162% at the Secretary of State’s direct insistence. The Department’s own McNulty review has warned that our fragmented railways have a ticketing system that “is complex, often appears illogical and is hard for the uninitiated (and even the initiated) to understand.” There is also an efficiency gap of up to 40% compared with the best performing European operators, which is wasting money that should be used to address the rising cost of travel and to fund investment.

At the last election we promised part-time season tickets, and a pilot by Southern Railway found that they could save some commuters 50% of the cost of their travel. However, the smart ticketing programme that underpins the system is 78% over budget and delayed by three years, and there are rumours that it could be cancelled. Will the Secretary of State tell us today whether the south-east flexible ticketing programme is being dropped?

Ministers might claim that services are getting better for everyone, but I urge them to mind the gap between their rhetoric and reality. We all remember the Under-Secretary of State for Transport, the hon. Member for Devizes (Claire Perry), saying that rail passengers had to realise that they were paying “fair fares for a comfortable commute”.

Stephen Hammond (Wimbledon) (Con): In the Corbyn land of rhetoric, the hon. Lady seems to have forgotten that fares went up by 11% in the last year of the Labour Government alone. It is this Government who have frozen regulated fares for three years. Will she acknowledge that fact and make sure that she puts the truth on the record?

Lilian Greenwood: If the hon. Gentleman looks at our record, he will see that rail fares increased only by the level of inflation or were actually cut in six of the 13 years that Labour was in power. Fares rose in some years, and that helped to fund investment. Under Labour, there was more investment in rail in real terms than under any previous Government. Under this Government, that link has been broken.

The Transport Secretary said that only commuters were paying regulated fares, and that unregulated fares could be “quite cheap”. Those comments are a world away from the frustrations endured by passengers every day on Southern and Thameslink, some of which were described in the House today by my hon. Friend the Member for Streatham (Mr Umunna). They reflect an increasingly overcrowded and unreliable network.

In 2009, the Conservative party’s rail policy review stated:

“Fare rises come with tacit Government approval and are often the direct result of the franchise process”. Will the Secretary of State therefore explain why he intends above-inflation rises to resume after 2020, as his Department’s recent consultation on the East Anglian franchise makes clear? Passengers were always told that higher fares were necessary to pay for improvements, but under this Government that link has been broken. The electrification of key lines was first paused and then shambolically “unpaused” one week before the Conservative party conference, and those projects are now delayed by years.

That goes to the heart of public trust in the railways. Ministers and Conservative Back Benchers went into the last election on a manifesto that said that key improvements would be delivered in this Parliament, but information about the true state of those programmes was kept concealed within the Department. The Transport Secretary has said that he was not informed about the state of the electrification programme until after May, but why did he not pose searching questions within the Department in October 2014, when my predecessor, my hon. Friend the Member for Wakefield (Mary Creagh), challenged him to say “which electrification projects will be delayed or cancelled”—[Official Report, 23 October 2014; Vol. 586, c. 1030.]—due to cost overruns on the great western main line?

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I have one curious question for the hon. Lady: how is this all going to be paid for? Is it going to be borrowed or are we going to put prices up?

Lilian Greenwood: I shall deal with that very question later on in my speech, so the hon. Gentleman should listen attentively.

Why did the Transport Secretary not raise the alarm in the last Parliament when the estimated cost of electrifying the midland main line rose from £250 million to £540 million, and then to £1.3 billion? Why did he not do so when the cost estimates for great western electrification rose from £548 million to £930 million, and then to £1.7 billion? Of course, the estimate has now risen further still, to £2.8 billion. Why did he not act when the Transport Committee warned in January 2015:

“Key rail enhancement projects...have been announced by Ministers without Network Rail having a clear estimate of what the projects will cost, leading to uncertainty about whether the projects will be delivered on time, or at all”? Will the Transport Secretary confirm that he commissioned a report on the state of the electrification programme, which was given to him in September 2014?
This report has never been published, and a Freedom of Information Act request for a copy has been personally refused by a Minister in his Department. What did that report say, and what has he got to hide?

The truth is that the Department was clearly warned by Network Rail about the impending northern power cut. The company’s board discussed last March “the decisions required jointly with the DfT” regarding “enhancement deferrals from June”.

Network Rail’s chief executive has confirmed to me: “In mid-March 2015, Network Rail informed DfT that decisions may need to be made in the coming months about the deferral of certain schemes.”

If the Secretary of State really was not aware of what his own Department and Network Rail were doing, there is only one possible explanation: he made it clear that he did not want to know. He failed to take responsibility, and passengers are now paying the price.

We were told that 850 miles of track would be electrified before 2019, but now the Department is refusing to say how many miles of track will be electrified in this Parliament. Is it half the original target? Is it a quarter?

Will the Transport Secretary confirm that by 2019 this Government would do well to realise the plans for electrification set out by a Labour Secretary of State, Sir Simon Burns?

We are left in the absurd position of divesting our in-house railway expertise at precisely the moment that several franchises and contracting competitions appear to be in doubt. Now, on top of the damage already done, the Government are seriously considering privatising Network Rail. They have already tested the theory to destruction with Railtrack. A sell-off of Network Rail will put profit before passengers and risk dragging us back to the worst excesses of privatisation.

May I say how disappointing it was that the Scottish National party in government not only issued a conventional franchise for ScotRail, but passed up the opportunity to invite a public sector bidder for the contract? The franchise was awarded a full month after Gordon Brown, the former right hon. Member for Kirkcaldy and Cowdenbeath, made it clear that, on the forthcoming Smith agreement, enforced rail privatisation will be no more and the right to include a public sector option is not responsible; and they were not there. We could ask what exactly Ministers were doing instead of keeping improvements on track, because they were not keeping an eye on the franchising programme, which collapsed in 2012 costing taxpayers more than £50 million, or on the allocation of trains in the north, as the Secretary of State approved the transfer of new rolling stock from TransPennine to the south, triggering a capacity crisis that cost taxpayers another £20 million to resolve. It seems that their focus was solely on privatising East Coast, a successful public sector rail operator, which delivered record passenger satisfaction and punctuality scores—

Stephen Hammond rose—

Lilian Greenwood: No, I have already given way to the hon. Gentleman.

East Coast cut its fares in real terms in 2014 and reinvested all its profits in the service. As reported last week, it was delivering the best-ever service on the line in the weeks before it was sold. Instead of extending that successful model of public ownership to the other franchise services, the route was prioritised to be sold off. Worse, we now learn that Directly Operated Railways, East Coast’s parent company, has effectively been mothballed and its functions outsourced to companies with no experience of operating passenger services.

We need investment in our rail network, both in HS2 and in the existing railways. I am proud of the fact that We are left in the absurd position of divesting our in-house railway expertise at precisely the moment that several franchises and contracting competitions appear to be in doubt. Now, on top of the damage already done, the Government are seriously considering privatising Network Rail. They have already tested the theory to destruction with Railtrack. A sell-off of Network Rail will put profit before passengers and risk dragging us back to the worst excesses of privatisation. I say to the Transport Secretary: do not go down this road. We know how it ends and we on the Labour Benches will oppose it all the way.

May I say how disappointing it was that the Scottish National party in government not only issued a conventional franchise for ScotRail, but passed up the opportunity to invite a public sector bidder for the contract? The franchise was awarded a full month after Gordon Brown, the former right hon. Member for Kirkcaldy and Cowdenbeath, made it clear that, on the forthcoming Smith agreement, enforced rail privatisation will be no more and the right to include a public sector option is currently before Parliament in the Scotland Bill. Labour urged the Scottish Government at the time to postpone the competition, but that call was rejected.

Callum McCaig (Aberdeen South) (SNP): I thank the hon. Lady for so kindly giving way. I am pleased that she is addressing this part of the motion. I feel that the request is particularly ironic given that she talked about the powers that local government in England should have. The Scottish Parliament, and indeed the Scottish Government, do not have such powers. What she and her party are encouraging is the Scottish Government to break the law. Will she explain why that is the case?

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Before the hon. Lady answers the intervention, may I say that she has been very courteous in taking a lot of
interventions—and it is indeed good to have a lively debate—but this debate has less than an hour and a half to run? The hon. Lady has spoken for some 25 minutes, and I am sure that she will be aware that there are many other people who wish to speak.

Lilian Greenwood: I will move towards finishing my speech, Madam Deputy Speaker.

It is a pity that the hon. Gentleman did not refer to the fact that the Labour Government fully devolved the ScotRail franchise, or that it was Labour that secured the change to the Railways Act 1993 through the Smith commission. The invitation to tender for the ScotRail franchise, issued by the SNP Government, said:

“Transport Scotland reserves the right to alter the timetable or the process, or to terminate this process at its sole discretion.”

There we have it. It was entirely in the Scottish Government’s power to wait until the 1993 Act could be amended, but they chose not to do so. There is nothing in the 1993 Act or in the ScotRail invitation to tender that prevented them from delaying the competition until section 25 of that Act was amended. It is regrettable to see the inaccurate amendment tabled by SNP Members.

It falls to Labour to set out the case for reforming our transport services and addressing the rising cost of public transport. It is what Labour is doing in local government, winning concessions from Whitehall. It is what my right hon. Friend the Member for Tooting (Sadiq Khan) will do as Labour’s Mayor of London by putting bus and rail passengers first. We must play our part in Parliament too, and I urge Members to support the motion today.

The Secretary of State for Transport (Mr Patrick McLoughlin): I welcome the debate and I know that the hon. Member for Nottingham South (Lilian Greenwood) cares very much about the subject. She has worked with us on the Bill for HS2, which is making good progress, and I thank the Opposition for their support on that vital project.

I also thank everyone in all parts of the transport industry who has been out this winter responding to the floods. It has not been easy, but good progress is being made. I was in Cumbria for the second time last week to see it at first hand. Over the Christmas period, Network Rail also successfully carried out its biggest ever works as part of the railway upgrade plan that is so essential to the future of the British rail industry. I pay tribute to the thousands of staff who gave up their Christmas to improve our railways.

Today, the hon. Lady asks about transport costs, and I am pleased she does. After all, the Opposition should know all about them, because when they were in office rail fares soared. In their last full year, regulated fares increased by up to 11% and between 2004 and 2010 they went up by about 4% a year—a total increase of some 26.4%. We have kept increases down. They have dropped went up by about 4% a year—a total increase of some

The Opposition should also know about the cost of driving. Fuel prices are down by almost 16% in real terms since 2010 and we abolished a number of the increases that were going to take place under the Labour Government.

Alec Shelbrooke (Elmet and Rothwell) (Con): Despite all the howling we have just heard from Opposition Members about oil prices, was it not the Opposition who wanted to freeze energy prices?

Mr McLoughlin: I am going to say a bit more about their record in government; I am not sure that I want to say too much about their record in opposition.

Mr Umunna rose—

Mr Jim Cunningham rose—

Christian Matheson rose—

Mr McLoughlin: Three Members are trying to get me to give way, Mr Deputy Speaker, but I am mindful of the short time for this debate, and I am very sorry about that. I will take an intervention from the hon. Member for Streatham (Mr Umunna), but then I will make progress.

Mr Umunna: Does the Secretary of State think that the cost of £964 for a season ticket from Streatham Common to London Victoria is good value for money in the light of the recent service that my constituents have been subjected to by Southern Railway? Will he give serious consideration to the breakup of the Govia Thameslink Railway franchise, which is clearly too big and too complex?

Mr McLoughlin: I will want to say something about the works on the rail network. The amount of work that is taking place will lead to some disruption but eventually will lead to a much better service for the hon. Gentleman’s constituents. The huge investment in London Bridge, for example, will cause disruption while it is taking place. I wish that that was not necessary, but people will get a much better service than they had before those improvements.

Mr Jim Cunningham rose—

Mr McLoughlin: I want to make some progress.

Fuel prices are down by nearly 16% since 2010. The cost of driving licences has been reduced, the cost of the theory test is being cut and we have taken action to bring down the cost of car insurance as well.

There is another thing that the Opposition do not like talking about—the cost to our country of lost investment when they were in office, and the cost to jobs, businesses and growth. Britain slipped from 7th to 33rd in the World Economic Forum’s infrastructure league table when they were in government. They cancelled more than 100 major road improvement projects and did not invest when they had the chance. They electrified just 10 miles of railways, less than one mile a year. I was going to say that it was a snail’s pace electrification, but I have checked, and that would be unfair to snails. They go faster than the previous Labour Government went on electrification. No Conservative Member will take
lectures from the Opposition about electrification. They did not invest, and they made the task of rectifying their mistakes much more of a challenge. The real benefit cannot be felt until all this vital but disruptive work is completed. No wonder Labour has been so reluctant to debate transport in this House. The shadow Secretary of State’s immediate predecessor did not even have a debate on transport. In fact there have been only three debates on transport since 2010. That is obviously because the Opposition are so embarrassed by their own record, and so impressed by our record.

The shadow Secretary of State has served on the Opposition Front Bench on transport since 2011. She is the fourth shadow Secretary of State I have faced across the Dispatch Box, and in that time there have been about as many changes in opposition transport policy as there have been shadow Secretaries of State.

Christian Matheson rose—

Mr Jim Cunningham rose—

Mr McLoughlin: I have got a choice; I will give way to Coventry.

Mr Cunningham: I thank the right hon. Gentleman for giving way; I notice he has been avoiding me for the last five minutes. Will he have a look at the use of senior citizens cards, particularly in respect of certain rail companies? As I said in an intervention on my hon. Friend the Member for Nottingham South (Lilian Greenwood), some people badly need them; they do charity work and they need to come to London, but not at the times when senior citizens cards can be used. Will he have a look at that, and the different franchises and different uses?

Mr McLoughlin: I know the hon. Gentleman will want to support me wholeheartedly on creating more capacity. One way we are going to do that is by building HS2, which in the past he has not been quite so supportive of. It is very important that we look at these things, however, and of course I will look at the points he makes.

Christian Matheson: Will the right hon. Gentleman give way?

Mr McLoughlin: I really do need to make progress.

The shadow Secretary of State used to be in favour of rail franchising, but now she seems to be against it, although it is interesting to note that her party’s candidate for Mayor of London is apparently so keen on it that he wants Transport for London to bid for contracts in the private sector. In 2014, the shadow Secretary of State got one of our great private companies, Stagecoach, to sponsor her Christmas cards. I did not get one in 2015. Maybe this time it was sponsored by the RMT instead, because these days Labour has only one policy on transport: turn all the signals bright red—a policy that is going nowhere from a party that is getting nowhere.

Now of course the Labour party wants to impose yet another cost on hard-working people: the cost of strikes. We heard not a single word from the hon. Lady in her speech about the planned strikes next week on the underground—a party that will not even stand up for Londoners when the unions carry out a selfish and irresponsible strike. Well, this Government clearly stand on the side of Londoners and those who work in London. Will the hon. Lady condemn the planned strike on the underground? I will give way to her if she will. Will she condemn it? Silence. She is probably under orders from the shadow Chancellor to join the picket line, or does she agree with the Labour peer Lord Mendelsohn? My hon. Friends may not have heard this: Labour peer Lord Mendelsohn said strikes would be “economically efficient” because some travellers would discover better ways into work. That is Labour’s new policy: a strike that aims to stop Londoners getting new and better services.

Transport is central to Britain’s economy, and because we are dealing with the decline and deficit the Labour party left behind, we can afford to invest for growth. That means more jobs, more homes, and more businesses using our transport system, and more people too. Last year it carried more people than ever in its history: there were 1.65 billion journeys on the railway network, 316 billion vehicle miles on our roads, and over 1.3 billion journeys on the tube. This year, it will break that record again. That is why we are widening roads, building railways, opening up opportunities: a massive programme is under way now that means building Crossrail, completing Thameslink, electrifying the northern hub, starting HS2, record investment in local roads, setting up an independent National Infrastructure Commission under Lord Adonis, and getting on with the £15 billion road investment strategy, including the A358 and A27 that Labour pledged in its manifesto to cancel. There is £38.5 billion of investment in our railways, and 30% more on enhancements than Labour spent previously.

Oliver Colvile: May I remind my right hon. Friend that, during the election, the Labour party said it would cancel the A359 work? I did not hear how this would all be paid for, which I was told clearly to listen out for.

Mr McLoughlin: Indeed, the Opposition said they would take those roads out of the roads investment strategy.

Through our careful custodianship of the economy, we can afford to invest in the future. That is why some 4,000 new rail carriages for the national network are now on order, with most being built in Britain.

The hon. Member for Nottingham South talked about the need to help people up and down the country with transport costs, and I agree with her. That is why we are investing. In Nottingham, we have spent £150 million widening the A453, speeded up trains and rebuilt the station at a cost of more than £100 million, and extended the tram with a contribution of more than £370 million. That is more in six years for the people of Nottingham than in the previous 13 years of Labour government.

I welcome the hon. Member for Middlesbrough (Andy McDonald) to the Opposition Front Bench. I hope he lasts longer in the job than his predecessor, which will let him see the benefits of our investment in his constituency, including new intercity express programme trains, direct services from London on Virgin Trains East Coast, the removal of Pacer trains from the network and an upgrade to the A19 close by. I could go on. Other members of the Front-Bench team will benefit, too, with a £1.5 billion investment for the A14 and new Thameslink trains.
serving Cambridge, while Birmingham already has the upgrade to New Street station, services on Sunday from Longbridge and the M5 smart motorway programme.

That is the choice: under Labour, the cost of travel goes up and the cost of lost investment goes up too; under us, rail fares are capped, fuel prices go down and investment goes in.

Andrew Percy: My right hon. Friend knows that we in the Humber got the flabby end of the lollipop under the last Government. The Humber bridge toll has been halved and we have got rail electrification and a number of road projects. On the subject of the cost of bus passes, will he acknowledge the incredible work done by Conservative North Lincolnshire Council, which reversed the 500% increase in the price of post-16 bus passes, cutting the cost from £180 under the Labour party to £30 under the Conservatives?

Mr McLoughlin: My hon. Friend clearly shows that Conservative councils choose priorities to help local people and make sure the investment goes straight to the frontline. I congratulate the council in his area on doing that.

Alec Shelbrooke: Will my right hon. Friend give way?

Mr McLoughlin: If my hon. Friend will forgive me, I am mindful of the time. I know other hon. Members wish to speak, and I understand that there is to be a very important maiden speech.

On the east coast line, Virgin is bringing 23 new services a day from London, with more than 70 extra stops at stations. The hon. Member for Nottingham South is against that. There are plans for new direct services to Huddersfield, Sunderland, Middlesbrough, Dewsbury and Thornaby, and more trains to London from Bradford, Edinburgh, Harrogate, Leeds, Lincoln, Newcastle, Shipley, Stirling and York. That is our plan to build for the future and support our great cities, too. Under this Government, that means city deals, new mayors, growth, a northern powerhouse and a transformation of the railways in the north.

In 2004, when Labour was in charge, it let the franchise for Northern rail on a zero-growth basis. That meant no investment, while fares were allowed to rise. It was a disgrace. Perhaps the hon. Lady would like to apologise for the consequences. The cost was no new trains and massive overcrowding, with people expected to travel on worn-out Pacers. Just before Christmas, the Government let new franchises for Northern and TransPennine that will result in a £1.2 billion boost to rail services, 500 new carriages, 40,000 extra spaces for passengers and free wi-fi on trains and in stations. No wonder local Labour politicians in the north were lining up to praise the move. Liam Robinson, chairman of Merseytravel, said it was a “big step forward” and would “drive up standards”. Labour councillors including Peter Box, Richard Leese, Keith Wakefield and Nick Forbes praised the impact of devolution to Rail North. The RMT commented too, describing it as a “bitter blow”. Who does the hon. Lady agree with? Would she have signed that franchise contract—yes or no? Would the Opposition have walked away, leaving the north with nothing, just like they did last time? We bring the private and public sectors together in partnership, backing better services and growth.

The hon. Lady mentions buses. I am not clear what she wants. Does she want to nationalise them too? We are going to legislate so that cities can help shape their bus networks, working with the private sector. While her party was in office, bus use outside of London fell by 8%. In 2010 only 25% of buses outside London could take smart cards; now 99% can. Compared with 2010, buses are safer, with more CCTV, and they are busier and more accessible. The Government are supporting the vital work done by community transport organisations with a scheme to help them buy new minibuses. We have taken tough decisions on the economy, but protected concessionary travel across the country.

On road travel, we have reformed Highways England and set out the first-ever long-term investment programme. We are investing in local roads, with a record £6 billion of funding to tackle the menace of potholes, and a further £475 million for the larger road schemes that some towns so desperately need. On cycling, which the Opposition did not even mention in today’s motion, we have increased spending from the £2 a head that we inherited in 2010 to £6 a head today, and we will go further still.

That is the investment we need to help cut the cost of transport. We are getting on with Crossrail, which is on course to open two years from now. We are getting on with HS2, with construction starting in less than two years from now. A new National Infrastructure Commission has been established. Record investment is taking place and rail fare increases have been frozen in line with inflation. Transport is transforming our country, whereas Labour wants to go back to an age when train use fell, fares went up and investment was cut. This Government are optimistic about rail, roads, buses, cycling, and more importantly the British people. We are going to be trusting. We are going to see investment at a record level, which will be good for our cities and for our country right across the transport network. I urge the House to reject the motion.

5.51 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): I echo the sentiments of the Secretary of State regarding the staff who worked in the floods and the inclement weather over the Christmas and new year period on all networks to keep us moving and to help passengers as they travelled.

A debate on public transport is welcome. People need effective, regular and affordable public transport. In a debate such as this, they would expect the issue to be moved forward, although I am not sure they would have had that impression from the opening exchanges. Public transport is close to my heart and that of many of my hon. Friends. My constituency, in common with many of theirs, is mostly a rural community. Scotland has diverse public transport needs. Some places in Scotland and in other nations of the UK have no public transport—people can only use their cars, so it is not just the cost of public transport that matters to them, but the cost to the public of transport.

The motion could have benefited from the inclusion of other forms of transport that people need—and, indeed, rely on—in Scotland. For example, we do not see aviation as anything other than public transport.
That is what it is. Marine transport is very important to us, and ferries are public transport too. As the Secretary of State said, the motion could have included public cycling schemes and public costs in relation to roads—tolls, for example. The need for major UK infrastructure projects to give proper consideration to Scotland could be debated. The debate could have been more inclusive and served a common purpose. It could have been more positive, seeking to benefit people.

Many local bus services in Scotland receive subsidies to ensure that uncommercial services can continue to operate as a public service. Figures from the House of Commons Library show that from 1995 to 2015, Scottish bus fares went from being 10% higher than those in England to being lower. Since 2007, bus fares in Scotland have risen by 5% less than in England. Since 2010, bus fares in Scotland have risen by 4.6%; in England over the same period, they have risen by 7.0%. The Scottish Government have invested a quarter of a million pounds every year through the bus service operators grant and concessionary travel scheme. That has helped 1.3 million older and disabled people to live more connected, healthier lives.

In aviation, there are direct flights to over 32 countries, and we have the successful ongoing work to improve long-haul connections to Scotland and connectivity through world hubs. We plan to use changes to air passenger duty to improve the situation for the travelling public by reducing their costs, and to help businesses, including in tourism and food and drink, by growing key sectors of our economy and giving better choice to our people. This is all for the people of Scotland. We are working to achieve guaranteed levels of access between Scotland and London. The Scottish Government acquired Glasgow Prestwick airport to safeguard 3,200 jobs and to secure vital infrastructure as an asset that contributes more than £61 million annually to the Scottish economy.

We have invested in roads to ensure that Scotland has a modern transport infrastructure for the 21st century. The SNP Scottish Government have a clear policy against the use of road pricing and tolls, now and at any time in future, and we have abolished all road tolls on bridges in Scotland. We are delivering the £1.4 billion new Forth crossing at Queensferry, which is on track to be completed by the end of 2016—again, with no tolls for the public.

In marine transport, Ministers in the Scottish Government have invested more than £145 million in piers and harbours, with £8.6 million going to Stornoway harbour to accommodate the new Ullapool-Stornoway vessel, MV Loch Seaforth. Since 2007, we have invested almost £1 billion in ferry services, including the road equivalent tariff and six new ferries. That is investment of over £100 million. We have introduced into the network of services operated by CalMac a third hybrid—MV Catriona, which was launched at Ferguson marine shipyard in Port Glasgow in December 2015. On 16 October 2015, Ferguson Marine Engineering Ltd was awarded contracts worth £97 million to build two £100 million ferries with a delivery date in 2017-18. The First Minister of Scotland confirmed just yesterday that Dundee’s central waterfront infrastructure would be the latest Scottish Government project to be delivered on budget and ahead of schedule. This includes a re-rationalised road layout and is part of the £1 billion, 8 km Dundee waterfront project, which will create 7,000 new jobs.

Let me come to the interesting one: rail franchising. On this important issue—the public outside this Chamber will not understand this—Labour Members have chosen to attack the Scottish Government, not the UK Government whom they are supposed to be opposing. Every time they take a wee excursion up the branch line, they end up embarrassing themselves and the branch office in Scotland. Frankly, they are embarrassing everyone. The purpose of opposition, surely, is to build alliances to hold the Government to account. What a missed opportunity! The SNP is the effective Opposition in this Chamber. The Government realise that, which is why they are going at us day after day, every day—they spend more time on us now. Labour Members have deliberately inserted a line in this motion—a complete falsehood, by the way—that makes it impossible for us to support them in the Lobby tonight. Imagine that! People are looking on, and they see this shambles for what it is. They are switched on like never before, and they are continuing to lose respect for Labour, given stunts like these.

Let me tell the House about the Scottish Government and rail policy. The UK Government oversee a perverse system that forbids publicly owned UK bodies to bid on rail franchises while having overseas nationalised services such as Deutsche Bahn or France’s SNCF running franchises in the UK. We believe that public sector organisations should be able to bid to operate rail services, as allowed in EU law but currently prevented by UK legislation. That is a lesson for Labour Members. That approach would enable us to ensure the delivery of all rail services in Scotland and to deliver maximum economic and social benefit for our people.

Labour has used this motion to attack the SNP Government for awarding the ScotRail franchise from 2015 to 2025 to Abellio. Labour knows very well that the Railways Act 1993, enacted by John Major’s Government, specifically forbids UK publicly owned companies from bidding. It is a matter of rhetoric versus record.

Mr McLoughlin: The 1993 Act was indeed taken through by John Major, but will the hon. Gentleman also confirm that in 13 years the Labour party never changed the regulations?

Drew Hendry: The Labour party has put me in the position of having to agree with a member of the Cabinet. Imagine that—what an absolute shambles!

The Labour party spent 13 years in government without ever changing the situation, even though it heavily amended the 1993 Act with the Transport Act 2000 and the Railways Act 2005. Even though it had the power, it did absolutely nothing to repeal the 1993 Act.

This is not the first time we have heard such nonsense from the Labour party. Its leader is not so new to his position now, but not long after taking the leadership he told Marr:

“Listen I’ve been in Scotland a lot of times during the leadership campaign... I’m going to be in Scotland a great deal as leader of the party.”

We shall see whether that happens. He went on to say:

“Yes the SNP have a headline of being opposed to austerity—fine. The SNP are also privatising CalMac, also were behind the privatisation of ScotRail.”
What a pile of nonsense! Like successive Scottish Executives before them, the Scottish Government were simply following the tendering process that they are required to follow in EU law.

Patrick Grady (Glasgow North) (SNP): Does my hon. Friend recall that, once upon a time, the Labour party was in power in Scotland as well as down here? At no point did it make any effort to allow the Scottish Parliament to take the railways into some kind of public ownership.

Drew Hendry: My hon. Friend is exactly right. Labour made no effort in government either here or in Scotland to do anything about that and, as I have said, it knows very well that the 1993 Act forbids the Scottish Government to do it.

As I have said, there was a fabrication by the Labour leader. He said that the SNP was behind the privatisation of ScotRail. Did he mean the 1993 Act introduced by John Major? There was not even a Scottish Parliament at that time, but let us not let the truth or the law get in the way of anything.

The Labour leader says that his party supports rail renationalisation, but where was that support when every single amendment that the SNP tabled to the Scotland Bill was voted down in this House? Clause 54 of the Bill will allow for the Scottish Government to consider bids from public operators. That was included in the SNP-Scottish Government submission to the Smith commission, but we tried to go further. We tabled a new clause to devolve rail services in Scotland, giving Scottish Ministers full powers and the flexibility to decide who would run such services. Like every other SNP amendment to the Scotland Bill, it was voted down by English MPs.

That new clause would also have disallowed the provisions of the 1993 Act and allowed for direct awards to be made for the operation of rail passenger services to the fullest extent permissible under the law. It would have allowed us to adjust the current ticketing system, which over subsidises profits while having—to put it mildly—an arcane and unintuitive fare system.

An anytime single ticket from London to Edinburgh costs £140.50, while one from London to Newcastle—100 miles south of Edinburgh—costs £138.25. A similar ticket from London to Aberdeen, which is 100 miles north of Edinburgh, costs £157.50. That means that one journey of 100 miles costs £2.50, while another costs £9. It just does not make sense. Frequently, it is cheaper to split a ticket than to buy a direct one. A single from King’s Cross to Edinburgh costs £95, while often, but not always, a King’s Cross to York ticket and a York to Edinburgh ticket cost £66 in total. We could have done something to sort that out.

Let me just say that the Scottish Government and the SNP will take no lessons from the Labour leader when it comes to investing in Scotland. With such a lack of understanding, even of the basics, it is no wonder that, according to a recent Survation poll, his approval rating in Scotland is minus 17%, while that of the First Minister, Nicola Sturgeon, is plus 27%.

As we have already established, the issue of public ownership is out of the hands of the Scottish Government, so I want to finish by talking for a moment about the rail franchise in Scotland. The Scottish Government welcomed Abellio to the ScotRail franchise because it has moved its UK headquarters to Glasgow—creating 50 new jobs, in addition to securing another 150 jobs from First. As a result of the new deal, passengers and staff will enjoy a range of benefits: advance fares from £5 for journeys between Scottish cities; a commitment to earnings of at least the living wage—the living wage in Scotland, by the way—for all staff and contractors; at least 100 apprenticeships; a guarantee of no compulsory redundancies; protection for rail staff pensions and travel rights; free wi-fi on trains; a new approach to cycling, with more than 3,500 parking spaces, and bike hire at a number of stations, which should be compared with Southern; 80 new trains due to arrive at start of December 2017; and 23% more carriages across the network.

The Scottish Government’s record on rail consists of a commitment to a £5 billion programme of investing in Scotland’s railways over the five years to 2019, including £170 million on the Aberdeen to Inverness rail upgrade and £300 million to open the Airdrie-Bathgate rail link in 2010, which will provide a passenger service between north Lanarkshire and west Lothian for the first time in 54 years. Since privatisation, rail fares have been regulated by the Government to limit the size of increases on key tickets, but they have increased in real terms since the early years of this century. In January 2013, fares across all operators were 23% higher than they were in January 1995, with an average annual increase of 1.2%.

I will finish on this point. [Hon. Members: “Hooray!”] It is nice to be appreciated. This is the story of a Government who invest in public transport for their people. The Scottish Government’s budget has been cut by £12.5% since 2010—£1 in every £8 has gone—for unnecessary ideological austerity. Despite that, the SNP Scottish Government are still investing in infrastructure. Having already invested £15 billion in transport since 2007, they are committed to the largest transport investment programme that Scotland has ever seen, despite these relentless Westminster budget cuts.

6.8 pm

Karen Lumley (Redditch) (Con): I want to make a short speech and I will be very brief, because I know that the hon. Member for Oldham West and Royton (Jim McMahon) is waiting to make his maiden speech. All of us remember that feeling, so it is important that he gets to say his bit.

I would obviously have liked to talk about the fantastic Birmingham International airport, but I will save that for another debate. Instead, I will talk about some of the great rail links from Redditch to the west midlands area. My constituents can live in the lovely town of Redditch, while being able to travel to Birmingham to work. In 2014, a passing loop became operational in Alvechurch, meaning that there are now three trains an hour between Redditch and Birmingham. That makes it as easy to get there as to get to the midlands. On top of that is the £750 million refurbishment of Birmingham New Street International, including a brand-new John Lewis store, which is absolutely fantastic. Some £13 million has been awarded to the west midlands to run schemes.
until December 2017. The schemes cover upgrading ticket vending machines on the Redditch line, which includes making them contactless; fitting CCTV equipment to all trains on the line to ensure passenger safety; and equipping staff with technology to enable them to give customers up-to-date, live running information.

Transport needs joined-up thinking across the midlands. I welcome the devolution deal that was signed in November, which will power the midlands engine. The west midlands was the first region outside the north to sign a devolution deal with an elected mayor. The new authority, which includes Redditch, will take an overview of transport in the region, including the HS2 growth strategy.

Before I finish, I will say a bit about HS2. I am, and always have been, a huge fan of the project. The HS2 headquarters is moving to my region and huge investment is being put into the project. The project is often talked about as if it is all about speed, but it is about having the capacity on our railways to ensure that the transport network is fit for purpose. We talk a lot in this House about rebalancing the economy, and I believe that HS2 can help us do it.

There are two sides to every story. I want to put it on the record that Redditch and my region are benefiting from extra investment in the transport system after years of under-investment, and they will continue to do so for many years to come under this Government.

6.10 pm

Jim McMahon (Oldham West and Royton) (Lab):

Thank you, Mr Deputy Speaker, for allowing me to make my maiden speech in this debate.

First, I should pay tribute to Michael Meacher, not simply because it is customary to do so, but because Michael was a dear friend to the people of Chadderton, Oldham and Royton. He will be missed and remembered locally, and by Members of this House, for decades to come.

I thank the voters of Oldham West and Royton for putting their trust in me as their representative here. I will work hard to make sure that I live up to that trust, along with my colleagues. From a Labour party point of view, we have shown what we can achieve when we pull together as a family. The result was very impressive for the Labour family.

As I stand here today, I reflect on the remarkable story—I would say that, wouldn’t I?—of a young boy from Miles Platting in Manchester who is now standing here in the House of Commons. The street where I grew up as a child no longer exists, but the values of hard work and courage instilled in me by my parents remain.

The borough of Oldham and its seven towns, with their culture, community and comradeship, have played a defining part in the history of our country. Oldham’s values of hard work, grit and integrity speak to the heart of British values—values that are exemplified in all of Oldham’s great and diverse communities today.

Chadderton secured its historical place through aviation, among other things. It made the world-famous Lancaster bomber. In its heyday, the Greengate site employed 20,000 people. When its doors closed in 2012, the 1,500 staff who remained moved out. That was a very sad day for the people of the town.

Our engineering and manufacturing base included the world-famous Ferranti, which was famous for making the components for the world’s first computer, and Platt Brothers, which was once famous for being the largest engineering plant in Europe. Both are now gone.

Royton has a little in common with this place. You may remember the rhyme, Mr Deputy Speaker, “Remember, remember the 26th of November”—26 November 1884, that is, when the gunpowder plot unfolded in Royton town hall, blowing off the windows and doors. Interestingly, it was led by a gangmaster who was campaigning against measures in the Factory Acts that banned children under 10 years old from working in the mills.

Many people here will know Oldham as an industrial giant, and it was. It was the king of cotton. In its heyday, the town spun more than 17 million spindles, which was more than the whole of the United States and 80% of the total number in the UK. For too many people, the Oldham of yesterday was built on exploitation, with very little regard for quality of life or fairness. People came from countries around the world to make a better life for themselves, but do you know what the truth is? People struggled. They struggled in desperate poverty, while a lot of the money left town.

The exploitation did not stop in Oldham. Feeding the 17 million spindles required a lot of cotton, which was picked in the fields of the American south. As the machines raged on in 1860, it took 200,000 black slaves to pick enough cotton to feed the mills. So there was exploitation at home, exploitation abroad, and with the money taking leave from the town.

Today, hard-fought battles for better living standards, a welfare state that is there when people need it, and decent homes, are being eroded. People are seeing vital services—in some cases their lifeline—being taken away. For too many people, work does not pay and they cannot make ends meet.

People might think that I am painting Oldham as having been beaten, but mark my words: we are far from beaten. We have courage and determination. If our past successes were built on the industrial revolution, our future will be secured through the industrious revolution. Our town is going from strength to strength. We are rebuilding, attracting investment and creating new jobs. We can be proud of what we have achieved in recent years, but too often it feels as if we are doing it alone, and it should not be that way. Devolution must be more than a love affair with the big cities; it must deliver and provide a decent settlement for towns and districts. I want Oldham to flourish and to be the place we know it can be—a place where my sons, Jack and Harry, and the other 57,000 young people will be proud to call home.

With new powers devolved to Greater Manchester, the challenge is not simply one of good administration, but also of strong political leadership. We have shown that we can get things done. The continued expansion of the Metrolink tram system will certainly accelerate economic growth. We must also push for the future and for cross-borough expansion, and I will use this opportunity to lay down a marker for the Ashton loop line from Ashton town centre to Oldham Mumps, and for a Middleton spur from Oldham Westwood through Middleton and on to the Bury line, connecting the north-east conurbation of Greater Manchester. [Interruption.] The Secretary of State will realise that until Friday I was the
council member responsible for transport in Greater Manchester, although given his interest in the northern powerhouse, our paths never crossed. [Laughter.] Perhaps he will be charitable in return, given that this is my maiden speech.

As we rightly fight to end the north-south divide in the UK, we know that infrastructure investment can help address Greater Manchester's own north-south divide. Such investment would benefit not just Oldham, but Rochdale, Tameside and—importantly—the north of the city of Manchester. As we rightly point out the imbalance in the UK, we cannot ignore domestic matters closer to home in Greater Manchester. For every 10 jobs that were created in south Manchester in the last decade, only one was created in the north of the conurbation. We cannot carry on like that if devolution is to be a success.

I believe in devolution and will continue to fight for power to be moved away from Whitehall to empower communities—to be honest, devolution as it stands today does not empower those communities. As the former leader of Oldham Council, I worked with others to rally support for devolution to Greater Manchester, and I worked hard to ensure a clear vision for Oldham. It was important to sign up to the deal with the Chancellor, because it is far better to have devolution on terms that we do not necessarily agree with, than to have no devolution at all. It would also be wrong not to challenge where we know that things do not work, and not to push harder when needed.

Without a clear national framework for devolution, it is for the Chancellor to pick and choose who he deals with and what is on offer. The hallmark of devolution so far has been a Treasury power grab from other ministries. The Chancellor had the opportunity to devolve real financial freedoms, but he chose not to. He is quick to give away the power of his fellow Ministers—I am sure Conservative Members will be concerned about that—but evidence suggests that he is not that keen on giving away his own power. Without genuinely reforming central Government and addressing fair funding, the northern powerhouse as a brand is meaningless.

People in Oldham see that the magistrates court and the county court are closing. We do not have a single police custody cell open for a town of nearly 250,000 people. People see youth centres closing, libraries closing, day care centres closing, thousands of staff displaced or sacked, and our positive endeavours for regeneration blocked by central Government. And we are meant to be at the heart of the northern powerhouse!

The political challenge of our time is not how we divide to rule, but how we unite and forge a future where every man, woman and child sees that they have a stake in that future; where there is more to life—there has to be more to life—than just getting by and making ends meet. Oldham MP Winston Churchill once said: “no one can come into close contact with the working folk of Lancashire without wishing them well”. I agree with that; it is true. But well-wishers alone are simply not enough. The dark satanic mills that marked the skyline in Churchill’s time have by and large now gone and we are a long way from realising our own Jerusalem. Friends, let us not cease from mental fight, nor shall our swords sleep in our hands, till we have built Jerusalem in Oldham’s green and pleasant land.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. We have a lot of speakers: we have 10 to get in. I am not going to put a time limit in place, as I think we can help each other. If Members have up to two minutes each, we will get everybody in.

6.20 pm

**Sir Simon Burns** (Chelmsford) (Con): May I say what a pleasure it was to listen to the maiden speech of the hon. Member for Oldham West and Royton (Jim McMahon)? It was an excellent maiden speech. As everyone in the Chamber knows, it is usually a nightmare to make your first speech in this Chamber. The way in which the hon. Gentleman delivered his speech, without showing a single nerve, justifies the reputation that outsiders from the south like me heard about in the run-up to the by-election: that he was a highly effective leader of his local council in Oldham. He is not a loss to Oldham and he is certainly a gain to the House of Commons. We look forward to his future contributions to our debates.

I read the motion very carefully and I listened to the shadow Secretary of State with great interest and growing amazement. I noticed that she was able to make her speech while keeping a straight face. It was quite incredible. Here is a motion which, if we look at the parts relating to the railways, is basically, in nice cuddly words, suggesting that we renationalise them. Many of my hon. Friends, and certainly the hon. Member for Oldham West and Royton, are too young to remember the days of British Rail, but the way that history has been rewritten to suggest that everything was wonderful under that monolithic organisation is extraordinary. It was late, expensive, the sandwiches curled up at the ends, and it did not provide a fit-for-purpose rail system for this country.

I am not going to rehearse, owing to the shortness of time, what has happened since rail privatisation. What I will say is that because of the private sector and the Government, there has been massive investment in our rail network. Because I am more generous than the Labour Government began the process of reinvesting in our railways to make them fit for purpose. I would ask, however, that they be equally generous in accepting that we are spending billions and billions of pounds, from a variety of sources, to invest in building on that improvement, to make sure that we have a proper rail service. In control period 5, £38 billion is being spent.

More has to be done, of course, but we are investing in the future and in passengers to ensure that we have a proper railway. Anyone who suggests going back to a nationalised rail service is living in cloud cuckoo land and is driven by dogma, not reality.

6.24 pm

**Mr Chuka Umunna** (Streatham) (Lab): May I say what a pleasure it is to follow our new Labour colleague, my hon. Friend the Member for Oldham West and Royton (Jim McMahon)?

I will be as quick as I can. My main contention is that the cost of travelling on the train to and from my constituency on Govia Thameslink Railway, which runs Thameslink, Southern and Gatwick Express services through London and the south-east, is a complete and
utter rip off, given the dreadful service commuters have been receiving over the past few weeks and months. I stand not to make party political points; I and commuters just want answers.

I pay tribute to Transport Focus, Martin Abrams and everyone at the Campaign for Better Transport who have been highlighting the hell experienced by commuters. According to Transport Focus most recent passenger satisfaction survey, GTR scored worst for overall satisfaction. According to Which? it is third from bottom out of 21 services. According to Network Rail’s public performance measure for this franchise, the percentage of GTR trains that arrive at the terminating station on time is rock bottom. And Network Rail is not without blame. According to the most recent statistics—for December and January—55% of delays are attributed to Network Rail.

Members on both sides of the House who have had meetings with executives of the companies have received excuses after excuse and broken promise after broken promise, but we have seen no change whatsoever. Instead, we are given excuses about big transformation works at London Bridge causing problems, industrial relations issues, historical under-investment in infrastructure and the complexities of running a big franchise. That is all well and good, but other transport operators face exactly the same challenges and provide a better service. This company has failed to recruit drivers and failed properly to maintain its rolling stock. People deserve answers, so instead of the same old excuses, I want a proper deadline set for GTR to provide a decent service to constituents; I would like suburban and London transport rail services transferred to TfL in the medium term; and I would like to see Crossrail 2 come to my constituency. Once we get decent services, perhaps Ministers can argue that almost £1,000 for a season ticket from my constituency to London Victoria is justified.

6.27 pm

Heather Wheeler (South Derbyshire) (Con): I want to talk about the midland main line, the situation of which has been well charted, and the important reason why this project will go ahead, notwithstanding what is in the motion. The reason it will go ahead is that Derby is a centre of excellence for the rail industry and rail innovation: more than 200 companies around Derby operate solely within the rail industry. We are the best placed area in the whole country when it comes to opportunities for training, innovation, for a college—for whatever it might be. I think the Government ought to listen more carefully in terms of the opportunities for people growing up in Derbyshire who understand rail and have it in their DNA. We must get the best products, whether for Crossrail 2, Crossrail 3, HS2 or HS3, going up to Scotland, which we all want to see. I think that these are fantastic opportunities.

I will not take up any more time, other than to congratulate the hon. Member for Oldham West and Royton (Jim McMahon) on his fantastic maiden speech? It was a pleasure to be in the Chamber for it. His experience, his background, his love for his constituency and home—it all shone through in his speech. I know he will make a huge contribution to this place.

With a constituency on the border with England, one never misses an opportunity to talk about rail, yes, but about the Severn bridge tolls too, which are the subject of many questions to Transport Ministers and of many debates here. I know that this will continue until we know the Government’s plans for tolling in the future when the bridge is returned to public ownership. About 12,000 people in Newport and Monmouthshire commute to work over the bridges every day. As ably highlighted by our Front-Bench team in today’s debate, the cost of commuting has increased substantially.

Carolyn Harris (Swansea East) (Lab): Does my hon. Friend agree that it is not only those living in her constituency who are affected, because every person who travels over the bridge into God’s own country is exploited by the exorbitant tolls, which act as a deterrent to trade and tourism?

Jessica Morden: My hon. Friend is absolutely right, and I thank her for adding weight to the campaign to lower the Severn bridge tolls, which is much appreciated.

My constituents are basically trapped: they must either pay rising rail fares or the Severn bridge tolls. Commuters, as well articulated by our Front-Bench team, face ever-rising rail fares. Since 2010, season tickets for commuters have risen by 25%. Newport to London commuters face having to pay £2,000 a year more than in 2010, and the cost of travelling from Newport to Bristol Temple Meads has gone up by 27%—a £600 increase. Demand for these services is growing fast, yet we see no improvement in services. Trains are heavily overcrowded, and there are frequently not enough carriages, especially for those getting on at the Severn Tunnel junction in my constituency. I get that feedback every week: carriages are overflowing and constituents are often left on the platform when there is insufficient capacity to take them.

There is an alternative—crossing the Severn bridges, and this is probably the local issue that is raised with me most frequently. Since 2011, the bridge tolls have gone up by 20% for cars. This matters for my Newport East constituents, when those in full-time work have seen only a 2.4% increase in their wages. The fundamental point is that the money taken by the Severn River Crossing is protected from inflationary pressures, while my constituents’ wages are not.

Tolls on the Severn bridges are the most expensive in the UK. The Western Mail said a few years ago that they were the most expensive per mile in the world. I very much look forward to seeing Transport Ministers tackling that issue for my constituents. We need to know very soon what the Government’s plans are, as they affect the rail services or the Severn bridge tolls, as we reach the bridges’ return to public ownership in 2018.

6.32 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): I congratulate the hon. Member for Oldham West and Royton (Jim McMahon) on his excellent speech. I am
[Alec Shelbrooke]

sure he will be joining the Opposition Front-Bench team a lot sooner than is customary—he certainly made an excellent speech.

My right hon. Friend the Member for Chelmsford (Sir Simon Burns) pretty much laid out exactly what I intended to say about investment in the railways. I can tell my right hon. Friend that I am just about old enough to remember British Rail. I remember the fact that if people were wearing a light-coloured suit or trousers, they would be dirty when they got up. I remember lice coming off the back of the chairs, and I remember carriages literally covered in excrement and never cleaned.

That was the state of the railways when they were in public hands. It was not invested in, and there can be no doubt that over these last 20 years, the standard of the railways, of the rolling-stock and of the whole thing has moved forward. We simply do not hear on the comedy circuit the British rail catering jokes that we used to hear 20 years ago, because it has improved and become a thing of the past.

On the issue of investment, when we talk about what is happening with the railways—there is still a lot of work to do, and I know that my right hon. and hon. Friends on the Front Bench are looking carefully at what happens with ticketing—we should bear in mind that we need to create more track and more rail. My city of Leeds, for example, shows that an integrated tram-train system that can use the heavy rail and operate in the city centre is vital. That will never be built by Government through public ownership. It can be built only by attracting investment from the private sector to run, operate and get it going, so that people can make cheaper journeys into the city centre than they have to make now. It can be more reliable and once there cannot be moved. I just wanted to make that brief point that investment in the railways is vital and simply cannot be delivered via public ownership, as was proved time and again under British Rail.

6.34 pm

Simon Danczuk (Rochdale) (Ind): It was a delight to hear the maiden speech of my hon. Friend the Member for Oldham West and Royton (Jim McMahon). He made an insightful contribution not only to the debate in the Chamber, but to the debate in and around Greater Manchester.

Let me make three very quick points. First, I am extremely concerned about the fact that rail fares have rocketed by a staggering 25% since 2010. Many of my constituents rely on rail travel, not least to commute in and out of Manchester and, indeed, Greater Manchester. Secondly, I am concerned about the Government’s use of the retail prices index to calculate rises in regulated fares. Perhaps the Minister will tell us whether he thinks that that is fair.

Thirdly, perhaps the Minister will explain to me and to my constituents why they pay 20% more in fares than Bolton constituents pay for a similar journey. A peak return fare from Bolton to Manchester Victoria will set Bolton constituents back £6.40, but my constituents pay £7.70 for the similar journey from Rochdale to Manchester Victoria. Why is that? Richard Greenwood, chairman of the Support the Oldham Rochdale Manchester rail lines group, has said that the fares in my constituency are “artificially high”. That level of fares applies almost nowhere else in the country, and I see no fit reason for it to apply to Rochdale either. Perhaps the Minister will share his thoughts.

6.36 pm

Iain Stewart (Milton Keynes South) (Con): I, too, congratulate the hon. Member for Oldham West and Royton (Jim McMahon), and I wish him well for the securing of his Metrolink extensions. A wish that I expressed in my maiden speech came true, and I hope that he has similarly good fortune.

In the brief time that is available to me, I want to inject a degree of realism into the debate about rail fares. Let me say first that whoever owns the railways, there is a balance to be struck between what the passenger contributes and what is funded from general taxation. If, as the motion suggests, Labour Members want the passenger contribution to decrease, they must either say which taxes will be increased to pay for that, or spell out which part of current spending on the railways will be cut.

The vast majority of the income from the fares that are currently paid—more than three quarters—is spent on staff salaries, and I cannot imagine that Labour Members would want those to be cut. Some of the income is spent on maintaining and improving the track—we have the safest railways in Europe, and I cannot imagine that Labour Members want to compromise that—and some is spent on investment in new rolling stock, new stations, new lines and electrification. The profit margin is tiny: 3% of every pound that is spent. That funds innovation and development in the railways, which has doubled in the last 20 years. That is the reality of the railways today.

I had hoped that we could have a more sensible debate about the new technology and innovations on the railways, but time did not permit it. The philosophical debate about renationalising the railways has obliterated the time in which we could have talked about that issue, but it is what we should be talking about.

Finally, I want to knock on the head the myth that Britain has the highest rail fares in Europe. That is simply not the case. I invite Members to look at a wonderful website, The Man in Seat Sixty-One. The man in question compares the cost of rail journeys across Europe, and Members will find that in 85% of cases, United Kingdom rail fares are either the same as or cheaper than those on the continent.

6.38 pm

Stewart Malcolm McDonald (Glasgow South) (SNP): I congratulate the hon. Member for Oldham West and Royton (Jim McMahon), and welcome him to the House. I also congratulate him on the thumping that he gave UKIP at the by-election, which was pleasing for all SNP Members. I regret, however, the rather infantile manner in which his party has approached the debate.

I would never trust the Tories with the railways, but, frankly, I would not trust Labour Members with a train set, given the way in which they have conducted themselves this evening. The mistake that they have made in their motion is a schoolboy howler. They have accused the Scottish Government of not using a power which that Government do not have, and which, moreover, every single Labour Member—with the exception of the hon. Member for Oldham West and Royton—voted explicitly,
along with the Conservatives, to prevent Scotland from having during the debate on Scotland Bill. They almost
give brass necks a bad name.

In all seriousness, there are two things that my
colleagues there face, particularly those in rural
constituencies, some villages no longer exist.

It is about time that people
to reach hospitals, schools, jobcentres and the like. Because
of cost and accessibility, most rural households are
unemployed, who rely on public transport, struggle to
access education, healthcare, food shops and leisure
activities, especially in rural constituencies such as mine.

But the reality is that the elderly, the young and the
people there are less likely to be able to afford a car and
rely on public transport. Limited public transport results
in isolation and decline—in my
constituency, some villages no longer exist.

Wales lags behind the rest of the UK on nearly every
economic measure, and three rounds of EU structural funds have resulted in almost nothing in the way of
major transport infrastructure projects that could really
benefit the Welsh economy. However, I am grateful to
my right hon. Friend the Secretary of State for initiating
the electrification of the line to Swansea.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The
next two speakers may have one minute each.

Liz McInnes (Heywood and Middleton) (Lab): One
minute will be just enough to pay tribute to my hon.
Friend the Member for Oldham West and Royton (Jim
McMahon). I would like to thank him for a brilliant
maiden speech and to welcome him to the exclusive
group of by-election MPs. I also fully support any projects
relating to the Middleton spur.

Ministers say that passengers need to realise that they
are paying “fair fares for a comfortable commute”, but
none of us has to look far in our own constituencies to
find examples of rundown, overcrowded, overpriced
and infrequent services. In my constituency, there is
only one bus from Heywood to our major city, Manchester,
where many of my constituents work and study. At peak
times, the bus is overcrowded and the 12-mile journey
can take up to 1 hour and 40 minutes.

Passengers were always told that higher fares would
pay for improvements, but the link between fare rises
and investment has been broken. Just recently, the
Department for Transport made it clear that it wanted a
significant expansion of driver-only operation on our
trains, with no guard on board to assist passengers.
That is a really retrograde step for passenger safety. I
shall not take up any more time, but I would like to ask
the Government and the Department to reconsider
their decision on driver-only operation.

Corri Wilson (Ayr, Carrick and Cumnock) (SNP):
Transport is essential in providing people with access
to work, learning, healthcare, food shops and leisure
activities, especially in rural constituencies such as mine.
But the reality is that the elderly, the young and the
unemployed, who rely on public transport, struggle to
reach hospitals, schools, jobcentres and the like. Because
of cost and accessibility, most rural households are
dependent on cars, and because alternatives are limited
or non-existent, rural drivers are left doing more driving,
spending more on fuel and paying higher fuel costs.
Rising motoring costs will undermine the sustainability
of rural communities and lead to increased social exclusion,
with resulting decline in rural shops and services being
accelerated.

Cost has a great impact on public transport, but there
is a fundamental difference between mobility and
accessibility. Some rural areas are already suffering
from population decline, poverty and deprivation, and
people there are less likely to be able to afford a car and
rely on public transport. Limited public transport results
in an increase in isolation and further decline—in my
constituency, some villages no longer exist.
We have already discussed the Labour party being in power for 13 years and not addressing the issue mentioned in its motion today, but a change in the legislation would enable us in Scotland to ensure the delivery of a rail service with the maximum social and economic benefits that addresses our specific needs. Instead of attacking the Scottish Government for something they have absolutely no control over, perhaps Members on both sides of this House should be applauding them for what they have achieved, despite constant Westminster cuts. Better still, they should devolve these powers to Scotland and let us get on with it.

6.46 pm

Daniel Zeichner (Cambridge) (Lab): As we debate the cost of travel, thousands of our fellow citizens, in all our constituencies, are in buses, on trains or on roads, in cars or on bikes. The quality of our transport system makes a difference to each of their lives every day, which is why this debate matters. That was brought home to me on the first day of this year, when I was sitting on a train on the way to Ipswich to join Labour campaigners protesting about the ever-rising cost of rail fares. Across the aisle from me, a young woman who worked in a supermarket near Ipswich station was telling her friend, glumly, about the shock she got when she purchased her ticket that morning. It had cost an extra 60p, so it would be an extra three quid a week—£3 out of not much left over. There will have been similar stories on trains and buses up and down the country. For millions of our constituents, every penny counts, and in today’s debate we have not heard enough about the problems on buses, in particular.

Let me start by welcoming the first contribution made in this place by my hon. Friend the Member for Oldham West and Royton (Jim McMahon). Members have expressed their appreciation before for his revered predecessor, who has quite a successor. Like many colleagues, I enjoyed campaigning in my hon. Friend’s constituency in the autumn and noted that before coming to Parliament he had already made a powerful impact on the national scene through his inspirational work leading the local council. His powerful contribution today pointed out some of the very real contradictions and weaknesses in the Government’s devolution policies.

Despite the lack of time, we heard other excellent contributions today, including those from my hon. Friend the Member for Streatham (Mr Umunna), who outlined the very poor services from which his constituents are suffering at the moment, and from my hon. Friend the Member for Newport East (Jessica Morden), who talked about the challenges facing her constituents. What they all confirmed was what we already knew, which is that rail and bus fares have shot up since the Conservative party came to power. We all trade figures on these things, but the key one is the comparison between fares and wages: what it really costs people. The truth is that fares have risen three times faster than wages, and that is why it hurts.

There are, however, some who do not feel the pain. The Secretary of State clearly seems impervious to it. Several months ago, he said:

“More transport, better transport...Under our Conservative majority government it’s happening.”

Has he really forgotten about the broken election pledges to electrify key routes in the Midlands and the north just weeks after the ballot boxes had closed? Or do the Government say that this was just paused? Is it not interesting how Governments introduce new words into the political lexicon. The word “paused” sounds so innocuous but it could ultimately be this Government’s epitaph: a country on pause.

We now have a rail investment programme delayed by years; more than two thirds of councils cutting local bus services; and more than 2,400 local authority-supported bus routes cut or downgraded. We could go on a national tour of bus shelters where there are no buses—perhaps they are paused, too.

Mary Creagh (Wakefield) (Lab): My hon. Friend is making an excellent point. Will he comment on the introduction of a fare increase by stealth? People expect rail fares to go up once a year on the first day back in January, but we must not forget that, a year ago in September, this Government introduced an evening peak on Northern Rail, which hit part-time workers and students in particular and caused chaos in railway stations across the north.

Daniel Zeichner: Indeed, and my hon. Friend makes a very strong point.

When it comes to buses in particular, we know that the Conservative party always talks about local decisions. The truth is that, by slashing funding to local councils, the Government are passing the buck. It is no good Government Members complaining about problems with their services, as famously the Prime Minister did, when they just troop through the Lobby imposing cuts on local councils. They really must take some responsibility.

We on Labour’s Benches strongly believe in the principle of local communities having a say over their public transport, and we have long been committed to that, but what the Government are offering for bus services is a sham. They are giving localities power with one hand while taking funding away with the other. With a 37% reduction in central Government funding to English local authorities over the course of the previous Parliament, and a further reduction of 24% to come, local authorities have been left with little choice but to cut to the bone.

For Labour, the devolution agenda seems to be little more than a front for public transport funding cuts and fare increases. As Labour Members have observed before, this is not so much a northern powerhouse, as a northern power cut. Whatever the Government spin on being in for a penny, in for a pound, it is clear that the link between fare rises and investment has been broken.

When the Government’s bus service operators grant, which is effectively used to subsidise bus services, was cut by 20% after 2010, the Department for Transport warned that small towns, and particularly rural areas, would be worst affected. It certainly got that right—they were.

What needs to be done? The answer is this: not carry on as we are. It has been fascinating to watch the delicate U-turn being carried out in the DIT as it grasps that the Treasury has finally cottoned on to the fact that we are being taken for a ride by many of the bus operators. It is an irony, is it not, that the Government are now looking to pursue Labour’s policy of bus...
reregulation? In the past, they were totally opposed to such deregulation. In fact, in the previous Parliament, they directly punished those areas that attempted to pursue bus tendering.

At the election, we promised the biggest shake-up of the bus industry in years. How astonished the operators must have been to find that, after the election, it is now a Conservative Government who are looking to learn from the positive experience in London and apply it across the country. Some of us are just a bit sceptical about this conversion, but we eagerly await the forthcoming bus legislation, and hope to see within it genuine power for local people and local authorities to have real leverage over their local services. The case for reform is incontrovertible and urgent because the status quo just is not working. Private bus operators have abandoned bus routes and services that they found to be commercially unprofitable, leaving the most vulnerable in our society stranded.

We want to give communities genuine power to plan fares and timetables, and to reflect local needs. Although some bus operators have strongly resisted moves towards greater co-ordination, these powers are already in use in London and they are the norm in Europe. If it is good enough for London then it is good enough for the north-east, Greater Manchester, Sheffield, Cornwall, and any other area that wants them. The alternative of continuing to watch bus services uncontrollably deteriorate is no alternative at all. At the election, the Prime Minister made many promises that have not stood up to scrutiny. He promised older people that the free bus pass, introduced by Labour, would be maintained, but, as so often with this Prime Minister, it is important to read the small print. He kept the bus pass, but said nothing about keeping the bus. The number of concessionary passes has gone up, but the number of concessionary bus journeys has gone down. How useful is a bus pass without a bus? We need a better way.

6.53 pm

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): This is only the third Opposition day debate on transport since 2010. This Government are always keen to debate transport issues in the House, so let us hope that, like London buses, two will come along very soon.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) talked about the importance of aviation. We understand how important that is for remote communities, which is why, for example, we are supporting connections between London and Dundee and London and Newquay. He accused the Government of spending more time opposing the SNP than Labour, so I will move on to the next speaker.

My hon. Friend the Member for Redditch (Karen Lumley) explained how Government investment is delivering for her region and, in particular, the benefits for the Birmingham area from HS2 and the capacity it will deliver.

The hon. Member for Oldham West and Royton (Jim McMahon), in an excellent maiden speech, paid tribute to his predecessor. He has a track record of delivering locally, which I am sure had a lot to do with his by-election success. He talked about the courage and determination of Oldham folk, a quality shared on both sides of the Pennines, and I am sure that that his sons Jack and Harry will be very proud of their dad today.

My right hon. Friend the Member for Chelmsford (Sir Simon Burns) gave us a reality check about the bad old days of British Rail. If Opposition Members were paying attention, they might want to remove their rose-tinted spectacles. The hon. Member for Streatham (Mr Umunna) spoke for hard-pressed commuters and I bet that if he was leading his party today he would not be contemplating nationalising the railways.

My hon. Friend the Member for South Derbyshire (Heather Wheeler) welcomed HS2 and investment in the midland mainline. The hon. Member for Newport East (Jessica Morden) highlighted the cost to communities of the Severn crossing. There was a reference in an intervention during her speech to God’s own country, but I thought for a minute it was to God’s own county.

My hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) talked about Leeds, which, as we know, is the biggest European city to have no integrated transport system of its own.

The hon. Member for Rochdale (Simon Danczuk) talked about how we should link fare rises to inflation, but I point out that that means inflation plus zero, which the previous Government failed to do. Whichever measure we use, it is important to note that fares will rise more slowly under this Government than wages.

My hon. Friend the Member for Milton Keynes South (Iain Stewart), to whom I pay tribute for his work on the Transport Committee, asked a big question that the Opposition need to address, which is how they will pay for all their promises. They could not make that argument in 2015 and I suspect that they will fail again in 2020. He talked about the cost of fares, and the point is often made that fares in Europe are higher than fares here in Britain. I checked out what it would cost my children to return from university for Easter. My daughter, who lives in London, can travel one way from King's Cross to York for as little as £20 if she decides to depart at 7.08 in the morning, but as she is a student I suspect she will want to travel later. To arrive for lunchtime, she can pay £38 but she gets a discount of one third as she has a student railcard, so she can come to York for £25.10 on the east coast main line, run by Virgin. My son, who is travelling down from Newcastle, can do so for £6.90 or £9.40.

I am not sure whether, just before the election in 2010, the outgoing Chief Secretary to the Treasury was following a tradition or setting a precedent when he left the now-infamous note saying: “I’m afraid there is no money”.

How refreshingly honest. I thought I would follow suit and on my last day in the Department for Transport, as I packed up my personal effects before leaving to fight the election last year, having paid particular attention to the opinion polls, I concluded that a return to Great Minister House was unlikely, but hoped that my replacement would be cheered by a message. Here it is, in my hand. It reads: “There is money for infrastructure thanks to our long-term economic plan.” I am sure that that is one reason why we have had so few Opposition day debates on transport over the past five and a half years. Ours is a record of delivery compared with 13 years of disappointment under Labour.
[Mr Robert Goodwill]

The Secretary of State pointed out that electrification under Labour was carried out at less than a snail’s pace, less than 1 mile a year—or, to put it another way, Hornby delivered more electrified rail network in the time Labour was in government. The investment mentioned in my note is being delivered, with 4,000 new carriages, £38.5 billion to improve our railways, £15 billion for a proper multi-annual road investment strategy and £6 billion to address the pothole backlog we inherited. There is also, of course, high-speed rail to free up existing rail capacity for passengers and freight, shrinking the size of our country, running to Manchester and Scotland from day one. Indeed, HS2 will run to Glasgow from day one; Scottish crews will be mining trains in Glasgow from day one.

When I go to Brussels, I realise that it is our franchising model that countries such as Italy and Spain want to emulate, and British train companies are winning franchises from day one. Indeed, HS2 will run to Glasgow from day one. Of our country, running to Manchester and Scotland from day one.

Dame Rosie Winterton (Doncaster Central) (Lab) claimed to move the closure (Standing Order No. 36).

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put.

The House divided: Ayes 213, Noes 305.

Division No. 167

AYES

Abbott, Ms Diane  
Abrahams, Debbie  
Alexander, Heidi  
Ali, Rushanara  
Anderson, Mr David  
Ashworth, Jonathan  
Austin, Ian  
Bailey, Mr Adrian  
Barron, rh Kevin  
Beckett, rh Margaret  
Benn, rh Hilary  
Berger, Luciana  
Bennett, Ms Anne  
Blackman-Woods, Dr Roberta  
Blenkinsop, Tom  
Blomfield, Paul  
Bradshaw, rh Mr Ben  
Brennan, Kevin  
Brown, Lyn  
Bryant, Chris  
Buck, Ms Karen  
Burden, Richard  
Burgon, Richard  
Byrne, rh Liam  
Cadbury, Ruth  
Campbell, rh Mr Alan  
Campbell, Mr Ronnie  
Chapman, Jenny  
Coaker, Vernon  
Coffey, Ann  
Cooper, rh Yvette  
Corbyn, rh Jeremy  
Cox, Jo  
Fovargue, Yvonne  
Gardiner, Barry  
Glass, Pat  
Glindon, Mary  
Godsiff, Mr Roger  
Goodman, Helen  
Green, Kate  
Greenwood, Lilian  
Greenwood, Margaret  
Griffith, Nia  
Gwynne, Andrew  
Haigh, Louise  
Hamilton, Fabian  
Hanson, rh Mr David  
Harman, rh Ms Harriet  
Harpham, Harry  
Harris, Carolyn  
Hayes, Helen  
Hayman, Sue  
Healey, rh John  
Hendrick, Mr Mark  
Heppburn, Mr Stephen  
Heron, Lady  
Hillier, Meg  
Hodge, rh Dame Margaret  
Hodgson, Mrs Sharon  
Hoey, Kate  
Hollern, Kate  
Hopkins, Kelvin  
Howarth, rh Mr George  
Hunt, Tristram  
Hou, Dr Rupa  
Hussain, Imran  
Jarvis, Dan  
Johnson, rh Alan  
Johnson, Diana  
Jones, Gerald  
Jones, Graham  
Jones, Helen  
Jones, Mr Kevan  
Jones, Susan Elan  
Kane, Mike  
Kaufman, rh Sir Gerald  
Keeley, Barbara  
Kendall, Liz  
Kinnock, Stephen  
Kyle, Peter  
Lammy, rh Mr David  
Leslie, Chris  
Lewell-Buck, Mrs Emma  
Lewis, Clive  
Lewis, Mr Ivan  
Long Bailey, Rebecca  
Lucas, Caroline  
Lucas, Ian C.  
Mactaggart, rh Fiona  
Madders, Justin  
Mahmood, Mr Khalid  
Mahmood, Shabana  
Malhotra, Seema  
Mann, John  
Marris, Rob  
Marsden, Mr Gordon  
Maskell, Rachael  
Matheson, Christian  
McCabe, Steve  
McCarthy, Kerry  
McDonagh, Siobhain  
McDonald, Andy  
McDonnell, Dr Alasdair  
McFadden, rh Mr Pat  
McGinn, Conor  
McGovern, Alison  
McInnes, Liz  
McKinnell, Catherine  
McMahon, Jim  
Meale, Sir Alan  
Mears, Ian  
Miliband, rh Edward  
Moor, Mrs Madeleine  
Morden, Jessica  
Morris, Grahame M.  
Murray, Ian  
Onn, Melanie  
Onwurah, Chi  
Osamor, Kate  
Owen, Albert  
Pearce, Teresa  
Pennycook, Matthew  
Perkins, Toby  
Phillips, Jess  
Pound, Stephen  
Powell, Lucy  
Qureshi, Yasmin  
Rayner, Angela  
Reed, Mr Jamie  
Reed, Mr Steve  
Rees, Christina  
Reeves, Rachel  
Reynolds, Emma  
Reynolds, Jonathan  
Rimmer, Marie  
Ritchie, Ms Margaret  
Robinson, Mr Geoffrey  
Rotheram, Steve  
Fry, rh Joan  
Sawville Roberts, Liz  
Sharma, Mr Virendra  
Sheerman, Mr Barry  
Sherriff, Paula  
Shuker, Mr Gavin  
Siddiq, Tulip  
Skinner, Mr Dennis  
Slaughter, Andy  
Smeeth, Ruth  
Smith, rh Mr Andrew  
Smith, Angela  
Smith, Cat  
Smith, Jeff  
Smith, Nick  
Smith, Owen  
Smyth, Karin  
Spellar, rh Mr John  
Stammer, Keir  
Stevens, Jo  
Streeting, Wes  
Stringer, Graham  
Stuart, rh Ms Gisela  
Tami, Mark  
Thomas-Symonds, Nick  
Thornberry, Emily  
Timms, rh Stephen  
Trickett, Jon  
Turley, Anna  
Turner, Karl  
Twigg, Stephen  
Umunna, Mr Chuka  
Vaz, rh Keith  
Vaz, Valerie  
Watson, Mr Tom  
West, Catherine  
Wilson, Phil  
Winnick, Mr David  
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Holly Lynch and
Vicky Foxcroft

NOES

Davies, rh Mr David
denisage, Caroline
djaglow, Mr Jonathan
dodds, rh Mr Nigel
donaldson, rh Mr Jeffrey M.
donelan, Michelle
double, Steve
dowden, Oliver
doyle-price, Jackie
drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, Mr Iain
dunne, Mr Philip
elliott, Tom
eUis, Michael
eUisson, Jane
Ellwood, Mr Tobias
elphicke, Charlie
eustice, George
Evans, Graham
Evennett, Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
gale, Sir Roger
garnier, rh Sir Edward
garnier, Mark
Gauge, Mr David
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Gummer, Ben
Gyimah, Mr Sam
Hafon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Dr
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkins, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinaan, Danny
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Merrick, Johnny
Merriman, Huw
Metcalf, Stephen
Miller, rh Mrs Maria
Millington, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillis, Stephen
Philp, Chris
Pickle, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Purseglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Roberts, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
 Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Question accordingly negatived.

Business without Debate

DELEGATED LEGISLATION (COMMITTEES)

Mr Deputy Speaker (Mr Lindsay Hoyle): With the leave of the House, we will take motions 3 and 4 together.

Ordered,

That the Measure passed by the General Synod of the Church of England, entitled Safeguarding and Clergy Discipline Measure (HC 722), be referred to a Delegated Legislation Committee.

That the Measure passed by the General Synod of the Church of England, entitled Diocesan Stipends Fund (Amendment) Measure (HC 723), be referred to a Delegated Legislation Committee.—(Charlie Elphicke.)

Post-SSI Support Package: Redcar

Motion made, and Question proposed, That this House do now adjourn.—(Charlie Elphicke.)

7.14 pm

Anna Turley (Redcar) (Lab/Co-op): As has been well documented in this House and in the national media, my constituency has been through one of the toughest times in its existence. I could debate all day with the Minister about what more I believe the Government could have done to save the Redcar coke ovens and blast furnace. I also have many outstanding questions on the future of the site and who will be paying for it. But I want to make the people who have borne the brunt of the tragedy the topic of this debate.

Some 2,200 men and women lost their jobs directly when SSI went into liquidation. Twenty-six supply chain businesses were also affected, with a further 954 redundancies. As is the case after such a calamitous economic shock, numbers continue to increase as local businesses, shops, childminders, decorators, hairdressers and many others are affected by the money being taken out of the local economy. Each of these is a tragedy. Each of these is a life that needs to be picked up, a mortgage that needs to be paid, a Christmas that had to be got through. Redcar and Cleveland Mind has had a 91% increase in mental health referrals in the past year, and we know that January and February are hard at the best of times. I therefore thought it important to stop at this point and to take stock of where we are and what is happening.

Andy McDonald (Middlesbrough) (Lab): Does my hon. Friend agree that the collapse of SSI has had massive ramifications right across Teesside, so any response that the Government may give, including Lord Heseltine’s review, has to deliver immediate and targeted support to ensure that all our constituents who are so affected have the employment opportunities that they, and our communities, deserve?

Anna Turley: My hon. Friend is absolutely right. The scale of this has been absolutely devastating, not just for those who were directly employed, but, as I said, in the knock-on repercussions for our community.

This debate is about trying to learn lessons from the support package that has been put in place—lessons at local level and, indeed, national level. It aims to look at how the £50 million support package from the Government is being applied, what is working and what is not, and what lessons can be learned, particularly as we see other steelmaking areas in the country now facing the same tragedy as us.

Out of the tragedy has come some positive learning. The steel taskforce has been an important creation to enable multi-agency co-operation from the start. Weekly meetings have allowed local partners from the Department for Work and Pensions, the local authority, BIS, the unions, the local enterprise partnership, the local media, elected politicians and others to clarify communications processes and to get to the root of the issues and concerns. I believe that every region should consider putting together a committee of this kind that could be called on in the event of a catastrophe similar to that which we saw last year. Indeed, areas with similar high
levels of unemployment may want to consider organising such partnerships as a standard procedure to tackle the challenges they face in employment and skills.

It has also been encouraging that national and local agencies have worked together in a way that departmental silos and local versus national boundaries all too often prevent. The National Careers Service has provided guidance and advice. The Skills Funding Agency has acted to remove barriers and increase the flexible use of its funding for SSI workers. Jobcentre Plus has worked closely alongside the DWP and BIS, allowing rapid response processes to be put in place and creating an efficient system for passing on referrals. FE Plus, a group of colleges in Teesside, has forged a close working relationship with private training providers, allowing referrals to be passed from public sector providers to private sector education providers with specialist provision.

This experience has highlighted the complex and bureaucratic nature of skills funding and provision, but it has also clearly indicated that after an initial period of shock, enabling agencies to work together at regional level has allowed many of the usual barriers to be overcome, helped particularly by the benefit of a clear decision-making body in the form of the taskforce.

Jim Shannon (Strangford) (DUP): We sometimes overlook one important issue. This is not just about jobs; it is about the financial, emotional and physical impact on families as they wonder how they are going to pay their bills and mortgages. Does the hon. Lady think that the Government should provide help for people to get through this hard time and make sure that they can cope at a time of stress?

Anna Turley: My hon. Friend makes an extremely important point. I have met a number of contractors, many of whom have service of over 30 years in the steel industry, having worked in catering and on the site itself. They have all provided as much value to the steel industry as others, and they deserve equal treatment. I will go on to talk about one of the successful experiences that we have had. Again, I hope that lessons can be learned to make sure that there is not a two-tier system for contractors and the full-time employed.

Anna Turley: The hon. Gentleman is absolutely right. We pushed for the Government funding to go towards crisis loans and crisis management, and the taskforce has been excellent at putting in place support for mortgage payments and transport issues and for ensuring that people can pay their bills. I want to make sure that that is replicated when addressing the problems in Port Talbot and elsewhere and that they learn from our experience in Redcar. That is not to diminish, however, the devastating consequences of what has happened. There were huge challenges over Christmas. Many people got through Christmas and provided for their families, but, looking ahead, we have to press on and give them the long-term help and support they need to get back into work. The hon. Gentleman makes an extremely important point.

One of the most important factors in the response has been the flexibility of the funding available through the support package. It ensured that people were not limited in the courses to which they had access, as would usually be the case, and that specialist and professional training ordinarily paid for by employers was now funded by Government for these priority workers. That flexibility was coupled with the relaxation of certain rules, such as the Jobcentre Plus 16-hour limit for training or education, and the fact that applicants were not restricted to just one course or to those that were relevant only to previous employment or experience, which was an issue at the beginning of the process. Such barriers would have got in the way of accessing opportunities. The DWP and BIS should look at that at a national level in order to widen access and opportunity to all.

Jobcentre Plus organised rapid response sessions just three days after liquidation, and it saw more than 2,000 people in the course of just a few weeks. It then worked with the National Careers Service to organise the subsequent individual one-to-one skills sessions, which have helped to inform training needs.

There has also been an unprecedented level of contact between colleges in my area and employers, with further education providers in my constituency contacting more than 2,500 separate companies directly. That has ensured that employers were made aware of the funding and training that local colleges had available to fill vacancies that the businesses were advertising. There have been three jobs fairs, one which took place just two weeks after the announcement, and we understand that they have filled about 200 vacancies, although the Minister may have some more up-to-date statistics.

There are also plans to engage more large-scale companies locally, particularly those that may be six months to a year away from starting up, to ensure that we shift the focus from immediate recruitment to creating bespoke training packages so that people can get the skills they need down the line, when those companies come on board and invest in our area. I want to take this opportunity to thank the countless local businesses that have got on board quickly and been extremely helpful and forthcoming in the support they have provided to those workers and apprentices affected.

Despite positive collaboration and partnership at local level, however, the success of a venture such as this can only truly be measured by the experience of those who are on the receiving end of the support. I want to set out some of the challenges we have faced so that the lessons can be taken up by Government. At an early taskforce meeting, it transpired that no agency or individual had a full and comprehensive list of all those who had been affected by the closure of SSI. The taskforce had to re-collect information on names, addresses, skill sets and qualifications. We need to ensure that data sharing is seen as an early priority in the unfortunate event of another area being affected. We also need accurate and longitudinal information on who has accessed help and support, who is in work and where that work is located geographically.
There were also well-documented problems with accessing the central Government money announced by Ministers. It took hard work from the chair of the local taskforce to convince risk-averse Whitehall mandarins that support for apprentices and the use of the funding to incentivise recruitment did not constitute state aid. I hope that BIS has learned to be more ambitious in the way it supports enterprise than this episode has demonstrated.

Unfortunately, there have also been widespread delays in accessing training, as some of the agencies involved struggled to deal with the massively increased demand. Further education funding has been reduced by 14% in the past five years. Although the £3 million available to local Teesside colleges for courses is excellent, the challenges in upscaling rapidly to cope with the levels of demand have led to delays for those accessing courses.

For example, a constituent of mine with 31 years’ experience in the steelworks applied for training no less than three months ago. Since then, he has been passed from agency to agency and is now on the verge of missing the deadline for the next wave of training courses in February. I have received many similar concerns about delays to accessing training. I have even had cases where ex-SSI workers have been forced to attend existing college courses with 16 to 18-year-old students, which is disruptive for all parties involved. Others are on courses between the hours of 9 am and 5 pm, but have been told that they must attend the jobcentre during those hours. Of course, the organisation and administrative challenges that come with dealing with thousands of requests after years of cutbacks is huge, but the human impact of such delays is tragic.

Unfortunately, despite the good work done by many jobcentre staff, numerous constituents have contacted me to raise the dehumanising treatment they have received in jobcentres. Many of these workers have never been out of work, and for many of them, as for so many in my constituency, the experience of being on the dole is horrendous. For example, we were assured originally that ex-SSI employees who claimed jobseeker’s allowance would be afforded a 13-week period of grace, which is a mechanism available to all job coaches to allow individuals with extensive experience in a particular field to have some time to focus on applying for jobs in that sector. However, my constituents—I stress, not exclusively those affected by SSI—have been threatened with sanctions if they do not apply for work in bars or retail as early as two weeks into their claim. Many right hon. and hon. Members have spoken about widespread problems in Jobcentre Plus. The issues about sanctions must be addressed. Sanctions should not be used as a mechanism to force claimants to apply for jobs that are not relevant in this instance; such jobs should be a last resort.

Another challenge we face is the confusions on pensions. Ex-SSI employees were left shellshocked to find that the money leaving their monthly pay packets had not in fact ended up in a pension fund. I am now pleased to say that the continued dialogue between the official receiver and the Community trade union has ensured that there is continued communication and that problems on the site are worked through. I want to commend the Community union for all it has done to support its members at this difficult time.

One of the other challenges we face is dealing with the fact that a number of other companies on Teesside have made workers redundant, including Boulby Potash and Air Products, since the SSI announcement. As a result, an initiative to help people find work following the closure of SSI is being rolled out across the Tees valley. This resource hub brings together a number of agencies to provide advice and support to anyone who has been made redundant or who is out of work. Advice will be available on a wide range of topics, including CV writing, new career opportunities, interview techniques, trade union representation and money management. That is exactly the kind of learning that I want tonight’s debate to share more widely.

Another achievement has been the Insolvency Service’s decision to grant employee status to agency workers, as my hon. Friend the Member for Stockton North (Alex Cunningham) mentioned. We fought to ensure that the 29 workers from Jo Hand Recruitment were in full receipt of their statutory redundancy pay, holiday pay and notice pay. I just wonder how many more of these injustices are happening around the country outside the SSI spotlight.

In conclusion, we are only three months in and we still have a mountain to climb. Many people have not had the help and support they require. Our challenge is to find them and to ensure that they get the support they need to rebuild their lives. Ultimately, the challenge of bringing jobs and economic regeneration to our area is a long-term one, but given the kind of resilience and determination that has been shown in Teesside during the past few months, the challenges are not insurmountable. With the right help and flexibility from Departments and with the devolution of power and funding to local stakeholders, I see no reason why we cannot overcome this tragedy and build a bright future for our town. We know our challenges, and we are showing we can find solutions. I sincerely hope the Government will support us.

7.28 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I congratulate the hon. Member for Redcar (Anna Turley) on securing this debate, and on placing on public record—this does not have anything to do with party politics—that undoubtedly, throughout this wholly unfortunate and sorry episode, she has always fought hard for her constituents, which she will of course continue to do. Obviously, we do not agree politically at all, but we do agree on the huge resilience and the remarkable achievements we can already see, notwithstanding the terrible closure of SSI. We are agreed about the remarkable people she represents and all that has been achieved, although there is of course an awful lot more to do.

The hon. Lady makes a very good point. In such difficult times, with the closure of a very important industry that employs a lot of people in an area where not many people live—in other words, the industry has a huge impact on the local community—or with a large number of redundancies, as we saw yesterday with the
Anna Soubry: I do not have time to deal with all those points because I want to respond to the specific points that were made by the hon. Member for Redcar, but there are lessons to be learned. It behoves any community, in the event of serious job losses, to act quickly and pull it all together. Many communities do so and that was critical in Redcar.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): First, this situation is unlike the mothballing scenario in 2010, when I was a union officer on site, because there was not a single hard redundancy in the 22-month period. Now, there is a liquidation scenario and we have seen many hard redundancies. Secondly, I have written to the Minister about extending the remit of the taskforce to encompass the whole Tees conurbation and to help other workers who lose their jobs, such as those at Caparo, Tata and Boulby in my constituency. Thirdly, this will happen and that it is good to make contingency plans for the worst-case scenario.

When I went to Redcar just before it closed, a good structure was already in place. There was a good local enterprise partnership, and there were good relationships between the local council, under the outstanding leadership of its chief executive, Amanda Skelton, and local businesses, with the involvement of Paul Booth, the excellent chair of the LEP. Sadly, the community had been through it all before and this was not new territory. Because the community had experienced the mothballing by Tata, it had been through a similar experience and was prepared for the worst. There was a lot of realism and reasonableness, notably from the union leaders. I pay tribute to them, as did the hon. Lady. When the dreadful moment came, they could put things together very quickly. I remember the first meeting of the taskforce, when the spirit of togetherness was obvious. They knew what they were doing; they just needed to get on with dealing with the money.

Alex Cunningham: The Minister clearly recognises the tremendous job that has been done on Teesside by so many people, including the local authorities. She will also be aware that yesterday’s announcement affects my neighbouring constituency of Hartlepool, where 100 jobs will be lost. Has she given any consideration to what will happen to those workers, particularly in relation to the excellent package that is available for SSI workers?

Anna Soubry: I am not aware of anything in particular in respect of the redundancies in Hartlepool, but if the hon. Gentleman and those in the neighbouring community want to put forward a case, I am always willing to listen.

I pay tribute to the hon. Members for Redcar and Middlesbrough South and East Cleveland (Tom Blenkinsop), and other hon. Members, for the way in which they have worked with the taskforce. I have paid tribute to Amanda Skelton and Paul Booth for the way in which they formed the taskforce almost before the dreadful news came on that Friday. As the hon. Gentleman said, at least 2,000 people were immediately put into redundancy, with all the consequences that that has for the supply chain, and many hundreds of them had not been paid for a considerable period. One reason why the taskforce was successful was that there were already good relationships between business, the council, Members of Parliament and all the other people one would expect to be there.

As a Government, we quickly put forward a financial package. In effect, there was £60 million. There was a headline figure of £80 million, but just under £30 million of that was used for redundancies, so the money that could be put into helping people get into work was in the region of £50 million. I want to put it on the record that there was a £2.4 million safety net fund and that £1.7 million was eventually made available for apprentices. It took a bit of a fight, but we got there. There was £3 million for retraining courses, £750,000 for a flexible support fund, £750,000 for business start-ups, a jobs and skills fund of £16.5 million, and £16 million of support for firms in the supply chain and the wider Tees valley area. There were also redundancy payments.

The hon. Lady is right to say that there is often a big problem in Whitehall. We said to those people, “We trust you to work out where the money needs to go.” However, the situation was, frankly, maddening and infuriating, and I only found out about it after she sent me a text. I do things differently, Mr Deputy Speaker. I give people my mobile phone number and say, “You contact me. You text me”, and they do! In a way it should not be like that, but it is good—we can exchange numbers later in private, Mr Deputy Speaker. The reason I do that is because of the situation that we found at Redcar. We had a group of people in the taskforce whom we trusted, and I pay tribute to all of them. They are not paid to do that, and they have worked incredibly hard. Amanda Skelton is paid to be the chief executive of the council, but she has worked like an absolute trooper and well beyond the hours for which she is paid—astonishing!

We trusted those people to put together a package and to have the funds, but we then had to go through the most bizarre set of hoops and all the rest of it, because they had to show that the package was value for money. As I put it to my otherwise excellent civil servants, this is a chief executive of a unitary authority who, on a daily basis, deals with large amounts of money and a huge budget. She is more than capable of looking at value for money, because unfortunately she has had to make lots of cuts, to reorganise and so on. In other words, I cannot think of many people who are more qualified to decide where the money should go, and who also have the responsibility to safeguard what is taxpayers’ money, but instead a system had to be followed—and Governments, of whichever colour, are blighted by too many systems and processes. We say that we will trust people, but too often we do not. However, we cut through that system—the instruction I always give is, “Get on with it. Trust these people and give them the money so that they can get on with it.”
There is no better example of the determination of those people involved in the taskforce—and beyond in the community—to do the right thing by all those who were made redundant at Redcar than what happened with the apprentices. There were 51 apprentices at SSI, and those jobs finished on that Friday. Some of those youngsters were on three-year apprenticeships, and it had all gone. This is a lot of money to ordinary folk, but we were talking about £1.7 million. It was astonishing. People such as Paul Booth went out there and found a place for every single one of those 51 apprentices within a week. That speaks volumes about their abilities, and about the reaction from the community and businesses. We then had to get the money—bit of a nightmare—but we got it, and all 51 apprentices can continue their apprenticeships.

Anna Turley: The right hon. Lady is right about the apprentices, but there were a few weeks between them losing their jobs and being reappointed. One apprentice came to my surgery and told me that he had been to Jobcentre Plus. Despite having done two and a half years of his engineering apprenticeship, he was told that he should get a job in a bar. It comes back to the point I made earlier: there are issues with the DWP’s systems, and that is one of the main points that I wanted to raise.

Anna Soubry: Again, that is a good point extremely well made. Such things are not acceptable. Of course I pay full credit to Jobcentre Plus. I know that Ministers stand here and say, “The taskforce has gone whizzing in.” From my experience in Nottinghamshire, when Thoresby colliery closed down, the taskforce went in and it all sounded great, marvellous and wonderful. In a way, it was great and marvellous. A lot of people put a lot of effort in. What matters, however, is the advice that somebody then receives.

There was another problem that the hon. Lady will remember: people being told that they could not sign up to HGV courses. The workforce in our steelworks is almost exclusively highly skilled. It is absolutely obvious that somebody who has been working in a place like SSI at Redcar may well want to change, enhance or add to their skills by training to be an HGV driver. What did we discover? That they could not have any money to do that. The stuff of madness! After a text from the hon. Lady, we got that one sorted out.

We then had some problems in making sure that the money was delivered to the colleges. When, unfortunately, 800 jobs were going in Scunthorpe, we put £9 million in because we had learnt from the experience in Redcar. That was replicated when Labour Members came to see me about the situation in Rotherham. They made a very good argument for a package of support. One of the things the Skills Minister and I did—by way of text, if I may say so again, Mr Deputy Speaker; it got the job done—was to release the money literally within 24 hours. No disrespect to our great civil servants, but we cut all the corners and cut out all the nonsense. The Minister gave a direction and said, “Get that skills money sorted out, so they can have it in Rotherham,” and we did the same in Scunthorpe. That was because of the lessons we learned from our experience in Redcar. However, the hon. Lady is right that there is more we can learn.

I think there is some good news. Over 400 former SSI workers have not yet made any benefit claim to date. We do not know why. I am hoping it is because they have got jobs, not because they have dropped out of the system.

The hon. Lady is also right about data. We always have to have people’s permission before we can share data. Nearly 700 former SSI supply chain workers are no longer claiming benefit. We hope that the majority are either in full-time work or in training. Some 166 people were employed as a direct result of the first jobs fair, which was held, as she said, very quickly in October. Nearly 900 people attended the second jobs and skills fair at the end of November at the Riverside Stadium, where more than 700 immediate vacancies were on offer.

I want to pay tribute to the noble Lord Heseltine. I know he can often be a controversial figure, but he is an astonishing person. He has the ability to bring all the people and all the organisations together. He has vision and drive. It was my idea, if there is anybody to blame—although I do not think anybody should be blamed, because he has been absolutely the right person for this. He has gone up there, and he has a vision and is knitting things together. I hope that in a short period of time we will be in a position to announce more about the future of the works at SSI and what we can do there.

I want to put it on record that 2,000 rapid response sessions have now been delivered, 2,969 people have received advice and help from the support hub, and 5,200 calls were made to the Jobcentre Plus helpline.

Anna Turley: Tonight has been about the people, but the site is extremely important too. I hope Lord Heseltine will not make any announcements without discussing with local people what they would like to see from that site, which is so important to the local economy and for local jobs.

Anna Soubry: Absolutely. One of the great joys of Lord Heseltine is that he is able to work with people. He brings people together. As I say, he has the right connections and the right vision.

It is great to have had this debate. There are lessons to be learned. We have already learned some of them. However, the ideal position to be in is never to have to set up a taskforce or to give out these sums of money in the first place. We do not want to see the redundancies that we saw in Redcar.

7.44 pm

House adjourned without Question put (Standing Order No. 9(7)).
The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): Last week, the Secretary of State and I met the Executive parties to review the implementation of the Stormont House and fresh start agreements, and the economic pact. Commitments include devolving corporation tax and rate-setting powers, if sustainable Executive finances are secured. This has the potential to have a truly transformational impact on the local economy.

Jake Berry: I congratulate the ministerial team and the Department on their success in the creation of the economic pact, which has such a direct impact on Northern Ireland. What further steps can be taken to ensure that the Executive remain focused on how they can deliver those objectives?

Mr Wallace: The best thing we can do is to celebrate the fact that, under the recent spending review, the Chancellor put in place measures to see a 12% rise in real-terms funding for capital projects by 2021. That is good news for Northern Ireland, and I certainly pay tribute to colleagues on the Executive, to maintain it. We should also point out that if we had frozen funding at 2015-16 levels. That is good if we had frozen funding at 2015-16 levels. That will mean over £600 million more will be available than real-terms funding for capital projects by 2021. That is good news, and I certainly pay tribute to colleagues on the Executive, to maintain it. We should also point out that if we had frozen funding at 2015-16 levels. That will mean over £600 million more will be available than real-terms funding for capital projects by 2021. That is good news, and I certainly pay tribute to colleagues on the Executive, to maintain it.

Mr Wallace: I am struck by how much effort Northern Ireland has made in trying to secure becoming the new home of golf. The marketing and promotion of golf courses in Northern Ireland is a real strength. [Interruption.] I know Scottish nationalists are so insecure about everything that they may take issue with that, but what is good for Northern Ireland and golf is also good for golf in Scotland. It will go from strength to strength. Major sporting events, whether horse-racing or golf, bring in real money in today’s economy.

Mr Wallace: I and my right hon. Friend the Secretary of State are determined to maintain air links. For example, when British Airways purchased Aer Lingus, we both had conversations with it over the past few months to ensure there was no degrading of the service provided to people at both main airports in Northern Ireland. We will work very hard, in partnership with the Executive, to maintain it. We should also point out that today’s economic figures for Northern Ireland are tremendously successful. It is the eighth successive month of growth, according to the Ulster bank purchase managers’ index. Over the year, the claimant count is down by 11,000 in Northern Ireland, a fall of 22.1%, outstripping the rest of the United Kingdom.

Mr Dodds: I join the Minister in welcoming that news, and I certainly pay tribute to colleagues on the Northern Ireland Executive for their excellent work on the economy and the new First Minister’s commitment to making economic growth her first priority.

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Mr Wallace: My right hon. Friend the Secretary of State has spoken to the Chancellor, who I think is considering the matter as we speak. I fully support the initiative. As a Lancashire MP, I certainly know the importance of our links with the west, including the Isle of Man and Belfast, via the ferry at Heysham, for example. I think we can both work to our mutual advantage on the northern powerhouse.

Deidre Brock (Edinburgh North and Leith) (SNP): Further to the question from the hon. Member for South Down (Ms Ritchie) about EU membership, would the Minister care to comment on a study by an Irish think-tank last year that said:

“Estimates...suggest that a Brexit could reduce bilateral trade flows between Ireland and the UK by 20 per cent.”

and that

“the expected impact of Brexit is likely to be more significant for Northern Irish exporters to Ireland”?

Mr Wallace: The hon. Lady asks if I would like to comment. The answer is no.

Vernon Coaker (Gedling) (Lab): The Minister will know that there is very real concern in Northern Ireland about the impact of withdrawal from the EU on trade, investment and funding for various projects, as other Members have already mentioned. An Economic and Social Research Institute report at the end of 2015 said that a Brexit would have “very serious consequences” for the Northern Ireland economy. Has he discussed this matter with the Northern Ireland Executive?

Mr Wallace: Obviously I have regular discussions with Ministers in the Executive and the south of Ireland. Of course, an economic free zone in the EU, which we are part of, is important to our trade, not only for England but in Northern Ireland. The ability of the 34,000 businesses in Northern Ireland to trade without barriers across the border to the south is very important to its economy. That is why the Prime Minister wants Britain to remain in a reformed EU. The first thing we can do is wait to see what those reforms are.

Vernon Coaker: Notwithstanding that, the Minister will know there are very serious concerns in Northern Ireland about a possible Brexit, particularly because it is the only part of the UK with a land border with another EU country. Will he reassure the Executive and the people of Northern Ireland on this matter, in view of the mixed messages on Brexit emanating from the ministerial team? In particular, I am talking about his views, as opposed to the Secretary of State’s.

Mr Wallace: There is no mixed message. Both I and my right hon. Friend are keen for the EU to produce some reforms, as is the Prime Minister in his strategy. Perhaps the hon. Gentleman knows—perhaps he has a special hotline—what reforms the EU will agree. When those reforms are presented to the House, we will be able to make a decision. For my part, I believe that in the past membership of the EU has been good for Northern Ireland.

Legacy Issues

2. Caroline Ansell (Eastbourne) (Con): What steps the Government are taking to deal with the legacy of Northern Ireland’s past.

The Secretary of State for Northern Ireland (Mrs Theresa Villiers): The cross-party talks in 2014 and 2015 have brought us closer than ever to a consensus on the best way to deal with the legacy of Northern Ireland’s past. I will work with the Northern Ireland parties, representatives of victims and survivors and the Irish Government to try to build the support needed to enable legislation to be brought forward to establish the bodies envisaged in the Stormont House agreement.

Caroline Ansell: Former Eastbourne MP Ian Gow, who was murdered by the Provisional IRA, was remembered last year at a public speaking competition organised in my constituency to remember and celebrate his life and legacy, his courage and his conviction. What steps is my right hon. Friend taking with schools in Northern Ireland to deal with the legacy of the past and bring about change in community relations?

Mrs Villiers: My hon. Friend’s predecessor was a great parliamentarian, and I am sure the whole House will join her in thinking sadly of the atrocity that led to his death. The UK Government strongly support the programmes in Northern Ireland designed to build a shared society, many of which impact on schools and colleges. As a way of addressing the remaining difficulties, it is vital that we do all we can to break down past divisions so that sectarianism becomes entirely a thing of the past in Northern Ireland.

Mr Jeffrey M. Donaldson (Lagan Valley) (DUP): The Secretary of State will be aware that, sadly, there was no agreement on how to move the legacy issue forward, but money has been set aside, particularly for the proposed historical investigations unit. We have 3,000 unsolved murders in Northern Ireland. Will the Secretary of State at least make some of that extra resource available to the PSNI’s legacy unit to enable it to re-examine some of the pressing cases? People are getting older and they deserve justice.

Mrs Villiers: As the right hon. Gentleman points out, the UK Government have committed significant sums to support dealing with the legacy of the past as we have in relation to shared society projects, to which I referred earlier. Our starting point is that the £150 million for bodies to deal with the past is intended for new bodies such as the historical investigations unit or the Independent Commission on Information Retrieval, but we remain open to a dialogue with the Executive on whether it would be possible to use any of those moneys in advance of those new bodies being set up. It is vital that they are set up.

Sir Gerald Howarth (Aldershot) (Con): Will my right hon. Friend update us on what is happening to Soldier J and other former soldiers who were involved in the events in Londonderry on 30 January 1972, and tell us whether they continue to face prosecution? Let me impress it on my right hon. Friend that this is not simply a matter for the judicial authorities; it is a matter
for her, and it is a matter of public policy for it is contrary to the interests of natural justice that men who have served their country should still, 44 years on, be facing possible prosecution.

_Mrs Villiers_: I fully appreciate my hon. Friend’s grave concerns about this case. He will appreciate, however, that matters relating to police investigations and prosecutions are taken independently of Government and independently of politicians. My understanding is that that investigation continues.

_Several hon. Members_: What about the Secretary of State’s earlier answer, I have to say that it is all very well—I do not for a minute doubt her good intentions; nor would any other Member—but when will we actually hear some dates and some details? When will the legislation she mentions be brought to the Floor of the House, particularly in respect of those aspects of fresh start where there is agreement? How long must the victims continue to wait?

_Mrs Villiers_: We hope to bring forward legislation fairly soon on those aspects of the fresh start and Stormont House agreements that have been agreed. The timing is less certain in respect of the legacy bodies because we were not able to build the consensus necessary for legislation. We did, however, close the gap on many issues. A key issue still to resolve is how the veto relating to national security will operate. I am determined to work with all sides to find a way forward. We have to protect our national security interests, but we will do all we can to ensure that that veto is exercised fairly in all circumstances.

_Mark Durkan_ (Foyle) (SDLP): As well as asking the Secretary of State to recalibrate her fixation on the national security issues, may I also ask her to consider using the current delay at least to allow for qualitative pre-legislative scrutiny of what will be sensitive legislation when it comes forward?

_Mrs Villiers_: It is important to use this period constructively to engage with victims groups in particular. I had very useful discussions with the Victims’ Commissioner and with the Victims and Survivors Forum. We will consider in due course whether publication of documentation is appropriate. It is vital that we press ahead and build consensus to get these bodies set up and running.

_Corporation Tax_

3. _Seema Kennedy_ (South Ribble) (Con): What progress has been made on implementation of the proposed reduction in corporation tax in Northern Ireland.

_Mrs Villiers_: I fully agree that the devolution of corporation tax to Northern Ireland provides huge opportunities to attract new business and inward investment and to boost the economy. My hon. Friend is right, however, that it needs to be accompanied by broader economic reform, such as a focus on skills, universities and infrastructure.

_Sammy Wilson_ (East Antrim) (DUP): While the devolution of corporation tax will be important in growing the Northern Ireland economy, does the Secretary of State agree that a vote to leave the EU would help the Northern Ireland economy insofar as it would release £18 billion every year for expenditure on public services, enable us to enter a trade agreement with growing parts of the world and release us from the stifling bureaucracies of Europe?

_Mrs Villiers_: I am afraid that the hon. Gentleman is tempting me to engage in arguments which will rightly be a matter for everyone in the country when they have an opportunity to vote in the referendum. We promised a referendum in our manifesto, and that is what we are going to deliver.

_Dr Alasdair McDonnell_ (Belfast South) (SDLP): Does the Secretary of State agree that existing cuts in university funding, followed by further cuts, and a consequent significant reduction in the number of graduates who are suitably qualified to become employees of the inward investment companies that we are trying to attract, will frustrate much of the benefit that is expected from the reduction in corporation tax?

_Mrs Villiers_: There is no doubt that the Northern Ireland Executive face difficult decisions, as do all Governments at a time when budgets are constrained. I believe it is important to focus on crucial economic areas such as skills, university and infrastructure. Perhaps there is a debate to be had about the way in which higher education is funded in Northern Ireland, but that, of course, is a devolved matter for devolved representatives.

_Cross-border Crime_

4. _Oliver Colvile_ (Plymouth, Sutton and Devonport) (Con): What steps the Government are taking to reduce cross-border crime in Northern Ireland.

5. _Simon Hoare_ (North Dorset) (Con): What steps the Government are taking to reduce cross-border crime in Northern Ireland.

_The Secretary of State for Northern Ireland (Mrs Theresa Villiers)_: Along with the Irish Government and the Northern Ireland Executive, the United Kingdom Government recently announced the creation of a joint agency taskforce to tackle cross-jurisdictional organised crime. It will enhance law enforcement co-operation in relation to, for instance, crime linked to paramilitaries.

_Oliver Colvile_: I welcome my right hon. Friend’s announcement about the taskforce, but will she confirm that the fresh start agreement provides for additional funds from the United Kingdom Government to help to tackle continuing paramilitary activity?
Mrs Villiers: It does. The fresh start agreement allocates £25 million for tackling paramilitary-related crime and £3 million for a new monitoring body, but it provides substantial additional funds for more widely based shared society initiatives, which are also crucial to ending the influence of paramilitary groups in Northern Ireland once and for all.

Simon Hoare: We all know that, unfortunately, many organised crime groups on the island take advantage of the land border and commit the classic cross-border crimes of smuggling and excise evasion. The proceeds of those activities often go towards funding dissident groups. What efforts are my right hon. Friend and her ministerial team making to introduce preventive measures to eradicate such activities?

Mrs Villiers: In Northern Ireland, huge efforts are being made by the PSNI to prevent the border from being exploited by criminals, and those efforts will be enhanced by the new joint agency taskforce, building on the excellent work already done by the police services both north and south of the border in recent years.

Tom Elliott (Fermanagh and South Tyrone) (UUP): How concerned is the Secretary of State about the lack of convictions for fuel smuggling and, in particular, fuel laundering in Northern Ireland and the border regions?

Mrs Villiers: Obviously, everyone would like to see more convictions. A crucial aspect of the fresh start agreement is the Executive's commitment to measures that will reduce the time that it takes to bring people to trial, because convictions are more likely to be secured if trials take place in a timely manner. I am sure the Executive will take the implementation of that crucial part of the agreement very seriously.

Mr Speaker: Order. This is a very serious discussion of cross-border crime in Northern Ireland. We must hear Lady Hermon.

Lady Hermon (North Down) (Ind): Thank you very much, Mr Speaker.

The Secretary of State will know that the Treasury has already announced the closure of a number of HMRC offices throughout Northern Ireland. Given that HMRC does a very valiant job in tackling cross-border crime, what guarantees can the Secretary of State give the people of Northern Ireland that those efforts will not be reduced if the offices are closed?

Mrs Villiers: I am entirely confident that the changes relating to HMRC offices will not affect HMRC's ability to tackle cross-border crime. Indeed, we will see an enhanced effort, not least because, as was pointed out by my hon. Friend the Member for North Dorset (Simon Hoare), the proceeds of that kind of crime can end up in the hands of terrorists.

VAT: Tourism and Hospitality

6. David Simpson (Upper Bann) (DUP): What discussions she has had with the Chancellor of the Exchequer on the potential effect of a reduction in rate of VAT on the tourism and hospitality sector in Northern Ireland.

Mrs Villiers: I have regular discussions with Treasury Ministers, including the Chancellor. The Government have concluded that a VAT cut for the tourism and hospitality sectors could not produce sufficient economic growth to outweigh the revenue shortfall. It would need to be funded either by additional borrowing or by the raising of other taxes, both of which are likely to have a negative effect on the economy.

David Simpson: The case was successfully made for corporation tax, and rightly so, to attract investment into Northern Ireland. Surely a case could be made, for tourism and hospitality in Northern Ireland, to reduce VAT, especially in respect of the golf clubs, where there is an anomaly across the board?

Mr Wallace: I do not think there are many Members who would not like to see a reduction of the tax burden. Because of our long-term economic plan and the lifting of burdens on businesses elsewhere—the small business rate relief that is also available in Northern Ireland, the corporation tax cut, the freezing of national insurance contributions and employer contributions—we hope that, at least for tourism businesses and the hospitality sector, the cost of employing people and the other burdens can be lifted. That would help businesses to make their prices more competitive to encourage more people to take up the great offering of tourism in Northern Ireland.

Kevin Foster (Torbay) (Con): I would also—[Interruption.] I would also like to ask about VAT. Will he perhaps look at the thresholds—[Interruption.]

Mr Speaker: Order. I wanted to hear Mr Foster's thoughts on VAT on tourism and hospitality, and it is very difficult to hear them. I hope the Minister heard; if not, blurt it out again man.

Kevin Foster: We will try again, Mr Speaker; thank you. I have heard what the Minister said about the rate of VAT. Does he agree that it might be worth having discussions about the thresholds, which may help smaller businesses in the hospitality and tourism sector in Northern Ireland and across the rest of the UK?

Mr Wallace: My hon. Friend makes a good point. I will write to the Chancellor and make his points clear to him.

Sexual Health and Family Planning

7. Cat Smith (Lancaster and Fleetwood) (Lab): What recent discussions she has had with the Northern Ireland Executive on the adequacy of women's access to sexual health and family planning services. [903081]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): Northern Ireland Office Ministers have had no discussions with the Northern Ireland Executive on the adequacy of women's access to sexual health and family planning services. However, Department of Health officials discuss sexual health matters with their counterparts in the Northern Ireland Departments as appropriate. Sexual health advice and services in Northern Ireland is a devolved matter.
Cat Smith: The Minister will be aware that women in Northern Ireland can, and do, travel to England for abortions on the NHS. However, they cannot access NHS abortions; they have to pay to go privately. Does he agree that this is an inequality issue between women in Northern Ireland and women who live in, say, England?

Mr Wallace: The hon. Lady points out an interesting anomaly, and in advance of today I have asked my officials to provide clarity. I do know that there is a court case pending—or before the courts—in Northern Ireland on that very issue. It is important that we get to the bottom of the differences between living in one part of the UK and another and what NHS services are available.

Jim Shannon (Strangford) (DUP): In the 11 years since 2004 Northern Ireland has seen a 47% increase in new cases of HIV while on the mainland it has fallen by 20%. The same situation applies to other sexually transmitted diseases. What discussions has the Minister had—or what discussions will he have—with Health Ministers here on the mainland and in Northern Ireland to ensure that there is an overall regional strategy to address this?

Mr Wallace: I am very happy to have discussions with UK Ministers on that subject and certainly will write to my counterpart in the Executive to make sure that both we and the Executive are doing our fair share to make sure that we prevent the spread of sexually transmitted diseases.

Exports

8. Mr Alan Mak (Havant) (Con): What recent discussions she has had with the Northern Ireland Executive on increasing exports.

The Secretary of State for Northern Ireland (Mrs Theresa Villiers): The Government continue to work with the Executive towards rebalancing the Northern Ireland economy, including through collaboration on increasing exports and trade co-operation. Northern Ireland exports were valued at £1.62 billion in the third quarter of 2015, the highest quarterly value since 2008.

Mr Mak: I thank the Secretary of State for her answer. Can she confirm that the Government will continue supporting stronger trade links between Hampshire and Northern Ireland, particularly given both regions’ strong manufacturing and maritime traditions?

Mrs Villiers: We will certainly do that. Our long-term economic plan is working to boost trade within and outside the UK, as illustrated by the fact that the claimant count is down again in Northern Ireland in figures announced today. In total, since February 2013 there has been a fall of 40.2% in the claimant count in Northern Ireland.

Mr Gregory Campbell (East Londonderry) (DUP): This morning the Enterprise, Trade and Investment Minister in Northern Ireland announced over 50 jobs in my constituency, which is a start in an area of high unemployment. Will the Secretary of State use her influence in the Cabinet to ensure that, when there are overseas development and trade visits, Northern Ireland companies are included, to bring inward investment to Northern Ireland?

Mrs Villiers: I can certainly do that. It is vital that UK Trade & Investment, in its work overseas to bring investment to the UK, champions the benefits of investing in Northern Ireland. It is a great place in which to invest, it has a tremendous record on inward investment and the UK Government are determined to see that continue.

Battle of the Somme: Commemoration

10. Mrs Flick Drummond (Portsmouth South) (Con): How the Government plan to commemorate in Northern Ireland the centenary of the battle of the Somme.

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): The Government’s events to mark the centenary of the battle of the Somme will be held in Thiepval, France and in Manchester on 1 July 2016. Other regional events, including in Northern Ireland, are a matter for the local authorities and local communities.

Mr Speaker: Order. We are discussing an important centenary of the battle of the Somme. The question from the hon. Lady must be heard and so must the answer.

Mrs Drummond: Thank you, Mr Speaker. In 1916, men from the 36th (Ulster) Division and the 16th (Irish) Division displayed great courage at the Somme, despite suffering huge casualties, with almost 2,000 men killed in the first hours of 1 July. Does the Secretary of State have any plans to liaise with the Government of the Republic of Ireland to commemorate the sacrifice made by those from both sides of the border?

Mr Wallace: My right hon. Friend the Prime Minister is committed, along with the Taoiseach, to commemorating our past with mutual respect and understanding. The Secretary of State and I are working with Ministers in the Irish Government to mark the events of this decade. I have discussed these issues with a number of officials, and I regularly meet the culture Minister, Heather Humphreys; we often attend events together, as representatives of both Governments, in remembrance of those people who died. I know that my right hon. Friend the Prime Minister has visited the Somme to remember what happened there, and it is important to note that both the south and the north had a shared experience and a shared history in the first world war, with both suffering while fighting for the cause of defeating the Kaiser.

Mr Speaker: The Minister has treated the matter very comprehensively, and we are most grateful to him.

Gavin Robinson (Belfast East) (DUP): I am grateful to the Minister for his response. As we reflect on the Somme and move towards the centenary of the conclusion of the first world war, will the Secretary of State or the Minister engage across government with the Prime Minister to think of a suitable national memorial restoration
fund to allow us fittingly to bring our cenotaphs and memorials across this country up to standard for the centenary?

Mr Wallace: The hon. Gentleman makes a good point and collectively the whole of the Government have heard his suggestion. It is important to remember the end as well as the beginning of the tragedy that was the first world war.

**PRIME MINISTER**

*The Prime Minister was asked—*

**Engagements**

Q1. [903124] Mr Gareth Thomas (Harrow West) (Lab/Co-op): If he will list his official engagements for Wednesday 20 January.

The Prime Minister (Mr David Cameron): This morning, I had meetings with ministerial colleagues and others, and in addition to my duties in this House I shall have further such meetings later today.

Mr Thomas: If you have worked hard for a company and helped it succeed, surely you should be allowed to benefit a little from the profits that the company makes. Does the Prime Minister therefore think it is now time for companies such as Sports Direct to follow the example of the best British businesses and allow people to benefit from a small percentage of the profits?

The Prime Minister: We have encouraged companies to have profit-sharing arrangements, and we took action in previous Budgets to do that. But we are going further than that, of course, by making sure that there is, for the first time in our country, a national living wage, which will come in in April of this year. That means the lowest-paid people in our country—people on the minimum wage—will have a 7.5% pay rise coming this April, under a Conservative Government.

Q3. [903126] Rishi Sunak (Richmond (Yorks)) (Con): With mounting global economic uncertainty, it was comforting to see this morning’s figures showing record UK employment. In this new age of kinder, consensual politics, does my right hon. Friend agree that every Member of this House should welcome the news that 2.3 million more people in work, and I am sure that is something the whole House can welcome.

Mr Speaker: I call Mr Corbyn. [Interruption.]

Jeremy Corbyn: (Islington North) (Lab): It is nice to get such a warm welcome. [Interruption.] If Members will allow me for one moment, let me ask the Prime Minister this question. Where in his election manifesto did he put his plan to abolish maintenance grants for all students?

The Prime Minister: First of all, people will recognise that there is no welcome for the thousands of people who have found work in our country. What a depressing spectacle. In our manifesto, we said that we would cut the deficit and uncap student numbers, and we have done both.

Jeremy Corbyn: There is not such joy in Port Talbot and other places that have lost steel jobs. They want a Government who are prepared to support their industries. The Prime Minister has form when it comes to student maintenance grants because, in the Conservative manifesto, there was no mention—[Interruption.] Are you done?

Mr Speaker: I gently say to the Prime Minister’s dedicated Parliamentary Private Secretary, the right hon. Member for South Staffordshire (Gavin Williamson)—[Interruption.] Calm yourself, man. Auditioning to be a statesman does not include chuntering from a sedentary position.

Jeremy Corbyn: As I was saying, the Prime Minister has form here, because there was no mention of tax credit cuts in the manifesto either. This proposal will affect half a million students, which is not mentioned anywhere in his manifesto. I have a question from a student by the name of Liam, who says:

“I’m training to be a mathematics teacher, and will now come out at the end of my course to debts in excess of £50,000, which is roughly twice as much as what my annual income would be”. Why is Liam being put into such debt?

The Prime Minister: What I say to Liam is that he is now in a country with a university system that has more people going to university than ever before, and more people from low income backgrounds going to university than ever before. In addition, I say to Liam—and I wish him well—that he will not pay back a penny of his loan until he is earning £21,000. He will not start paying back in full until he is earning £35,000. Our policy will put more money in the hands of students such as him, which is why we are implementing it. By contrast, the Labour policy, which is to scrap the loans and the fees, would cost £10 billion and mean going back to a situation where people went out and worked hard and paid their taxes for an elite to go to university. We are uncapping aspiration; the Leader of the Opposition wants to put a cap on it.

Jeremy Corbyn: I am pleased to say that Liam is trying to be a maths teacher, and that might help the Prime Minister as Liam did say that he was earning £25,000, which is more than £21,000—if that is a help. In 2010, the Prime Minister’s Government trebled tuition fees to £9,000, and defended it by saying that they would increase maintenance grants for students from less well-off backgrounds. They are now scrapping those very same grants that they used to boast about increasing. Where is the sense in doing that? Why are they abolishing those maintenance grants?
The Prime Minister: The sense in doing that is that we want to uncap university places, so that as many young people in our country who want to go to university can go to university. That is what we are doing. Before we have too much shouting from the Opposition, let me say that when they were in government, they introduced the fees and loans system. Given that this is the week that we are meant to be learning the lessons of the past election, let me read a lesson from somebody whom I rather miss. In the Times Higher Education, Mr Ed Balls wrote that

“we clearly didn’t find a sustainable way forward for the financing of higher education... If they”—the electorate—

“think you’ve got the answers for the future, they’ll support you.”

In all honesty I say to the Labour party that, when it was in government, it supported fees and loans. When we were in opposition, we made the mistake that they did. If we want to be on the side of aspiration and of more university students, and if we want to help people make the most of their lives, the system that we have is working and the numbers prove it.

Jeremy Corbyn: That is from the very same Prime Minister who is taking away the grants that are designed to help the poorest in our society to access higher education. I want to ask him about one particular group who are now being targeted by this Government: student nurses. They were not mentioned in the Government’s manifesto. The repayments that student nurses will now have to make when qualified amount to an effective pay cut of £900 for each nurse. Why is he doing that? What is his answer to helping the poorest in our society to access higher education? If they”—[Official Report, 5 January 2016; Vol. 604, c. 15.]

The Prime Minister will be aware that nine out of 10 hospitals currently have a shortage of nurses. Is not what he is proposing for the nurse bursary scheme going to exacerbate the crisis, make it worse for everybody and make our NHS less effective? What is his answer to that point?

The Prime Minister: I will give the right hon. Gentleman a very direct answer: we are going to see 10,000 extra nurse degree places as a result of this policy, because we are effectively uncap the number of people who can go into nursing. I have to say that this week has all been of a piece, with a retreat by the Labour party into the past. We have seen it with the idea of bringing back secondary picketing and flying pickets, with the idea of stopping businesses paying dividends, and with the absurd idea that nuclear submarines should go to sea without their missiles. Anyone watching this Labour party—and it is not just the leader, but the whole party now—will see that it is a risk to our national security, a risk to our economic security, a risk to our health service and a risk to the security of every family in our country.

Q5. [903128] Edward Argar (Charnwood) (Con): Leicestershire and the east midlands continue to be a powerhouse of jobs and growth, attracting investment from the UK and beyond, and we are rightly proud of the success of our local businesses in Charnwood. Does my right hon. Friend believe that their continued ability to attract external and foreign investment would be helped or hindered were secondary picketing to be reintroduced?

The Prime Minister: First of all, let me say that the east midlands is a powerhouse of our economy, and in the last year we have seen employment in the east midlands go up by 17,000. I think that when businesses look at whether to invest in Britain, whether they are overseas businesses or indeed British businesses, they want to know that we are going to have good labour relations and not a return to the 1970s of secondary strikes and flying pickets. It is extraordinary that a party that spent so long trying to cast off the image of being in favour of these appalling industrial practices has now elected a leader and is backing a leader who would take us right back to the 1970s.
Angus Robertson (Moray) (SNP): World attention on the conflict in the middle east is focused on Syria and Iraq, and much less so on the catastrophe in Yemen, which has caused thousands of people to lose their lives and millions of people to flee their homes. Can the Prime Minister tell the House what the UK Government are doing to support peace in Yemen?

The Prime Minister: We are doing everything we can with all the people taking part in this conflict to encourage them to get round a negotiating table, as they have done recently, in order to bring about what is necessary in Yemen, which is a Government who can represent all of the people. We have got to make sure that both Sunni and Shi’a are properly represented in that country. That is the only way that we will meet our key national interest, which is to back a Government in Yemen who will drive the terrorists, including al-Qaeda in the Arabian Peninsula—AQAP—out of Yemen, because they have been, and are, a direct threat to the citizens of Britain.

Angus Robertson: Thousands of civilians have been killed in Yemen, including a large number by the Saudi air force, who have done that using British-built planes with pilots who are trained by British instructors, and who are dropping British-made bombs and are co-ordinated by the Saudis in the presence of British military advisers. Is it not time for the Prime Minister to admit that Britain is effectively taking part in a war in Yemen that is costing thousands of civilian lives, and that he has not sought parliamentary approval to do that?

The Prime Minister: The right hon. Gentleman started in a serious place but then seriously wandered off. It is in our interest that we back the legitimate Government of Yemen, and it is right to do that. We have some of the most stringent arms control measures of any country anywhere in the world. Just to be absolutely clear about our role, we are not a member of a Saudi-led coalition. British military personnel are not directly involved in the Saudi-led coalition’s operations. Personnel are not involved in carrying out strikes, directing or conducting operations in Yemen, or selecting targets; and we are not involved in the Saudi targeting decision-making process; but do we provide training and advice and help in order to make sure that countries actually obey the norms of humanitarian law? Yes, we do.

Q7. [903130] Neil Parish (Tiverton and Honiton) (Con): The recent floods in the north of England have caused untold misery to people, to householders, to farmers, and to livestock. What we need is a long-term strategy for floods. I know that the Prime Minister has done a lot of work in Somerset and across the country. Some rivers need to be dredged and some need to be slowed down, and we need to manage our floodwaters in a better way. Along with our long-term economic plan, can we have a long-term plan on floods?

The Prime Minister: We absolutely can and we do. That is exactly what my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs is doing. We have got an unprecedented six-year commitment of £2.3 billion, but as important as the money is making sure that we have an absolutely joined-up approach, as my hon. Friend says, to dredging in some places, to building flood barriers in others, and to managing the water in our landscape, including through farming practices, in a holistic way so that we are using all the resources we have to reduce the likelihood of floods.

Q8. [903131] Karl McCartney (Lincoln) (Con): Does my right hon. Friend agree that our nuclear deterrent works against our nation’s enemies only if our nuclear submarines are actually equipped with nuclear missiles, and that the defence policy of those who do not believe that, such as the Leader of the Opposition, is inspired by the Beatles’ “Yellow Submarine”, which shows that, while Labour Members may twist and shout, their current leader certainly needs help?

The Prime Minister: I congratulate my hon. Friend on his ingenious question. There is a comic element to sending submarines to sea without missiles, but this is in fact an absolutely serious issue, because the deterrent has been, on a cross-party basis, an absolutely key part of our defence and making sure that we have the ultimate insurance policy, which we on this side of the House support and which we should vote on. All I can say when it comes to Beatles’ songs is that I suspect that the Leader of the Opposition prefers “Back in the USSR”.

 Wes Streeting (Ilford North) (Lab): Just under two weeks ago, a 16-year-old boy was murdered in a knife attack in my constituency. I am sure the whole House will want to join me in sending our deepest condolences to Charlie’s friends and family. Given that knife crime in London rose last year and that the number of teenage deaths as a result of it peaked at its highest level in seven years, what actions will the Government take to make sure that we do not return to the days when knife crime in London affecting young people in particular was merely a fact of life?
The Prime Minister: The hon. Gentleman speaks for the whole House, which I am sure will want in spirit to be with the family and friends of Charlie Kutyauripo, who lost his life in that attack. There is nothing anyone here can say that will give them the comfort they seek. What I will say is that we have toughened the law on knife crime offences and the custodial sentences people are getting for those crimes. The police have done a huge amount to crack down on knife crime, which is why overall it has fallen by something like 17% since 2010, but there is still more to do in educating children and young people about the dangers of carrying a knife. In so many of these cases, the carrier of the knife ends up the victim of the knife attack so, as well as tough penalties and strong policing, we also need better education.

Q11. [903134] Gareth Johnson (Dartford) (Con): Does the Prime Minister agree that encouraging people in this country to learn the English language has a unifying effect? It aids integration and helps to create national identity and social cohesion, and should therefore be promoted.

The Prime Minister: My hon. Friend is absolutely right. The most important thing in our country is that we make sure that everybody can take advantage of the opportunities to work, get training and go to university. This is an opportunity country, but there is no opportunity for people if you do not speak the language. That is why we are going to target money at those people—they are very often women—who have been stuck at home, sometimes by the men in the house, and make sure that they can get the English language skills they need. Let me make one other additional point, because this is so important. When I was sat in a mosque in Leeds this week, one of the young people there said how important it is that imams speak English, because if some young people can speak English but not Urdu or Arabic they need someone to guide them away from ISIL and its poisonous rhetoric. Speaking English is important for all, imams included.

Q6. [903129] Dr Alan Whitehead (Southampton, Test) (Lab): Over the past few months, young people in Southampton have seen themselves frozen out of the living wage and housing benefit, and faced the downgrading or closure of the further education and sixth-form colleges from which many of them get their qualifications. We now see the ending of maintenance grants for those young people who want to go to university. What has the Prime Minister got against young people trying to make their way in life?

The Prime Minister: I will tell the hon. Gentleman what we are doing for young people: record numbers going to university; record numbers who are taking on apprenticeships; and record numbers in work. Actually, today, the unemployment figures show a record low in the unemployment rate among those people who have left school. I would say to the hon. Gentleman that one of the reasons why a Labour MP in the south of England is as rare as hen’s teeth is that they talk down our country and talk down opportunity in it.

Q9. [903132] Tulip Siddiq (Hampstead and Kilburn) (Lab): My 24-year-old constituent Lara is in urgent need of a stem cell donor. Her family’s campaign, Match4Lara, is attracting global support. On Saturday, the O2 Centre in my constituency will run a spit drive to get as many people as possible on to the bone marrow register. Will the Prime Minister join me at that event on Saturday, and will he send a message of support to those working to keep Lara alive?

The Prime Minister: I certainly will join the hon. Lady in supporting Lara’s campaign. I have had meetings with bone marrow organisations in No. 10 Downing Street to support their matching campaign. I am sure that, by her raising it at Question Time in this way, many others will want to come to this event on Saturday and support Lara in the way she suggests.

Q13. [903136] Mr John Baron (Basildon and Billericay) (Con): The Prime Minister is aware that a number of colleagues and I await his response to our request, made in November, for a meeting regarding his EU renegotiations to discuss the importance of this Parliament—by itself, if necessary—being able to stop any unwanted taxes, regulations or directives, which goes to the core of issues such as control of our borders, business regulation and so on. Will he now meet us prior to the next EU meeting?

The Prime Minister: As my hon. Friend can imagine, I am having a range of meetings with colleagues about the European issue. I am sure that I will be covering as many in our parliamentary party as possible. I have always felt, with my hon. Friend, that he has slightly made up his mind already and wants to leave the EU whatever the results, and I do not want to take up any more of his time than is necessary.

Q12. [903135] Nadhim Zahawi (Stratford-on-Avon) (Con): I thank the Prime Minister for launching the apprenticeship delivery board on Monday evening at No. 10. These men and women, who are expert in their sectors, are coming together to deliver 3 million apprenticeship starts by 2020. Does the Prime Minister agree that it will be a great thing if, when students across our country log on to the UCAS website, they are informed about the opportunities for degree apprenticeships, as well as about more traditional degrees?

The Prime Minister: My hon. Friend makes a very important point for two reasons. One is that if you become an apprentice, that does not lock out the chance of doing a degree later in your career. Indeed, the opportunities for earning and learning are getting greater in our country. The second reason it is so important is that, in our schools, all our teachers are of course very well equipped to tell people about degree opportunities, because that is the route that they have taken—A-levels, the UCAS form and such like—but we need to improve the information in our schools so that people can see the opportunities for apprenticeships, in some cases then leading on to degrees.
make it nigh on impossible to impose tariffs on Chinese steel, despite its dumping strategy. Is this not a classic case of the Westminster Government once again putting the bankers of London before manufacturing workers in Wales and the rest of the UK?

**The Prime Minister:** I have to say that the hon. Gentleman is wrong both on content and on approach. The two issues are separate. There are market economies that Europe still puts dumping tariffs on—we actually did that recently with America, and we have done it in the past with Russia—so I think we should take these two issues separately. We should continue to pursue robust action against China, which is exactly what we are doing, based on the merits. In terms of a closer relationship with China—a trading relationship—I want to help those Welsh businesses, including companies such as Airbus, break into Chinese markets and to make sure we get the best for British jobs, British manufacturing and British exports. That is what we want in our relationship with China.

Q14. [903137] Mr David Jones (Clwyd West) (Con): Speaking of Airbus, the Mersey-Dee region, which straddles the England-Wales border, is one of the most dynamic industrial areas of the country. Does my right hon. Friend welcome the establishment of the all-party Mersey-Dee group, which has been formed to promote the economic success of the region? Will he urge his ministerial colleagues and the Welsh Government to co-operate with the group in its work?

**The Prime Minister:** First, let me join my right hon. Friend in welcoming the new group. It is important, when we look at the development of the Welsh economy, to think about how north Wales can benefit from growth in the north-west of our country and about the links between the north-west and Wales, which the group will examine. Clearly, HS2 and what happens at Crewe will be a vital part of that process. I am very happy to talk further with him.

Mr Nigel Dodds (Belfast North) (DUP): Will the Prime Minister reiterate, not just on behalf of the Government, but speaking for the whole House I believe, the unconditional and unequivocal support of the British people for the people of the Falkland Islands and their right—[HON. MEMBERS: “Hear, hear!”]—their inalienable and British-held right to self-determination? Will he confirm that that will not be undermined in any way by some kind of accommodation or negotiation in which the people of the Falkland Islands may have an enormous say, but have no veto? They should have a right to determine their own future.

**The Prime Minister:** The right hon. Gentleman has put it better than I ever could. The people of the Falkland Islands spoke as clearly as they possibly could in the referendum. They want to maintain the status quo. As long as they want that, they will have it guaranteed from me. I find it quite extraordinary that the Labour party wants to look at changing the status and giving away something people absolutely consider to be their right. That will never happen as long as I am in Downing Street.

Q15. [903138] Bob Blackman (Harrow East) (Con): As a former cub scout leader and Queen’s scout, I am pleased to say that scouting is thriving in Harrow. This year marks the centenary of the formation and founding of cub scouting across the UK. Will my right hon. Friend join me in congratulating the 150,000 young people who participate in cub scouting every week in the UK, congratulate and thank the leaders who give up their time voluntarily to enable young people to gain a sense of adventure in a safe environment, and call on more people to volunteer as leaders as part of the big society movement?

**The Prime Minister:** I absolutely agree with my hon. Friend. The scouts are a great part of the big society. We have provided them and other uniformed youth groups with more than £10 million of funding since I became Prime Minister to help them do their excellent work. I had a letter recently from Bear Grylls, the chief scout himself, looking at what we could do to welcome the centenary and give this fantastic organisation a big centenary boost.

Harry Harpham (Sheffield, Brightside and Hillsborough) (Lab): The Prime Minister may be aware, and should be aware, that Sheffield Forgemasters announced this morning the loss of 100 jobs in this crisis-hit industry, many of which will be in my constituency. We have had lots of warm words and hand-wringing and some crocodile tears from the Prime Minister and Ministers in this Chamber about the tsunami of job losses across the steel industry. Can he tell me when he will actually do something to support world-class companies such as Sheffield Forgemasters?

**The Prime Minister:** We have taken action, including action on energy bills that will save these industries £400 million in this Parliament. The hon. Gentleman chose to inject a bit of politics into this, so let me inject some back. When the Labour party was in power, what happened to employment in the steel industry? It was cut by 35,000—cut in half. Where were the carve-outs to save energy bills then? Where were the special arrangements for taking votes in Europe that we have put in place? Where were the rules to make sure that we buy British steel when it comes to public procurement, as we will for HS2 and the carrier programme? If he is interested in Sheffield Forgemasters, he might want to have a little word with his leader about something called a Trident submarine.

James Heappey (Wells) (Con): We do not yet know who will headline at Glastonbury this summer but we do know that, as things stand, they will not have anywhere to do their banking, as this world-famous town is to lose all three of its remaining banks within 12 weeks of each other. Will my right hon. Friend join me in encouraging those banks to think again and to ensure that they meet their responsibilities under the banking protocols?

**The Prime Minister:** I will certainly make sure that that happens, and I will arrange for my hon. Friend to have a meeting with a Treasury Minister to discuss this issue. We are seeing huge challenges, partly because of the growth of internet banking, but it is important that in market towns such as the ones that he and I represent, banks continue to have a physical presence on the high street.
Hannah Bardell (Livingston) (SNP): The Prime Minister might be aware of the tragic case of Julie Pearson, a young Scottish woman who died in Israel in November and who was allegedly beaten and raped before her death. I met her family recently, and I hope that the whole House will join me in offering their condolences to them. They are struggling to get answers from the Israeli Government and authorities; in particular, they are struggling to get her autopsy report. Will the Prime Minister meet me to discuss putting pressure on the Israeli Government and authorities to look into Julie’s death, so that her family can get the answers that they want and ultimately get justice for Julie?

The Prime Minister: I am not directly aware of this case, but I will certainly take it up with the Israeli authorities on the hon. Lady’s behalf, because it is important that her constituents get answers on this matter. Perhaps I could arrange for her to have a meeting with Foreign Office Ministers so that they can discuss this. We have good relations with Israel, and we should use those good relations to make sure that when people need answers, they get them.

Several hon. Members rose—

Mr Speaker: Order.

Yasmin Qureshi (Bolton South East) (Lab): On a point of order, Mr Speaker.

Mr Speaker: We have a number of urgent questions—two, to be precise—after which we will deal with points of order. I look forward with eager anticipation to hearing from the hon. Member for Bolton South East (Yasmin Qureshi) at that point.
Poppi Worthington

12.37 pm

John Woodcock (Barrow and Furness) (Lab/Co-op) (Urgent Question): To ask the Secretary of State for the Home Department to make a statement on the failures set out by Mr Justice Jackson yesterday following the death of 13-month-old Poppi Worthington from Barrow in my constituency in December 2012.

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): The death of Poppi Worthington is deeply distressing and disturbing. Like other Members, I am sure, I have found reading the press reports incredibly difficult and moving. The House will understand, however, that I cannot comment on the case in detail. The judge made a ruling yesterday in the family court, but any further debate could be prejudicial to a second inquest into Poppi’s death, which is due to take place later this year. There are allegations of police failings in the original investigation into her death in 2012, which have been investigated by the Independent Police Complaints Commission. The IPCC report has been completed but cannot be released yet, so as not to prejudice the second inquest.

Child sexual abuse is an horrendous crime, and there is nothing more important than keeping children safe. That is why we have given child sexual abuse the status of a national threat in the strategic policing requirement, which sets a clear expectation on police forces to collaborate across force boundaries, to safeguard children and to share intelligence and best practice. As we have made clear, we will not hesitate to take tough action when councils or the police are failing in their statutory duty to protect children. Since 2014, Her Majesty’s inspectorate of constabulary has been inspecting forces in England and Wales on their response to child protection, including child sexual abuse. Forces that fall short of expectations are being re-inspected to make sure that they have dealt quickly with any failures.

The Home Office is committed to strengthening the law enforcement response and we are working with police forces and the National Crime Agency to ensure that more resources and improved technology are available to investigate abuse properly. It is critical that the police have the appropriate expertise and tools to identify, pursue, investigate and prosecute offenders. We have introduced new sexual risk orders and sexual harm prevention orders, which the police can now use to manage an individual who presents a risk of sexual harm to a child. We have introduced powers for the police to close an establishment that might be used for sexual activity with a child.

It is vital that police identify child sexual abuse and respond appropriately. The importance of this cannot be overestimated. In March last year, as part of the “Tackling Child Sexual Exploitation” report that the Prime Minister launched, the College of Policing and the national policing lead for child protection and abuse investigations set a requirement on all forces to train all new and existing police staff to respond to child sexual abuse and exploitation. That includes call handlers, police community support officers, detectives and specialist investigators. The College of Policing has developed and will keep under review a comprehensive training programme to raise the standard of the police response to child sexual abuse.

This Government are committed to tackling child sexual abuse, but I know that is little consolation to the family of Poppi Worthington. I commend this statement to the House.

John Woodcock: I thank the Minister for her reply. On 11 December 2012 Poppi Worthington was taken to bed by her mother a perfectly healthy child. As Judge Jackson set out yesterday, she was brought downstairs eight hours later by her father, Paul Worthington, in a lifeless state, with troubling injuries, most obviously significant bleeding from her anus. Mr Justice Jackson was clear in his judgment yesterday that Paul Worthington raped that child and she died soon afterwards, yet it was a full eight months later that the parents were first questioned by the police, despite a pathologist raising concerns at the time that her death was caused by a “penetrative sexual assault”. By this time crucial evidence had been lost by the police, such as the nappy she had been wearing at the time and her bedding.

In October 2014 the then coroner took just six minutes to record Poppi’s death as “unexplained”. The Crown Prosecution Service has said that there is currently no prospect of a case being made against the father. Despite the clear pointers available, Cumbria social services chose to allow Poppi’s siblings to return to the family. Although the failures happened after the child’s death, not before, the combined failure of several agencies is every bit as serious as those that contributed to the deaths of Victoria Climbé and baby Peter in Haringey.

Will the Government make it clear that they value Poppi’s life as greatly by ordering now a similarly thorough independent investigation into how the failings happened? Will they, as the second inquest is continuing, order a separate force to come in and take over the investigation into Poppi Worthington’s death to try to salvage some prospect of justice for her life? Will they renew their focus on improving social services in Cumbria, which have been troubled, as we know, for many months? What will the Government do to ensure the safety of the Worthington children and all the children in Barrow, given that Paul Worthington is still walking free?

Karen Bradley: The hon. Gentleman sets out the case clearly and passionately. He is working for his constituents, as he always does. He will know that in 2015 an Ofsted investigation found Cumbria social services to be inadequate. The Department for Education is in the process of an intervention into Cumbria social services to ensure that child social services work properly in Cumbria and that all children in Cumbria have the support and protection they rightly need.

We need to learn lessons from this case, but we need to wait for the second inquest. The Attorney General has granted the second inquest, and until it is completed we will not have the full facts. The hon. Gentleman will know that new evidence will have to come to light for the case to be reopened. That may or may not be the case, depending on the IPCC inquiry and the second inquest, but this is an operational matter in which I, as the Minister, would not be able to intervene.
Tim Loughton (East Worthing and Shoreham) (Con): This sounds like a depressingly familiar catalogue of failure and cover-up. At the time of this tragic death, a report would routinely have been given to the children’s Minister, and the Home Office pathologist, Dr Alison Armour, presumably also reported her suspicions to the Home Office. What action was jointly taken by Ministers in the Home Office and the Department for Education, particularly given the ongoing danger to siblings involved? What has happened to the serious case review that, since 2010, has been routinely published to reveal where failures have been made and to enable lessons to be learned, which is so crucial in this case?

Karen Bradley: I thank my hon. Friend for his question. He did an incredible amount of work as children’s Minister to deal with the failures in the system that we have seen here and he raises some very important points, many of which I, too, have raised with officials today. If he will forgive me, I will write to him on the specific points. May I also—I failed to do this earlier—offer to meet the hon. Member for Barrow and Furness (John Woodcock), because I think that there are many things that it is important we discuss face to face?

Karl Turner (Kingston upon Hull East) (Lab): It is clear that there were multiple failings in this tragic case. I appreciate that the Minister has said that she does not want to jeopardise any further investigation, but it is terribly troubling that His Honour Judge Jackson remarked that “the police investigation was clearly deficient and that the police failed to launch a real investigation until nine months after Poppi’s death” and that the case is “more than usually troubling”. Will the Minister support the call from my hon. Friend the Member for Barrow and Furness (John Woodcock), because I think that there are many things that it is important we discuss face to face?

Karen Bradley: The hon. Gentleman asks about the failings in the police, and that is what the IPCC report will contain. We will know more when we see that report, but it cannot be published, even in draft, before the second inquest. I am sure that he understands that it is very important that that inquest can take place in a fair and open manner so that we get to the facts of the case and understand what happened. He will know more than anybody that Judge Jackson was looking at the balance of probabilities, whereas a criminal case would need to be beyond reasonable doubt—different levels of proof and of evidence are required. The hon. Gentleman understands that. I want to get to the bottom of this. I want to have the full inquest and understand exactly what happened, at which point we can determine the appropriate action to be taken.

Mr Stewart Jackson (Peterborough) (Con): I commend the hon. Member for Barrow and Furness (John Woodcock) for his measured and reasonable putting of this important question. The whole nation will have been touched by the terrible tragedy that befell this little baby girl. Is it not troubling, however, that public agencies used public money to try to stifle debate and hide transparency and openness, using the family courts? Is it not time we reviewed the interface between the family courts and public agencies, because openness and transparency are the best disinfectant for and solution to such issues, ensuring that something this terrible and awful never happens again?

Karen Bradley: My hon. Friend makes an interesting point. If he will allow me to do so, I will discuss the point with the Lord Chancellor, as this will be a matter for the Ministry of Justice, and return to him with further thoughts when I have had that discussion.

Keith Vaz (Leicester East) (Lab): I welcome the Minister’s commitment to pursue these matters until all lessons can be learned, but does she agree that the crucial relationship is that between the police and social services? The crucial process is that information is passed on immediately. If that is done, these terrible acts can be discovered even more efficiently.

Karen Bradley: The right hon. Gentleman makes an incredibly important point. If agencies are not working together and talking to each other, we will not find and protect those children who so desperately need our protection. I have been impressed and pleased with the work in multiagency safeguarding hubs, and in the many that I have visited it is truly refreshing to see police, social services, probation services and other agencies that have a role in protecting the most vulnerable people in society—particularly children—sitting together, co-located, working together, sharing information, and taking action immediately. We need more of that, and I know that Chief Constable Simon Bailey, who leads on child sexual abuse for the National Police Chiefs’ Council, is keen to ensure more multi-agency working so that we get that protection.

Simon Hoare (North Dorset) (Con): I support what the hon. Member for Barrow and Furness (John Woodcock) has said, and as a father of three young daughters my blood runs cold at this case. The Minister has rightly pointed out the growing need for integration of services outside Whitehall. There are many departmental responsibilities in government, including her Department, the Law Officers, the Lord Chancellor’s Department and—crucially—the Department for Communities and Local Government, which deals with funding for county councils to ensure robust, fit-for-purpose social service departments. Will she ensure that there is also full integration at Whitehall level?

Karen Bradley: Astonishingly, my hon. Friend managed to forget the Department for Education. The Education Secretary chairs the child protection implementation taskforce, of which I and other Ministers are members. That cross-department team considers how we implement what we have learned from other examples of child abuse, and what we have learned from this case will give us more information and help us to develop better ways to protect children.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): This is clearly a disturbing case, and I understand the Minister’s reticence in not wanting to do anything that could prejudice justice. She will also have had only limited time in which to pursue it. May I urge her to keep pursuing this case, and not to be deterred by the process that is taking place? Will she clarify the situation regarding the police investigation? Surely we do not
Yvette Cooper: need to wait for the inquest for a police investigation to continue. As I understand it, the IPCC is verifying whether the police did the right job previously, and we need a police investigation now into this individual case. Could that be done by an alternative police force?

Karen Bradley: I know that the right hon. Lady has campaigned on these matters for many years, and I assure her that I personally will take this case and ensure that we get to the bottom of it. We must learn all the lessons from it, and understand what happened and what went wrong. We owe that to Poppi Worthington and to all other children in that situation. Specifically on the police investigation, she will be aware that we need new evidence before a new investigation can be held, so perhaps I may write to her and provide more information about the case as I receive it.

Bob Blackman (Harrow East) (Con): As a councillor I experienced the horrors of the cases of Jasmine Beckford, Victoria Climbié and baby P. I understand that the Minister cannot give a firm commitment today, but it is clear that those who are in charge of these investigations are not learning the lessons of the past. If the evidence points that way, will the Minister commit to ordering a proper judicial inquiry, so that further reviews can be undertaken and people can understand the lessons that have been learned and implement any changes, as proposed by the Communities and Local Government Committee last year?

Karen Bradley: We need to know exactly what happened, and understand the IPCC report and the findings of the second inquest. We also have the victim’s right to review, and once we have completed the legal processes the family wish to use that. I want to wait until all the facts are on the table and we know what happened before making any commitment.

Jim Shannon (Strangford) (DUP): I commend the hon. Member for Barrow and Furness (John Woodcock) for bringing this issue to the House, and the Minister for her response. None of us can fail to be moved by the picture of the 14-month-old innocent Poppi Worthington. Although there has been some conflicting opinion, given the amount of press coverage and the opinion of Mr Justice Jackson and Dr Alison Armour, surely the case must be reopened. We should be able to stand proud of our British justice system, but in this case justice has not been done for Poppi Worthington or any other child that might be in danger. If the IPCC should find that the Cumbrian police did not act as they should have, will that be a reason for reopening the case?

Karen Bradley: I assure the hon. Gentleman that when we know what happened, where the failings were, and what—if anything—could have been done differently, I and my fellow Ministers will ensure that proper steps are taken and that we do all we can to get to the bottom of this issue and get the justice that Poppi Worthington rightly deserves.
Asylum Seekers: Middlesbrough

12.56 pm

Andy McDonald (Middlesbrough) (Lab) (Urgent Question): To ask the Secretary of State for the Home Department to make a statement on the revelation today about discriminatory treatment of asylum seekers in Middlesbrough.

The Minister for Immigration (James Brokenshire): I am grateful to the hon. Gentleman for asking this urgent question and allowing me the opportunity to set out the Government’s response to the issues raised in The Times today.

From the outset, I underline that the United Kingdom has a proud history of granting asylum to those who need it, and we are committed to providing safe and secure accommodation while asylum cases are considered. The Immigration and Asylum Act 1999 introduced the policy of national dispersal, which was designed to share the impact of asylum seekers across the whole United Kingdom. Under that arrangement, asylum seekers are housed across the UK under voluntary agreements between national Governments and local authorities. Those arrangements have been in place since 2000. Under current arrangements—the commercial and operating managers procuring asylum support services, or COMPASS, contracts—three companies provide asylum seeker accommodation, transport and related services. In Middlesbrough those services are provided by G4S.

As right hon. and hon. Members will have seen from my response published in The Times this morning, I am deeply concerned about the issues raised and the painting of doors of asylum seeker accommodation in a single colour. Anything that identifies asylum seeker accommodation to those who may wish to harm those accommodated in the properties must be avoided. I spoke to the chief executive officer of G4S this morning, and he assured me that neither G4S nor its subcontractor in Middlesbrough, Jomast, has a policy that states that asylum seeker properties should be identified in such a way. However, Jomast does accept that the company uses red paint across its portfolio of properties.

I have asked Home Office officials to look into this issue as a matter of urgency, and to report to me and the permanent secretary, G4S has advised that doors in the area will be repainted so that there is no predominant colour. As part of the audit that we have commissioned, I have asked it to ensure that COMPASS contracts have been appropriately implemented in Middlesbrough, and I have considered the Home Office’s arrangements for monitoring contract compliance in that area and more generally.

The Home Office works with COMPASS providers and local authorities to ensure that the impact of dispersal on local communities and services is taken into account when allocating accommodation. It is the responsibility of the suppliers to ensure that all accommodation used meets required contractual standards, and complies with the decent home standards—specifically, that accommodation is safe, habitable and fit for purpose. Each property used is subject to a housing officer visit every 28 days. In addition, Home Office contract compliance teams inspect a third of all properties using an intelligence-led, risk-based approach to monitor standards and ensure maintenance faults are rectified within the prescribed timescales.

Let me be clear to the House that I expect the highest standards from our contractors. If we have evidence of discrimination against asylum seekers, it will be dealt with immediately.

Andy McDonald: I am very grateful to the Minister for his very thoughtful and considered response. I share with him Middlesbrough’s proud record of welcoming people fleeing persecution and torture. We are rightly proud of the excellent arrangements we have with our churches and charities. I am proud of those people and the welcome they offer.

As the Minister rightly says, the background is that the contract for housing asylum seekers in the north-east is held by G4S and subcontracted to Jomast. The excellent article by Andrew Norfolk published in The Times explains that Jomast has 168 properties in two wards. Some 155 of them have their front doors to the street painted red. This marks out the properties and their inhabitants for those with prejudicial motivations and evil intent. There are accounts of asylum seekers being abused in their homes as a direct result of being so readily identifiable. Their doors have been smeared with dog excrement and daubed with graffiti showing the National Front logo. Eggs and stones have been thrown at their properties and they have been subjected to verbal abuse.

Such a policy may not be deliberate, but Jomast have to think it through. There is clearly a risk of undermining social cohesion and the safety of those seeking sanctuary. I am aghast that G4S claims no knowledge of that. Jomast has undertaken to remedy the position, but it is imperative that the Government insist that remedial action be taken as a matter of supreme urgency, and that the contractor and subcontractor are held to account.

The Minister talks about the way the contract is managed. I ask him to stick to the theory he outlined in such great detail, because I am aware that the practice is far from the theory. Many people can be confined to one bedroom. That, simply, is not dignified. It is not a humanitarian response to put people in those conditions.

The public policy implications for contracting out the arrangements are devastating. People should not derive public profit from these matters; they are a matter for central Government and local government. Local government is the best organisation to look at the wider implications of welcoming people into our communities in this way. I therefore ask the Minister to review and reconsider that matter.

When did the Minister first become aware of this concern? When did G4S become aware of it and what action did it take? What steps is the Department taking to ensure that the readily identifiable red doors are corrected and on what timescale? At the moment, Jomast says it acknowledges the issue and will address it over six weeks, rather than three to six months. I would like him to address that. If the Minister concludes that what has happened is discriminatory, what action will he take? In short, will he outline what penalties he has
available to him to make sure that G4S, which has, frankly, suffered a great deal of reputational damage in recent times, and Jomast are held to account?

James Brokenshire: I thank the hon. Gentleman for the way in which he raises his concerns. Like him, I pay tribute to the work and the approach that Middlesbrough, as an authority, has taken for many years in seeking to accommodate asylum seekers. He will be aware that a number of discussions have taken place between my officials, Home Office officials and Middlesbrough Council on the concentration of asylum seekers, as Middlesbrough is the only place in the country where our threshold of one in 200 is exceeded. I have asked my officials to look at that closely and at a plan to bring it back within the appropriate standards we have set.

On the report in *The Times* today and on the experiences of some people being accommodated in housing in Middlesbrough, I condemn absolutely any crimes of hate, any actions that sow divisions within communities and any actions that seek to intimidate or mark out asylum seekers in any way. We have been in contact with the local police this morning to underline any issues of community reassurance. They are actively considering appropriate steps. Complaints about hate crime should be made to the police, so they can be followed up and appropriate action taken.

The hon. Gentleman asks me about the urgency of response. As soon as I heard about the matter, which was late last week when *The Times* first contacted us, I instructed officials to look into it urgently because of my very serious concerns about what I was hearing. I expect the audit to be concluded on the Home Office side quickly, and completed at the latest by the end of this month.

On G4S, we have an ongoing regime of inspection of the maintenance and condition of properties. G4S has met standards where maintenance issues have been identified as requiring remedial action. It has followed through on them, but the audit will look at that closely. The chief executive officer of G4S underlined to me, in a conversation this morning, the seriousness and urgency of the issue. He underlined the sense of urgency that he and G4S attach to repainting doors to make sure there is no predominant colour. I said that I expected that to be done quickly. That was the message I got back from G4S.

This is a matter of utmost concern. The Home Office is working on it closely. We will look at it carefully and rigorously. It is not simply a question of looking at the contract. If there are issues that need to be brought to the attention of the police, and criminal action taken thereafter, that will be a matter for the police. I urge those with evidence to come forward and ensure it is reported appropriately.

Damian Green (Ashford) (Con): I echo the plea for urgent action on the ground. Throughout the past 15 years, when the number of asylum seekers has been a hugely controversial and sensitive public issue, one of the best things that has been that on the ground in communities there has been very little tension and very little violence. At a human level, the policy has been handled very well. It would be tragic if that were to end with some of the actions in Middlesbrough we have heard described. Obviously, the Minister will have to take a number of actions that will take some time, but on the immediate, on-the-ground action, if what is required in the short term is to repaint 150 front doors, then frankly this should not be taking three months or three weeks. The painters should be out now and it should be done by the weekend. I hope the Minister can assure the House that that kind of urgency will be shown.

James Brokenshire: I am grateful to my right hon. Friend for his comments. He has understanding and experience as a previous holder of the office I now hold as Immigration Minister. I can assure him of the urgency I have impressed on G4S in respect of resolving the issue quickly. The chief executive officer underlined that he recognised and understood that clearly. We will be monitoring the situation closely. I have asked officials to go to Middlesbrough tomorrow to assess the situation on the ground and to start work on the audit. I hope that that reassures my right hon. Friend. Friend of the urgency that I, my officials, and, from what we are hearing, G4S attach to this matter.

Keir Starmer (Holborn and St Pancras) (Lab): Today’s report in *The Times* is obviously deeply concerning, and I recognise the Minister’s concern and the steps he has taken to get to the bottom of it. It is concerning that such a thing has happened. It is early days but it seems right—it does not seem that the facts are disputed—that the doors were painted red. It is also concerning because of the underpinning arrangements. How did this come about, and how did nobody think it inappropriate for the doors to be so painted, particularly given that, as the Minister has outlined, there is a Home Office inspection regime and a local authority assurance scheme? How did nobody, under those arrangements, think there was anything wrong? There is also concern about the consequences. Hate crime is increasing—it increased by 18% last year—and the consequence has been hate crime in Middlesbrough. That is concerning in its own right. I echo the view that the sooner something is done to rectify the situation, the better. There is also concern that this matter is before the House only because of the careful work of Andrew Norfolk at *The Times*, not because some internal inspection or auditing scheme flagged it up as a matter of concern.

The Minister has told us when he first knew, and I appreciate he has put steps in place to make further welcome inquiries, but how did this escape whatever inspection or assurance regime was in place? Were the properties inspected or assured by the Home Office or anybody else? If not, what can be done to improve the regime? What conversations has the Minister had with the contractors in Middlesbrough? Is this an isolated example? Is it something that has happened just in Middlesbrough, or are there examples in other parts of the country? Have inquiries been made into that? If so, what have they shown so far? If not, can such inquiries be made? What further conversations can be had with all private providers of accommodation to ensure that this does not occur again anywhere and that, if it has occurred anywhere else, it is rectified as soon as possible?

James Brokenshire: As I highlighted, I spoke to the chief executive of G4S this morning and asked that work be done to assess whether this is an isolated issue.
I have asked how we can talk to all the providers under the COMPASS contract and how inquiries can be made with their subcontractors as well. From initial investigations, it seems that some providers of social housing might, for maintenance purposes, paint in a particular colour. We are investigating that further. Homast made the point that about 20% of its property portfolio is asylum accommodation. We will focus on this issue as part of the audit work I have commissioned, and we will see whether lessons can be learned about the ongoing maintenance assessment. Inspections are undertaken to identify whether accommodation remains suitable or whether steps need to be taken by our contractors. I have tasked out that work as part of the examination. I underline again that we take hate crime very seriously and will remain focused on it in our forthcoming work.

The hon. and learned Gentleman asked about inspections. We will look at the processes and procedures to establish why the significance of this issue was not identified earlier. I have noted reports in the press and elsewhere of the issue having been highlighted to G4S and potentially to others. We are seeking to get to the bottom of that.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): I congratulate and thank the hon. Member for Middlesbrough (Andy McDonald) for bringing this issue to the Floor of the House. The provision of accommodation to asylum seekers deserves significant scrutiny, so I welcome the Minister’s announcement of an urgent audit of asylum-seeker accommodation in the north-east. SNP Members and others across the House share his concerns and will have been appalled by the revelation of what seems to have been, at best, an eye-wateringly negligent red-door policy.

We question, however, whether an audit goes far enough. The story of the red doors is troubling, but the delivery of contracts for the provision of asylum accommodation across the country is a broader issue and raises similar serious concerns. Will the Government listen to those concerns? When I speak to the Scottish Refugee Council, I hear about problems of poor-quality accommodation; poor treatment of asylum seekers by staff, sometimes because of a lack of training, sometimes because of inexcusable abuse and mistreatment; inappropriate sharing of accommodation; and about not so much a lack of integration of the services referred to by the Minister but their complete and utter fragmentation. Will he broaden the inquiry into the provision of accommodation for asylum seekers to reflect those concerns? We need an inquiry that speaks to asylum seekers living in accommodation provided by Government contractors and to organisations such as the Scottish Refugee Council, which could have so much input. Finally, when will a decision need to be made into the extension of these contracts and what opportunities will there be for parliamentarians to scrutinise and input into that decision?

James Brokenshire: Property standards are monitored under the COMPASS arrangements by three key performance indicators, to ensure that accommodation is safe, habitable and fit for purpose. Accommodation is inspected frequently by G4S, the local authority and the Home Office, and, as I have indicated, housing officers visit a third of all properties every 28 days, on an intelligence-led basis, under our overall compliance approach.

The hon. Gentleman made a point about complaints. Provisions in the contract ensure that complaints should be escalated and taken seriously. Again, that is something I want the audit to understand in terms of the situation in the north-east. The matter will be pursued in that way. He also asks for a broadening of the arrangements. I do not judge that to be appropriate. I will see what the audit tells us and then consider whether further action is needed.

Keith Vaz (Leicester East) (Lab): It is extraordinary that, with all these inspections, it took a journalist as distinguished as Andrew Norfolk to expose the problems. I accept what the Minister has said—he has acted with great speed in trying to put measures in place—but the Home Affairs Committee has written to Ministers in the past with concerns about the COMPASS contract. Over the years, Ministers have given these contracts to big companies, such as G4S and Serco, that are once removed from the real providers. As the House knows, G4S is a serial offender in respect of these breaches. With the greatest will in the world and despite his commitment to making sure that this never happens again, I do not believe that an audit will be sufficient. If it is accepted that the doors were painted in a certain colour, that is appalling, and it should have been discussed and discovered earlier. When the audit is complete, will he undertake either to make a statement to the House or come to the Select Committee with its findings?

James Brokenshire: As the right hon. Gentleman knows, I appear before his Committee frequently to update it and, by extension, the House on matters relating to the immigration system. I believe I might be appearing before it in the near term, which might provide an opportunity for me to update him and his Committee and, by extension, other right hon. and hon. Members, about the work being done. I can certainly give him that assurance.

The right hon. Gentleman highlighted the question of whether it was accepted or known that doors were painted a particular colour. As I have already told the House, there is a practice among some social housing providers to paint in a particular colour for maintenance purposes, but it is precisely those factors that I will want to understand as part of the audit of not simply the practice in the north-east but the inspection regimes and processes we have in place to identify whether issues, standards and complaints are dealt with appropriately.

Mr David Winnick (Walsall North) (Lab): It is a good job that we have journalists such as Andrew Norfolk, who also helped, of course, to expose the Rotherham abuse scandal. Is it not a matter of concern that whenever some abuse is known about and comes into the public arena, the Minister makes a statement and somehow or other G4S seems to be involved? I would have thought that that would be a source of some concern to the Home Secretary and her Ministers. I do not question for a moment the Minister’s objections, just like those of the rest of us, to any form of discrimination, but should not those responsible for what occurred—the painting of doors in red where asylum seekers are
Mr David Winnick: be told in the clearest possible language that certain aspects of 1936 Berlin are not to be repeated in Britain in 2016?

James Brokenshire: We need to look at this issue very closely and carefully, which is precisely what we have committed to do. As to G4S and the properties it provides in the north-east, we examined about 84 properties where inspections were successfully completed. Where defects were identified, action was taken. According to our assessment, there were no key performance indicator failures in respect of Middlesbrough. That is precisely what the audit will examine further, taking into account the state and condition of the properties. This House has telegraphed its message very clearly today, in standing against hate crime and discrimination and ensuring that those who are here and who have sought lawfully to claim asylum are given a fair and appropriate welcome by this country, as we would all expect.

Mr Alistair Carmichael (Orkney and Shetland) (LD): It is my understanding that concerns about this practice of painting doors red were first raised in 2012 by my Liberal Democrat colleague and then Middlesbrough councillor, Suzanne Fletcher. She has pursued the issue doggedly ever since, and it is largely due to her efforts that the matter has now come to light today. She was told by G4S that it had received no complaints, so there was no need to take any action. That could manifestly not be the case, and does it not raise in the Minister’s mind at least a suspicion that an audit is somewhat less than what is required? Yet again G4S has come to public attention for all the wrong reasons, and yet again it has been found wanting.

James Brokenshire: I discussed with the chief executive this morning the issue of complaints and when the matter was first made known to G4S. It is a matter that he has committed to examine further to get to the bottom of how G4S handled the issue for its own satisfaction. It is a question of doing the audit I have commissioned urgently to see the situation on the ground and understand how the inspection and audit regime has been conducted thus far. I will obviously want to reflect on what that tells me.

Alex Cunningham (Stockton North) (Lab): Jomast has a major base in my constituency, and this is not the first time that it has come under national media scrutiny for the wrong reasons. I have visited some of the hovels that have apparently passed the test as “decent homes”, driving huge profits directly from Government contracts. While the Minister inquires further into this latest scandal, will he also order a further review in real detail of the standards of Teesside accommodation, including houses of multiple occupation in my Stockton North constituency, and get a better deal and better value for money for both tenants and the Government?

James Brokenshire: As I have already indicated, a key part of the work we undertake is to see that accommodation is safe, habitable and fit for purpose. That is what the inspection regime looks at. To date, on the basis of the advice I have seen, those standards have been met. Clearly, however, we can focus on that element as part of the audit and see what that information tells us.

**BILL PRESENTED**

**HOUSE OF COMMONS MEMBERS’ FUND BILL**

Presentation and First Reading (Standing Order No. 57)

Mr Christopher Chope presented a Bill to consolidate and amend provisions about the House of Commons Members’ Fund; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 22 January, and to be printed (Bill 121).
Transport of Nuclear Weapons

Motion for leave to bring in a Bill (Standing Order No. 23)

1.24 pm

Owen Thompson (Midlothian) (SNP): I beg to move, That leave be given to bring in a Bill to make provision about controls on the transportation of nuclear weapons.

I would like to take this opportunity to call on the Government immediately to clarify what safety measures they have put in place and, ultimately, to put a stop to these convoys travelling through our towns and cities. It is my hope that greater awareness in this House of these convoys will strengthen calls across the country to rid us of nuclear weapons one and for all.

On several occasions since my election last May, nuclear convoys have passed through my Midlothian constituency along busy routes with commuters and families. These convoys pass with no regard to the danger they pose to the people of Midlothian. My constituents are horrified—and understandably so. As some Members will know, Midlothian is a semi-rural constituency, immediately south of Edinburgh, sitting at the foot of the Pentland hills. Penicuik is one of Midlothian’s largest towns, where we find the Glencorse barracks with Beeslack High School and Mauricewood Primary School in close proximity. Perhaps we can imagine the scene around lunchtime on a bright May afternoon, with the children from Mauricewood primary playing in the school fields and the pupils at Beeslack High School out enjoying their lunch, while just over the fence sit half a dozen weapons of mass destruction.

Since then, there have been countless reported incidents where convoys have continued to travel across the UK, regardless of severe weather warnings, with the most recent instance only last weekend in Stirling. A number of areas of the country are suffering from flooding while others are under snow, and emergency services are pushed. Roads and rail infrastructure are challenged almost to breaking point—yet still these convoys make their trek up and down our countries.

Following the public outcry in Midlothian on 22 May, I wrote to the Secretary of State for Defence to ask a number of safety questions, including what assessment had been made of the proposed route. I have to say that the answer provided to me was woefully inadequate. In his response, the Minister for the Armed Forces claimed that there had been an unbroken safety record for 50 years. That response could have been written by Frank Drebben and the Police Squad, saying “Nothing to see here, move along”. In actual fact, more than 70 individual safety incidents involving convoys were recorded by the Ministry of Defence over the period between July 2007 to December 2012. Those figures were provided to me by Nukewatch, an organisation that helps to monitor the convoys’ movement, and they had been provided to it by the MOD.

Alarming, the movement of convoys has changed. In 2005, MOD rules restricting travel by night were lifted, but moving convoys by night increases the risk of accidents and collisions, and makes security much more difficult. The Royal Society for the Prevention of Accidents has pointed out that drivers are far more likely to fall asleep at the wheel at night. These long journeys now take less than 20 hours, adding pressure to crews and critical safety equipment while families sleep in their beds. At a time when we have a daily reminder in this House that the UK threat level remains “severe”, these convoys are dangerous, highly visible and not only a risk through the level of accidents, but a moving target for terrorists.

Some might claim this is being alarmist, but it has been said that “such an attack has the potential to lead to the damage or destruction of a nuclear weapon within the UK and the consequences of such an incident are likely to be considerable loss of life and severe disruption to the British people’s way of life and to the UK’s ability to function effectively as a sovereign state”.

These are not my words—they are from the MOD in response to a freedom of information request by Nukewatch in 2005. We should just think about that—“considerable loss of life” and inability to function “as a sovereign state”. If anyone still thinks it is a good idea to have these convoys passing through our communities when the potential consequences have been acknowledged, they can feel free to do so. I have to say that I certainly do not. Given the enormity of these words, we must ask ourselves whether nuclear convoys are more of a risk to the British people and their way of life than terrorism. If that is the case, we have a moral, ethical and valid compelling mandate to remove that risk from our towns, our cities and our nations.

We need look only at the effects of social media to understand how powerful the risk is. When convoys travelled through Midlothian, I was alerted to the fact through Facebook and Twitter. Ordinary members of the public were drawing attention to the grim scene of nuclear materials passing their front doors. It is delusional to think that a convoy of 20 large vehicles can ever go unnoticed in this day and age. The existence of the convoys is already well documented, and if members of the public can do that, it seems logical to assume that others with darker motivations could do so as well.

I am sure that we are all far too well aware of the appalling damage and loss of life that a terrorist attack can bring about, but running convoys of nuclear weapons through the country does nothing to deter that. In the event of such an incident, or a fire or major explosion, local authorities might not be fully prepared to deal with the immediate aftermath. Although the police are informed of an approaching convoy, they are not obliged to inform any other services, including the fire and rescue services.

In a scenario of that kind, with lethal plutonium billowing around my constituency, local people would be at the mercy of a response team that is based in Bath. While I am sure that the members of that team are highly skilled and have considerable expertise, they are nevertheless based 380 miles from my constituency. At worst, if there were a fire or a major explosion, our cities and our nations would be flattened.

This issue has been discussed in this House before. My hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) raised many of the same points during a debate back in July. However, the issue has not been raised solely by SNP Members, and I thank the hon. Member for South Down (Ms Ritchie) for conveying her support for the Bill as well as passing through 21 local authority areas in Scotland, the convoys pass through, or fly over. In Wales and 91 in England, so this is not just an issue for Scotland.
As the House anticipates a potential vote on the overhauling and upgrading of the system through the Mk4A refurbishment programme, the Government should also be clear about the impact that the programme will have on the frequency of convoys. If every single warhead is to be replaced, and every single one is to be sent down to Berkshire and back again, I can only imagine the scene: you are standing on a street corner, observing the passing of military vehicles, some guarding and some carrying nuclear weapons, but you are not in North Korea. You are on the A702 in Penicuik.

Finally, let me raise a matter of great importance, and praise the hard work of the men and women who are employed on our submarines or as part of the logistical operation. They do an incredible job. It must not be forgotten that, regardless of our views on nuclear weapons, the men and women who work with them are doing a phenomenal job.

I believe that most of the people of Scotland, and, indeed, most people in my constituency, remain opposed to the UK Government’s policy of maintaining and upgrading the Trident system. However, I hope that the debate will persuade other Members, even if they agree with the pro-Trident policy, to show their concern and agree that real risks are involved in nuclear convoys. The transport of nuclear weapons should not be based on an argument for convenience at the expense of safety. The policy as it stands lacks transparency, it is counterproductive in that it does not protect us from terrorist attacks, and it shows a blatant disregard and lack of judgment in relation to our own citizens. While my ultimate hope is that the Government will see sense and think again about their policy of renewing Trident, they should at the very least respond to Members’ calls for an end to the absurd policy of driving nuclear weapon material near our schools, nurseries and front doors.

1.33 pm

**John Woodcock** (Barrow and Furness) (Lab/Co-op): People in my constituency periodically receive warning notices telling them what to do in the event of a nuclear incident—I receive such notices in my own house—and iodine tablets are given out lest such an incident should occur. The difference—I was going to refer to the difference between the people of Barrow and Furness and the constituents of the hon. Member for Midlothian (Owen Thompson) in Scotland, but that would not be correct. The difference between the people of Barrow and Furness and SNP Members is that the former have a mature understanding of the fact that the regulatory governance structure is internationally overseen, and is designed to keep everyone safe.

Not only are live nuclear reactors maintained on submarines in Barrow and Furness, a few hundred yards from my house, without incident and without any of the paranoid scaremongering that has been deliberately whipped up by the hon. Gentleman, but nuclear material is taken by rail along the south and west coasts of Cumbria, and is taken entirely safely. The hon. Gentleman is trying to frighten schoolchildren and nursery children, and I really think he ought to know better. If he has done any research, he must surely know that the idea that there could be a sudden derailment, the whole of Scotland could immediately be filled with a cloud of plutonium, and everyone would put on gas masks and then die is a complete fantasy—and a fantasy designed not to achieve a greater level of safety for the hon. Gentleman’s constituents, but merely to add fuel to the fire of the SNP’s absurd argument.

In case you have forgotten that argument, Madam Deputy Speaker, it goes like this. “We believe in nuclear weapons, and we want Scotland to be protected by nuclear weapons under the NATO umbrella, but we also think that those nuclear weapons are immoral and abhorrent, and they must come nowhere near Scotland. They can be 50 or 100 miles down the road in Barrow and Furness if you like, and keep us all safe, but we do not want any of them on our shores.”

The hon. Gentleman was patting submarine workers on the head. He was saying to those who maintain and build the submarines that he and his party had the utmost respect for them. What absolute rubbish! His Bill would cause thousands of them to lose their jobs, never to return to Scottish soil. [Interruption.]

Let me end by saying—if I am able to do so above the hubbub of the Scottish Members who are trying to distract me—that the Bill has nothing to do with safety and everything to do with prosecuting the SNP’s absurd argument, which is certainly not supported by the people of Scotland. Every opinion poll, bar the one carried out by the Campaign for Nuclear Disarmament—I will give SNP Members that: they have CND with them—has made it clear that the Scottish people, like those in the rest of the United Kingdom, are in favour of maintaining an independent nuclear deterrent while other countries possess them.

The Bill will not get anywhere, so I will not trouble the House by pressing it to a Division. We need to proceed with important business concerning psychoactive substances. I just want people to know, for the record, that the Bill is utter poppycock, and that no regard should be paid to it.

*Question put and agreed to.*

*Ordered.*

That Owen Thompson, Brendan O’Hara, Douglas Chapman, Kirsten Oswald, Carol Monaghan, Martin John Docherty, Mike Weir, Steven Paterson, Drew Hendry, Alex Salmond, Pete Wishart and Margaret Ferrier present the Bill.

Owen Thompson accordingly presented the Bill.

*Bill read the First time; to be read a Second time on Friday 4 March and to be printed (Bill 122).*
Psychoactive Substances Bill [Lords]


Consideration of Bill, as amended in the Public Bill Committee

New Clause 1

NEW PSYCHOACTIVE SUBSTANCES – PREVENTION AND EDUCATION

“(1) In section 84(3) of the Education Act 2002 (curriculum foundation subjects for the first, second and third key stages), after paragraph (g) there is inserted—
“(gi) personal, social and health education.
“(2) In section 85(4) of the Education Act 2002 (curriculum foundation subjects for the fourth key stage), at the end there is inserted “, and
“(d) personal, social and health education.”
“(3) In section 74(1) of the Education and Inspections Act 2006, which (when brought into force) will substitute a new section 85 in the Education Act 2002, in subsection (4) of that substituted section (foundation subjects for the fourth key stage), at the end there is inserted “, and
“(d) personal, social and health education.”
“(4) Before section 86 of the Education Act 2002 there is inserted—
“85B Personal, social and health education
“(1) For the purposes of this Part, personal, social, health education (“PSHE”) shall comprise—
“(a) education about alcohol and tobacco, illegal recreational drugs and new psychoactive substances;
“(b) education about emotional health and well-being and how this can be impacted by psychoactive substances;
“(c) education about individual safety, including risk taking behaviour.
“(2) The National Curriculum for England is not required to specify attainment targets or assessment arrangements for PSHE (and section 84(1) has effect accordingly).
“(3) The Secretary of State for Education shall set out guidance to schools and colleges to ensure that a coherent approach to personal, social, health and economic education is developed, including between primary and secondary schools.
“(4) It is the duty of the governing body and headteacher of any school in which PSHE is provided in pursuance of this Part to ensure that guidance issued under subsection (3) is followed and the principles set out in subsections (5) to (6) are complied with.
“(5) The first principle is that information presented in the course of providing PSHE should be accurate and balanced.
“(6) The second principle is that PSHE should be taught in a way that—
“(a) is appropriate to the ages of the pupils concerned and to their religious and cultural backgrounds, and also
“(b) reflects a reasonable range of religious, cultural and other perspectives.
“(7) The third principle is that PSHE should be taught in a way that—
“(a) endeavours to promote equality,
“(b) encourages acceptance of diversity, and
“(c) emphasises the importance of both rights and responsibilities.
“(8) In the exercise of their functions under this Part so far as relating to PSHE, a local authority, governing body or headteacher shall have regard to any guidance issued from time to time by the Secretary of State.”

Lyn Brown (West Ham) (Lab): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss the following:

New clause 3—Control of cannabis—

‘(1) Within six months of the passing of this Act, the Secretary of State shall consult the Advisory Council on the Misuse of Drugs pursuant to the Misuse of Drugs Act 1971 with regard to the use of her powers to make regulations under sections 7, 10, 22 and 31 of that Act to—
“(a) delete from Schedule 1 to the Misuse of Drugs Regulations 2001 the substances listed in subsection (2), and
“(b) add those substances to Schedule 2 to the 2001 Regulations.
“(2) The substances referred to in subsection (1) are—
“(a) cannabis, and
“(b) cannabis resin.”

The intention of this amendment is to re-schedule Cannabis from a Schedule 1 drug to a Schedule 2 drug for the purposes of promoting research into its medical use.

New clause 4—Referral to Advisory Council on the Misuse of Drugs—

‘(1) The Ministers shall refer to the Advisory Council on the Misuse of Drugs (ACMD) any substance which is, or may be, a psychoactive substance.
“(2) The ACMD shall advise the Ministers whether the substance is, or appears to the ACMD likely to be, misused and of which the misuse is having, or appears to the ACMD to be capable of having, harmful effects sufficient to constitute a social problem.
“(3) For the purposes of this section, “the Ministers” has the same meaning as in section 1(4) of the Misuse of Drugs Act 1971 (The Advisory Council on the Misuse of Drugs).”

New clause 5—Review of the Misuse of Drugs Act 1971—

‘(1) The Secretary of State shall commission an independent evidence-based review of—
“(a) the effectiveness of the Misuse of Drugs Act 1971 in reducing the harm caused by the misuse of drugs, including social problems connected with their misuse, and
“(b) the implementation of the Act.
“(2) The Secretary of State shall lay a copy of a report of the review before both Houses of Parliament within one year of the passing of this Act.”

New clause 6—Possession of controlled drugs—

‘(1) The Misuse of Drugs Act 1971 is amended as follows.
“(2) Omit section 5(1) and (2).
“(3) After section 5 insert—
“5A Measures in respect of possession of controlled drugs for personal use
“(1) Where a person is detained on suspicion of having committed an arrestable offence and is found to be in possession of a controlled drug, falling within Schedule 2 (Class A drugs) in circumstances which do not constitute an offence under section 3 (restriction of importation and exportation of controlled drugs) or section 4 (restriction of production and supply of controlled drugs), a senior officer or a local authority may require the person to attend a drug treatment programme or drug awareness programme.”
(2) The Secretary of State shall by regulations define “drug treatment programme” and “drug awareness programme” for the purposes of this Act.

(3) Regulations made under this section must be made by statutory instrument.

(4) A statutory instrument under this section may not be made unless a draft of the instrument has been laid before, and approved by resolution of, both Houses of Parliament.”

Amendment 23, in clause 1, page 1, line 3, after “about” insert “reviewing the Misuse of Drugs Act 1971 and”

Amendment 24, page 1, line 11, at end insert—

‘(6A) Section [Control of Cannabis] provides for legal possession and supply of cannabis prescribed by a doctor.”

Amendment 18, in clause 2, page 1, line 14, after “any” insert “novel”

Amendment 19, page 1, line 15, leave out paragraph (a) and insert—

“(a) in the opinion of the Advisory Council on the Misuse of Drugs is capable of producing a psychoactive effect in a person who consumes it, and

(aa) is, or appears to the Advisory Council on the Misuse of Drugs likely to be, misused and of which misuse is having, or appears to them capable of having, harmful effects sufficient to constitute a social problem, and”

Amendment 12, page 1, line 16, leave out “and” and insert—

“(aa) is not prohibited by the United Nations Drug Conventions of 1961 and 1971, or by the Misuse of Drugs Act 1971, but which may pose a public health threat comparable to that posed by substances listed in these conventions, and”

This amendment to the definition includes part of the alternative definition of psychoactive substances proposed to the Home Affairs Select Committee by the Advisory Council on the Misuse of Drugs.

Amendment 20, in clause 3, page 2, line 12, at end insert—

‘(2A) The Advisory Council on the Misuse of Drugs shall propose to the Secretary of State the amendment of Schedule 1 for the purposes of subsection (2)(a) if they consider that a substance does not have, or is not capable of having, harmful effects sufficient to constitute a social problem.”

Amendment 21, in clause 5, page 3, line 9, at end insert—

‘(2A) It shall be a defence that the person did not supply the substance for gain (whether direct or indirect).”

Amendment 13, page 3, line 15, at end insert—

‘(5) It is not an offence under this section for a person (“A”) to supply a psychoactive substance to person (“B”), where A and B are known to each other and such supply is part of an agreement to obtain psychoactive substances for either A’s, B’s or both’s own consumption and the supply does not profit person A.”

This amendment avoids one person being criminalised when, as part of a group, he is responsible for obtaining psychoactive substances for the group where, in effect, each person in the group is purchasing for their own consumption.

Amendment 14, in clause 8, page 4, line 38, leave out paragraph (i)

This amendment seeks to exclude from criminalisation those who order psychoactive substances over the internet for personal consumption.

Amendment 22, page 5, line 19, at end insert—

‘(5A) It shall be a defence that the person imported the substance for his own consumption.”

Amendment 15, in clause 10, page 6, line 22, at end insert—

‘(3) In sentencing, the court shall take account of the relative harm associated with the psychoactive substance that was the subject of the offence.”

This amendment seeks to ensure that sentencing is commensurate with the potential harm done by the substance involved.

Amendment 4, in clause 58, page 36, line 25, at end insert—

‘(2A) The report must inform Parliament on progress made in improving education and awareness about new psychoactive substances.”

This amendment requires the Secretary of State to include a section on progress in NPS education in their statutory review.

Amendment 25, in schedule 1, page 40, line 5, at end insert

“except to the extent necessary to give effect to section (Possession of controlled drugs).”

Amendment 1, page 41, line 12, at end insert—

“Racetams
8 Pramiracetam
9 Oxiracetam
10 N-phenylacetyl-L-prolylglycine ethyl ester
11 Phenylopiracetam
12 Nefiracetam
Cholinergics
13 L-Alpha glycerylphosphorylcholine
14 Citicoline
15 Meclofenoxate
Miscellaneous
16 L-Theanine
17 Oxitriptan
18 Tongkat Ali
19 Resveratol
20 Trans-resveratol
21 Sulbutiamine”

This amendment exempts a number of substances from scope of the regulation regime introduced in the Psychoactive Substances Bill. The substances in this amendment are commonly used to improve individuals’ cognitive performance and have been found to have positive effects in a number of academic studies.

Amendment 5, page 41, line 12, at end insert—

“Miscellaneous
8 Alkyl nitrates”

This would exempt “poppers” from the Bill, as recommended by the Home Affairs Select Committee.

Government amendment 10.

Lyn Brown: Both amendment 4 and new clause 1 deal with the key issue of drugs education and awareness. This Bill contains provisions to disrupt the supply of new psychoactive substances, but they will not be effective without action to reduce demand. What we need is a coherent and comprehensive education and awareness strategy to go alongside this Bill.

Amendment 4 would place a duty on the Secretary of State to update Parliament on the progress made by the Government in improving education and awareness of new psychoactive substances. The Bill requires the Secretary of State to bring a progress review before Parliament. Our amendment prescribes that this review should contain information about education and awareness, too.
Nick Thomas-Symonds (Torfaen) (Lab): At the end of last year I visited St Alban’s RC high school in my constituency, my old school, and saw there at first hand the kind of educational work that was being done on so-called legal highs. Does my hon. Friend agree that that is precisely the kind of approach we need?

Lyn Brown: I thank my hon. Friend for making that point. Wales has a very impressive education programme, and I will come to that later in my contribution.

New clause 1 seeks to amend the Education Act 2002 to make personal, social, health and economic education include a focus on drugs and new psychoactive substances. It should be a foundation subject in any national curriculum. The Government’s drug education strategy contains some warm words about providing good quality education and advice so that young people and their parents are provided with credible information on actively resisting substance misuse, but these warm words are not, and were not, acted upon. The coalition Government reversed Labour’s plans to make PSHE a statutory requirement, despite that being recommended in the review carried out by Sir Alasdair Macdonald. They closed the drugs education forum, a source of expertise on drugs education in England which disseminated information to teachers across the country. The forum was closed as part of a drastic cut in drugs education spending. According to the Department of Health, drugs education spending was reduced from £3.9 million in 2009-10 to around £500,000 in 2010-11.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is making an important point about the need for PSHE to include these measures. Given that Five Year Forward view set out by Simon Stevens for the national health service assumes £5 billion-worth of savings coming from prevention, is this not exactly the kind of prevention we should be promoting in our schools?

Lyn Brown: My hon. Friend is absolutely right. If I remember my facts rightly, the Government estimated that having a comprehensive drugs education would cost approximately £500 for every pupil in England and Wales. If we offset that against the average of nearly £1 million that would be spent on a person misusing substances over the course of their lifetime, we can see it can be cost-effective to provide decent, comprehensive drugs education and so stop us spending at the other end, on people misusing and abusing substances.

Statistics provided by Mentor UK, the drug and alcohol charity, demonstrate that this was a disastrous set of decisions by the Government. Some 60% of schools now teach drugs education for one hour or less per year, and 59% of pupils say they cannot remember having a drugs education lesson in the last year. Paul Tuohy, former chief executive of Mentor, has told a national newspaper: “We are probably in the worst situation for drug education for decades.”

Where there is drugs education in our schools, the quality is questioned. Ofsted found that 40% of PSHE teaching was not good and needed to improve. A 2013 survey of teachers by the PSHE Association reported that 81% of respondents would like more classroom resources for drugs and alcohol education.

Paul Flynn (Newport West) (Lab): Can my hon. Friend give an example of any anti-drug use education programme here or anywhere else in the world in this century or the last century that has resulted in a reduction in drug use?

1.45 pm

Lyn Brown: I am going to come to that later in my speech when I talk about Wales. Although there has not yet been a proper examination of the findings from the drugs programme that Wales has put into action, the initial findings appear to show that it has had some impact. If my hon. Friend will allow, I will continue with my—/ Interruption. / Thank you: I will continue with my oration.

The evidence, including from the Government’s own inspectors, suggests that the Government’s approach to PSHE simply is not working. This failure has occurred at a time when the growth of the new psychoactive substances industry has started radically to alter the drugs situation in our country.

Moreover, parents want these changes. A National Union of Teachers survey suggests that around 88% of parents want PSHE to be compulsory. A 2011 survey conducted by Mumsnet showed that 98% of parents were happy for their children to attend PSHE lessons.

Jim Shannon (Strangford) (DUP): While this legislation will go some towards addressing legal highs, there is still the issue of the purchase of legal highs online. Does the hon. Lady agree there is still much to do in relation to that?

Lyn Brown: I agree that there is much we can do to prevent the supply of, and demand for, these substances. This set of amendments is dealing with demand, and I feel that, unless we get across the message that these so-called legal highs are neither legal nor safe, the demand on the internet will become even greater. We need to get across the core message that the Government are sending through this Bill: these drugs are not legal and not safe. The demand on the internet needs to be curbed as well, which is why we need to make sure that we have proper education and information out there.

Teachers, parents and the Government’s own inspectors think we should have more and better drugs education, but it appears that the Government do not agree. In Wales, a Labour Government show us how successful an alternative approach can be. A £2 million investment in the all-Wales school liaison programme has made substance misuse education a core subject in 98% of Welsh primary and secondary schools. Almost all Welsh schoolchildren receive accurate, consistent and credible information about the potential harms of drugs, rather than having to rely on friends, myths, the internet and guesswork. The school programme is complemented by the Welsh emerging drugs and novel substance project, a new psychoactive substances information and harm reduction programme, as well as measures to educate parents. These are all part of a £50 million investment in reducing drugs harms.

There are signs that the Welsh approach is working. Drug deaths in Wales are down by 30% since 2010. By contrast, drug-related deaths have been creeping up in England. There was a 17% increase in the last year, and the Office for National Statistics states that they are now at the highest level since records began in 1993.
Too much of the drugs education in our schools is focused on providing information. Evidence suggests that to get drugs education right, it has to be taught alongside a focus on the life skills which empower young people to resist peer pressure and make informed decisions.

Steve Brine (Winchester) (Con): It is good to hear from the hon. Lady. I enjoyed listening to her in Committee. I agree with a lot of what she is saying, and nobody is suggesting the situation is perfect, but we have Mentor UK, the “Rise above” programme and the FRANK campaign, and I feel sure she will come on to say that while of course there is a role for the state and for education and health, there is also a role for parents. I am a parent of two young children, and I intend to educate them as well as I possibly can with the information I have about the dangers of psychoactive substances. Does the hon. Lady agree that that has got to be a key part of this?

Lyn Brown: I do so agree with the hon. Gentleman about that. Unfortunately, I have not been lucky enough to become a parent, but I have nieces and I know that what their parents tell them and the information available to their parents is crucial in making the right decisions.

Diana Johnson (Kingston upon Hull North) (Lab): There are a lot of very responsible parents out there who will of course talk to their children about legal highs, and about building resilience and self-confidence so that they make the right decisions in their lives. We have to accept, however, that unfortunately many children do not have the advantages we would like them to have, so it is incumbent on us all to recognise that education within the school setting is another way of getting important messages across.

Lyn Brown: My hon. Friend is right indeed about that. These life skills can be taught only by helping children think about the challenges and dangers they face. They need to understand that bullying is often a tool of the drug pusher, and that a consequence for people taking drugs from pushers is often that they will get into debt or be open to exploitation. When these messages are introduced in the classroom, they can result in conversations between young people and a real learning process rather than it all being a bit hit and miss, as my hon. Friend says, if this occurs out of school. We need information, values and context in order to deliver a quality drugs education. That is why drugs education belongs in the sort of comprehensive personal and social education that can be provided by PSHE, and not solely, as is happening so often, in science lessons. Unfortunately, the Government have consistently opposed making PSHE a foundation subject whenever the issue has been raised in this House.

There is reason to believe that education about new psychoactive substances is particularly bad. Research by the Royal Society for Public Health found that a quarter of young people aged between 16 and 24 believed that so-called “legal highs” were safer than illegal drugs. As we all know, that is a dangerous misunderstanding because some new psychoactive substances have been classified as class A drugs. It is little wonder that young people, and indeed older people, are confused when they are being bombarded with marketing tricks from drug pushers who tell them that these are safe and legal alternatives. Given the ingrained and damaging myths around new psychoactive substances, I find it astonishing that as of 2 June just £180,556 has been spent over three years on education programmes about these drugs.

New psychoactive substances education and awareness is not just about schools. That is why I have tabled amendment 4, which would place a statutory duty on the Home Secretary to include an update on progress in improving new psychoactive substances education and awareness in her statutory review. The amendment would focus minds at the Home Office and compel it to put in place the most effective and comprehensive awareness campaign possible.

The Welsh Assembly found that 57% of new psychoactive substances users used the media as their main source of information about these substances. Public relations and advertising campaigns therefore have a key role to play, particularly among adult groups where the Government cannot act as a direct provider of education as they do in schools. The Government’s own public awareness campaigns are limited to the FRANK website, which, regrettably, has almost no social media presence. In the absence of any Government action, the Angelus Foundation has been forced to run its own advertising campaigns, using fundraising and corporate donations in kind. I want to praise its work again, but I am sure it would acknowledge that these campaigns should be nationwide and comprehensive, and it simply cannot afford to do this itself. The job it is doing is the job that Government should be doing.

Mr David Burrowes (Enfield, Southgate) (Con): I, too, very much commend the Angelus Foundation, which gave evidence to the Select Committee on Home Affairs and has been very important in establishing the case for more education. Is it not strange that the “FRANK” website and the information it provides are wholly separate from, and without any connection or link to, other great work being done, such as the films that are pushed through social media about awareness of new psychoactive substances? There is no collaboration; surely we need the Government to take a lead on that.

Lyn Brown: I say give the hon. Gentleman a job in the Home Office, because we would become much more effective if we put into practice what he has just suggested. In Committee, the Minister seemed to agree—I do not want to put words into his mouth—that FRANK was inadequate. He said:

“I put my hands up: ‘Talk to Frank’ is not perfect. We will work with everybody to try to ensure that “Talk to Frank” improves...the way in which it is feeding information is perhaps not as open or as direct as possible. Let us sort that now.” —[Official Report, Psychoactive Substances Public Bill Committee, 29 October 2015; c. 84.]

I encourage the Minister, in responding to the points I have raised, to respond to the point the hon. Member for Enfield, Southgate (Mr Burrows) has just made and to give us some understanding of the progress that has been made in sorting it.
Mrs Cheryl Gillan (Chesham and Amersham) (Con): The hon. Lady may not be aware that a very prominent anti-drugs campaigner in my constituency, Mary Brandt, has always had a lot of problems with the FRANK website, particularly because of its emphasis on harm reduction. The feeling is that the website fails to really point out the dangers in a direct way that youngsters can understand. I therefore rise to support the hon. Lady in hoping that the Minister will re-examine this issue, because many very good campaigners with honestly held views think that FRANK is not good enough.

Lyn Brown: I thank the right hon. Lady for making that point. I know very little about drugs, apart from what I have learned hard over the past few months. I did not even know what poppers were when I first took on my brief—I had never heard of them; I thought they were the little things with the string that we had at parties. When I looked at the FRANK website it did not enlighten me that much. I needed something a bit more basic that would help to enlighten and educate me, and I therefore agree with the point she has made.

I urge the Minister to accept my amendment 4 and pledge to report to Parliament on the progress made in delivering the Government’s education strategy. It really is not a big ask and if the Government are serious about drugs education—I genuinely believe that the Minister for Policing, Crime and Criminal Justice is—they ought to be committed to monitoring this rigorously, at the very least. He claimed in his letter to the Bill Committee that the statutory review should focus on the operation of the legislation. I agree, but the operation of this legislation will not happen in a vacuum. He has repeatedly said that it must be complemented by a communication and awareness strategy. It therefore seems appropriate to me that a look at the “operation” of this legislation would include a substantive section on education and awareness, just to make sure that we are getting the messages out there and reducing demand.

I am sure the Minister will agree that we should be keen to review and evaluate the impact this legislation will have, and I am pleased there is provision in the Bill to ensure that that will happen. However, will he provide assurances that in the regular and annual collection of statistics about arrests, prosecutions, sentencing, offender management and treatment, information collected about substances covered by this legislation will not be subsumed into the similar data collected for drugs controlled under the Misuse of Drugs Act 1971? Similarly, will he confirm that surveys carried out by the Government on crime and public health will separate out the consideration of information about the Misuse of Drugs Act controlled drugs and of information about psychoactive substances? I raise that matter because it will be too easy simply to obscure the impact this legislation will have if the information is collapsed into the existing systems for collecting data about action taken on drugs controlled under the Misuse of Drugs Act.

I would also like the Minister to accept new clause 1—a girl can dream! The Government’s approach to PSHE simply is not working and we cannot stand by and let that happen when new psychoactive substances are bringing new dangers into our communities.

While I am on my feet, I will also speak to amendment 5, which, if passed, will add poppers to the list of exemptions to the ban on psychoactive substances. Poppers would then be treated like nicotine, alcohol and caffeine—substances that we know to be psychoactive, but do not feel it judicious to ban. We support the Bill because legislation is necessary to safeguard against the serious harms created by new psychoactive substances. Our concern to safeguard against harm is exactly why we believe that poppers should be exempt from the ban on psychoactive substances. In our judgment, fewer harms are likely to occur if poppers are added to the exemption list.

2 pm

I have noted the Home Secretary’s response to the report of the Home Affairs Committee in which she recognises the representations made about a beneficial and health relationship effect and the concern that a ban will have, especially on men who have sex with men. I was pleased to see that the Home Secretary has chosen to refer the issue for further consideration by expert bodies. However, I was a little perplexed as to why that consideration is being made in partnership not with the Advisory Council on the Misuse of Drugs—her own body of scientific experts on drugs—but with the Medicines and Healthcare products Regulatory Agency. Strangely, if the recommendation from the MHRA is favourable and agrees with the evidence about poppers to date, the ACMD will then be consulted. Why does the Home Secretary prefer a different set of scientists and clinicians from her own? Perhaps the Minister could provide some clarity on that.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): I am conscious that this is an intervention and not a speech. Later on, when I have a chance to respond to the debate in the tone that has been used throughout the passage of this Bill, the shadow Minister will be pleased to hear that the ACMD will start the process. That is something that I have initiated in the past couple of days.

Lyn Brown: I am pleased to hear that, and I am grateful to the Minister for his intervention.

Crispin Blunt (Reigate) (Con) Will the hon. Lady give way?

Lyn Brown: Oh, okay, Why not?

Crispin Blunt: On that point, whatever process the Government go through, it seems to be bordering on crazy to then ban these substances with a view to unbanning them in two or three months’ time. Does the hon. Lady agree, as I do, with the view of the Home Affairs Committee? I intend to support amendment 5.

Lyn Brown: I am grateful to the hon. Gentleman for his intervention, and, yes, I do agree with him. Despite this seemingly welcome movement by the Home Secretary, I am still minded to vote this afternoon to place poppers on the exempt list. I will do so, because I am fearful that placing a ban on such substances will push their use underground and away from the regulatory controls that currently exist. In short, we may do more harm by that action. If, after a review and further evidence, it is proven that poppers are harmful and that, on balance, a ban would be appropriate, Labour Members willingly review and test the evidence and, if the case is proven, support a ban on these substances.
Andrew Gwynne: I agree with my hon. Friend’s approach to this matter, as it makes a lot of sense. The Government’s approach could create uncertainty and send out mixed messages not just to the gay community, but to the population at large.

Lyn Brown: My hon. Friend is absolutely right. Let us look at the context and the evidence. Poppers have been used recreationally in Britain for more than 30 years, and, in all that time, no Government—not one—have sought to ban them. The word “poppers” is used to describe a group of different chemical compounds, some of which carry more potential harms than others. They are a popular substance in some sections of the gay community because, I am told, they enhance sexual experience. The National AIDS Trust argues that amyl nitrite and butyl nitrite are relatively rare in Britain because they are regulated by the Medicines Act 1968 and by EU law. As a result of that regulatory regime, the most common compound of poppers in the UK is isopropyl nitrite, which is weaker and does not pose a significant health risk.

Steve Brine: I am glad that the hon. Lady has mentioned the National AIDS Trust. I have read its briefing on this matter today. Poppers have been around for a long time, but they are not controlled by the Misuse of Drugs Act. That is not because they are not harmless, but because they do not meet the very high threshold of that Act. We are debating this Bill now on the Floor of the House of Commons. If we are to bring in a blanket ban, which we have a successful manifesto commitment to do, we should understand that this is a psychoactive substance. Surely, the Minister’s response to the Home Affairs Committee report suggests that he will do the research. As she knows, there is provision in clause 3 to enable something to be added to a schedule. Surely, therefore, we are doing this the right way round.

Lyn Brown: I do not think that we should be doing this the other way round. I will explain why as I go along. My feeling is that this Bill should be about harms. Poppers have not been controlled by any Government. They have been around for decades—I think they were created in the late 19th century. I understand that they were used by some Ministers to keep them going at the Dispatch Box, and that they were prescribed at the time by their doctors. The reality is that if we ban poppers now and then unban them in four months’ time, it would create confusion. It would be better to allow the current situation to continue. If the test of significant harm is proved, then we should ban them and take them off the exempt list. We will not have created any underground laboratories that make synthetic poppers and then sell them in nightclubs. We will not be causing the harm that we would if we did not put them on the exempt list today.

Mr David Davis (Haltemprice and Howden) (Con): I wish to express a view that is opposite to that of my hon. Friend the Member for Winchester (Steve Brine). The simple truth is that if we ban something and then take it back again later, we bring the law into disrepute. There is nobody in this House who is fiercer than I am in my belief in inappropriate substances, but this is the wrong way round. I agree with my hon. Friend the Member for Reigate (Crispin Blunt) that we should keep poppers off the banned list until we know the facts. I absolutely agree with the right hon. Gentleman.

In giving evidence to the Home Affairs Committee Dr Owen Bowden-Jones, head clinician for the Club Drug Clinic, stated that “as far as I can speak as a clinician, I do not think I have ever seen anybody come through”—our clinic “with harms related to poppers.” Professor Iversen of the Advisory Council for the Misuse of Drugs said that he had not seen sufficient scientific evidence of harm in the case of poppers to justify a recommendation under the Misuse of Drugs Act, and that he was not aware of any growth in the use of poppers in the UK.

Mr Burrowes: Just to be fair-minded, while I also share concerns about poppers not being on the exempt list, I wish to make the point that Dr Owen Bowden-Jones also went on to say that there are associated harms. For example, we are now getting a link between poppers and eye damage. Again, this is very unpredictable. Perhaps the Government could respond to that.

Lyn Brown: Genuinely, if the evidence changes and we can see that there are significant harms, we should ban poppers. This is a bit like alcohol: when it is used excessively, it causes massive harm. As I understand it, the way that poppers are generally used, they do not create the kinds of harms that would require us to ban them. We genuinely believe that to ban them would cause more harm than it would solve.

Paul Flynn: Will my hon. Friend challenge the popular myth that, by banning a drug, we reduce its use? That has virtually never happened, and almost every time a previously legal substance is banned, its use increases. That happened with mephedrone and its use increased 300%. It is a complete myth to say that banning a drug will have such effect. What it is likely to do is replace a legal market with a criminal market, which is infinitely more harmful.

Lyn Brown: I agree that if we do not place poppers on the exempt list today, we are likely to replace a regulated market with a criminal market, which is in no one’s interest.

Andrew Gwynne: The situation is worse than that set out by my hon. Friend the Member for Newport West (Paul Flynn). What is likely to happen if we make poppers illegal is that a gay man who uses poppers to enhance sexual pleasure may well be tempted to go on the black market and use a Class A or Class B drug, which would increase the risk of unprotected sex and, as a consequence, sexually transmitted infections.


Mr David Davis: I apologise to the hon. Lady. Lady for intervening a second time, but I just want to ensure that we get the reference point for harm clear. I know almost as little about poppers as she does—I spent this morning reading about them on the web. They can sometimes cause fainting and minor cases of blood damage. Paracetamol can cause damage; it can be used for suicide. Aspirin can cause damage; one can die from...
difficult enough without disproportionate police time scarce police resources. Enforcing this legislation will be harmless, we fear that enforcing a ban would waste that the Bill is seeking to do.

Poppers are not a new drug that has recently appeared on the market and that we know nothing about. As I have said, they were first created in the 19th century, so they are not a new chemical compound that has been synthetically produced to mimic the effects of already banned substances. There is a good argument to be made that poppers are not only relatively harmless, but are not the sort of “new” psychoactive substance that the Bill is intended to deal with.

We feel that a ban on poppers, even for a short period, would in fact bring about harms; it would take the sale of poppers out of this successful regulatory regime and users might end up being pushed underground, where unscrupulous and unregulated sellers, who are in it for the profit, are more likely to provide harmful compounds and possibly drive users towards harder and more harmful drugs. If it is likely that the review will take between four and six months—it might be even longer—that means four to six months of confusion, potential prosecutions and a real danger of under-the-counter sales of poppers that will not be subject to the same regulation. Even a temporary ban would create a real danger of harm. Will the Minister therefore consider a temporary exemption for poppers until the MHRA and the ACMD report back?

I understand that the Government have told the National AIDS Trust that the fear that I have outlined is unfounded, as a similar ban in Ireland has not led to an increase in popper-related harms. However, the National AIDS Trust has been informed by the gay men’s health service in Ireland’s Health Service Executive that poppers are still openly sold in Ireland’s sex shops and saunas, effectively placing poppers on the exemption list. If that is the case, we would not expect to see any harms associated with pushing popper use underground in Ireland, because the poppers market is still, in effect, out in the open. It therefore cannot be inferred from the situation in Ireland that there would be no health harms as a result of a ban on poppers here in the UK.

Additionally, I fear that including poppers in the ban might undermine the Bill and make it far more difficult to get across the vital message that psychoactive substances can be, and often are, very dangerous. There is a risk that the Bill will become synonymous with a ban on poppers, a substance that is thought to be relatively harmless, and that as a result the public will come to believe that all the substances banned by the Bill are relatively harmless. That would be an absolute disaster, and it would completely undermine the important work that the Bill is seeking to do.

Finally, given that poppers are widely used but relatively harmless, we fear that enforcing a ban would waste scarce police resources. Enforcing this legislation will be difficult enough without disproportionate police time being spent on enforcing a ban on a relatively harmless drug. If in future any evidence to the contrary is produced, then poppers should be removed from the exempted list or controlled under the Misuse of Drugs Act 1971.

The Minister said in Committee that it would be sensible for the Government to take stock of the evidence presented about poppers so that the House could decide on Report. I urge him to place poppers on the exempt list until the MHRA and the ACMD have considered the evidence and reported back. I will be listening intently to what he has to say.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before calling the next Member to speak, I point out that we have about two hours remaining, which means another hour and a half on this group of amendments, with a large number of Members wishing to speak. I would be grateful if Members kept their remarks as short as possible so that we can get everyone in.

2.15 pm

Mrs Gillan: Amendment 1, which stands in my name, is a probing amendment, as I wish to ascertain the Government’s position on a number of products marketed by a constituent of mine through an online marketing company called Focus Supplements. Several weeks ago he came into my constituency surgery. He was very concerned that the products he sells, quite legally—they are effectively health supplements used for various reasons, which I will talk about later—might fall within the ambit of the Bill.

I want to ensure that the Minister and the Department know that there are substances out there that are being marketed by perfectly honest, decent and legal companies, such as Holland & Barrett, and indeed on eBay, that might fall within the ambit of the Bill. It might criminalise substances that are perfectly innocuous, and indeed that are in some demand. I have no personal experience of those products, and I am very supportive of this Bill, so I would not have tabled the amendment or asked for clarification from the Minister if I thought that the substances I have listed would lead to any harm. The purpose of my amendment is to see whether those substances might fall foul of the Bill, and indeed whether clause 3, which has already been discussed, can be fleshed out at this stage, as that would help people listening to the debate.

Many of these products are used by people to combat anxiety, to aid sleep, to enhance memory and learning and to improve focus, and as such they are used as dietary supplements. Cholinergics increase choline in the brain and contain a substance that is found naturally in many foods—foods rich in choline include smoked salmon, fried eggs, chicken livers and Brussels sprouts. Indeed, there are recommendations in some health regimes around the world that people should take a certain level of choline every day in their diet.

Racetams—I hope I am pronouncing these correctly—are sometimes called nootropics. They can in some cases improve one or more functions of the brain. They can improve working memory, motivation or even attention—perhaps Members of this House should take such supplements to improve their attention in some debates. Various products are listed in the amendment as miscellaneous. Oxitriptan, a precursor for serotonin, is
sold in health shops such as Holland & Barrett. L-Theanine is found in green tea and is available from companies such as Nature’s Best. Tongkat Ali is available from various health shops. Resveratrol, I am reliably informed, is an excellent substance that is found in red wine. Sulbutiamine is two thiamine—vitamin B1—molecules.

When my constituent, Jack Baldwin, met the MHRA, it indicated it was perfectly legal for him to sell those products, but it stressed it was important that no medicinal claims were made for them. Indeed, in many other countries, including the USA, none of the substances listed in amendment 1 are controlled substances and it is perfectly legal to use, own and sell all of them. One of the problems with a lot of these products is that they are relatively young—only 10 years old in some cases. Although many have been subject to studies at academic level, they have not gone through the rigorous testing that medicinal drugs would necessarily go through. Nevertheless, they do not seem to be the sort of products that this Government or this Minister are seeking to ban.

Mr David Davis: My right hon. Friend is exactly right, for two reasons. First, many fitness supplements and other supplements work through the brain. There is no doubt about that—growth hormone-related ones do, and benign things like sage oil do. The other problem she faces is in the definition in the explanatory notes, which says that a psychoactive substance is a substance that causes

“a range of effects including, but not limited to hallucinations; changes in alertness, perception of time and space, mood or empathy with others; and drowsiness.”

All of those could apply to everything from antihistamines to, as I say, something as benign as sage oil. The problem is that if we are not careful we will end up with bad law that will undermine the status of people such as her constituent.

Mrs Gillan: I could not put it better myself. That is what concerns me about the Bill. The point was made that if this is seen to be a blanket ban—and a stupid ban because it bans perfectly innocuous substances—that will undermine the very purpose for which the law is being passed.

Paul Flynn: Does not the right hon. Lady think that if we treat these nootropic drugs differently from all the other new psychoactive drugs, there is a danger that we give them some credibility or approval? There has been some research into their harm, or otherwise. The trials have been poorly designed, and they have not found any great dangers in them, but they would not be accepted as being right for a medicinal drug. I understand her constituent’s commercial interest, but would it not be dangerous to treat this group the same as any other and thereby give the public the impression that they are harmless, because we do not know that?

Mrs Gillan: I do not think that putting them on the exempted list means that anybody should draw the conclusion that they are harmless. They obviously have an effect of some sort on individuals; otherwise, my constituent would not have, as he reports to me, 32% repeat orders for many of these substances. I take the hon. Gentleman’s point. However, in relation to cholinergics, the National Academy of Sciences has said that choline is a dietary requirement, as I mentioned, and the Food and Drug Administration has recommended 425 milligrams of choline intake a day. With regard to racetams, oxiracetam, for example, has been shown to improve step-down, retention and acquisition performance in research carried out on rats, I believe, and was supported in a paper in “Behavioural Brain Research” in 1996. I have various other references citing good research carried out into these drugs; some, I admit, have not had so much research into them.

The purpose of amendment 1 is to make sure that the law of unintended consequences does not apply to this Bill. The Minister needs to reassure my constituent, and the many organisations such as online companies and health food shops that sell these substances, that either they do not fall within the ambit of this Bill, and that therefore they need not concern themselves about falling foul of it, or, if he thinks that these substances need more research, to tell us what needs to be done. I expect, at the bare minimum, that he will undertake to review the products that I have listed in the amendment and to let us know, after discussions with the ACMD, what he intends to do. I hope that he will be able either to add these products to the exempted list or to let us know that the Bill does not apply to them. If it does not, he needs to reassure my constituent by letting me know the timescales within which he will investigate these products and perhaps others that might be brought to his attention.

Keith Vaz (Leicester East) (Lab): It is a pleasure to follow the right hon. Member for Chesham and Amersham (Mrs Gillan), who is one of the most distinguished and respected Members of this House, and makes her case very powerfully. I owe her an apology. Because of the speed with which the Home Affairs Committee had to look at the Bill, owing to the timetable that the Government gave us, we did not have the opportunity to explore properly the points she has made or to take evidence from her constituent and others who might have felt that they were going to be affected by it. If we had had more time, we certainly would have had them before us. I am sure that, as is our policy, when we come to review this Bill in a few months’ time we will have the opportunity to consider exactly what its effect has been. I thank her for tabling the amendment and for reminding the House of the importance of all the other products that might be caught by the Bill.

I want to commend the Minister, who is rapidly becoming one of my favourite Home Office Ministers, partly because he agreed to be Father Christmas at the Westminster kids club party, and did it so well, but also because he is prepared to listen to the House. He said he would look at the work of the Select Committee and try to reflect some of it in the amendments he tabled in Committee, and he did so in the case of many of our recommendations. Yesterday he sent me—I thank him for giving me plenty of time to read it for today’s debate—the Government’s response to the Bill’s Committee stage and to our recommendations.

I thank the hon. Member for Enfield, Southgate (Mr Burrowes) for last year pushing the Select Committee to hold an inquiry before the House had to consider the Bill on Second Reading. Again, we were caught out by the Government’s timetable being moved forward, as a
result of which we did not have all the time in the world to consider these things. However, I thank him for doing it. I thank members of the Bill Committee, some of whom are here today, for the work that they did at very short notice to ensure that that happened. The hon. Member for Louth and Horncastle (Victoria Atkins) attended many of the Committee’s sittings despite the fact that she was serving on two other Committees at the same time.

The Government have moved on several of the points that we have made. They were right to legislate—there is no question about that. This has been in the in-tray of successive Home Office Ministers for a number of years. The previous Labour Government were committed to doing something about it—it was in our manifesto, as our excellent shadow Home Office Minister said—and I am sure that if the votes had fallen in the opposite direction, we would have a Labour Minister introducing a similar Bill. I therefore say well done to the Minister for doing this and for incorporating most of what we have suggested.

I particularly want to talk about amendments 1 and 5. It is very important that we give support to voluntary organisations such as the Angelus Foundation, which invariably know more than Government, because they draw on the experience of real, live people, and they are prepared to come together voluntarily to try to warn the public and Parliament about the risks of these substances. I am glad that we are not using the term “legal highs” any more, because, as the report clearly says, that encourages people to want to try them.

I agree very much with the shadow Minister’s comments about education, which I am sure the Minister will echo. We cannot do too much to persuade young people that they should not be taking these substances. My children are 20 and 18, and they are away at university. It is every parent’s nightmare that one of their children, on a night out after studying and doing their work, will be offered a substance that is perfectly legal, take it, and then be ill and, in some cases, die. The Home Affairs Committee therefore absolutely support the Government’s tough approach.

Paul Flynn: My right hon. Friend says that the name “legal highs” attracts people to the drugs. Does he not think that if we change their name to “illegal highs”, they will become even more attractive to adolescents?

Keith Vaz: They may well do, but we are not going to call them “illegal highs”. The Bill does not seek to change their name. The effect of the Bill is to ban the substances that cause death. It is not about relabelling. I have great respect for my hon. Friend, who was a distinguished member of the Home Affairs Committee. I know that his position is to liberalise the law on drugs, but that is not my position and nor is it that of the Committee. Although we miss him, and I know he would have forced most of our reports to a vote, we do not miss him that much.

2.30 pm

Crispin Blunt: If I get called, I will speak in support of the right hon. Gentleman’s excellent Committee’s report. It is every parent’s nightmare that their child should die of drugs. Whether they are legal or not is neither here nor there. If we legislate in a way that makes the use of illegal drugs more likely, which is what will happen if amendment 5 is not carried, we will not be serving our children and others.

Keith Vaz: The hon. Gentleman is absolutely right and he brings me on to the issue of alkyl nitrites. The shadow Minister, my hon. Friend the Member for West Ham (Lyn Brown), has said—that was a bit of shock for me after 28 years in this House—that Ministers have stood at the Dispatch Box having had poppers. I think that is what she said and it was a great surprise to the House. She obviously knows more than I do about such issues, even though she claims that she knew nothing about drugs until she became the shadow Minister with responsibility for drugs.

Andrew Gwynne: Having served on the Bill Committee alongside my hon. Friend the Member for West Ham (Lyn Brown), my recollection is that Ernest Bevin of the post-war Labour Government had a bit of a heart murmur and was prescribed amyl nitrate by his doctor. It is alleged that he sniffed poppers around the Cabinet table.

Keith Vaz: I thank my hon. Friend for that information. I wonder whether they are still in use around the Cabinet table.

The Minister has moved some way since the Home Affairs Committee report’s recommendation 45:

“We accept the evidence given by Professor Iversen, the National Aids Trust, and the Gay Men’s Health Collective on alkyl nitrites.”

Professor Iversen said that they were “not seen to be capable of having harmful effects sufficient to constitute a societal problem”, and therefore we recommended, unanimously, that they should not be banned. We said that if the Government were to present evidence that changed that position and our view, they should, of course, be added to the list of banned substances. Indeed, the report states:

“If in the future there is any evidence produced to the contrary, then ‘poppers’ should be removed from the exempted list or controlled under the Misuse of Drugs Act.”

As a result of the immensely able work of the hon. Member for Finchley and Golders Green (Mike Freer), the Minister wrote to me last night proposing that a review should begin. He felt that there should still be a case for putting poppers on the banned list, but that if the evidence changed he would come back to the House, or by some other order, and put them on the exempted list. I think that that approach is the wrong way around.

The shadow Minister has asked me for my view and I have listened to the hon. Member for Winchester (Steve Brine), who I know also has constituents who are very concerned about drugs issues. The Committee, which also addressed the banning of laughing gas, does not believe that this particular case has been made. This is my personal view and other Committee members can, of course, say what they want, but when we considered the issue and voted unanimously on it, we did not consider poppers to be harmful.

The Minister wrote back to us and told us that poppers are beneficial, as if in some cases they may well be mandatory. He wrote that

the Government recognises that representations have been made to the effect that ‘poppers’ have a beneficial health and relationship effect in enabling anal sex for some men who have sex with men,
amid concern about the impact of the ban on these men. In consultation with the Department of Health and the Medicines and Healthcare products Regulatory Agency (MHRA), the Home Office will now consider whether there is evidence to support these claims and, if so, whether it is sufficient to justify exempting the alkyl nitrites group (or individual substances in the group).  

Although I welcome that approach—it is a really positive step forward—it is actually the wrong way around. A better course of action would be to put alkyl nitrites on the exempted list, conduct the review and then come back to the House or by order and change the position. It is what we like to call evidence-based decision making. That is what we have said consistently over the eight years I have chaired the Home Affairs Committee.

There is a lot of emotion out there about drugs, and a lot of people have great concerns. Some, such as my hon. Friend the Member for Newport West (Paul Flynn), are passionately in favour of liberalisation, while others have a different position, but why take a position of banning and then unbanning? That affects the huge authority that the Government have in respect of this very important Bill. The Minister has the whole House with him on it. I doubt we are going to divide on many issues, which is pretty rare for Home Office Bills. I am trying to think of another Bill where that has happened. There is always a division of some kind, but why divide the House on this issue when there is no reason to do so?

I call on the Minister to accept amendment 5, or to not oppose it, and to let us move forward constructively. He could have his review, come back and then everyone in this House will accept what the experts say. Without equivocation, I give him a guarantee that if the review decides that poppers are harmful, I will be the first in the Division Lobby with him, supporting that view. But if to ban and then unban sends a powerful message to a section of our community that they are not being listened to, and to experts who have given evidence to us that they are wrong.

I urge the Minister, even at this late stage—as I have said, he is a Minister who listens to the House, the Home Affairs Committee and individual views—to look at the issue again and ensure that alkyl nitrites are put on the exempted list until his review is concluded.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Quite a large number of Members still want to speak. At this rate, if Members go over 10 minutes we will not manage to get everybody in. I cannot impose a time limit, but if Members are brief we can get everyone in.

Crispin Blunt: I will be very brief, Madam Deputy Speaker.

It is a pleasure to follow the Chairman of the Home Affairs Committee. I agree with nearly every part of his argument and I certainly agree with the conclusions of the Committee’s report. I commend every Member who took part in its deliberations. I want to leave enough time for my hon. Friend the Member for Finchley and Golders Green (Mike Freer) to speak, because he has been fighting a battle behind the scenes to ensure that this Bill does not do anything really daft.

Sometimes a measure is proposed that becomes personal to oneself and one realises that the Government are about to do something fantastically stupid. In such circumstances, one has a duty to speak up. I use poppers—I put myself as a popper user—and would be directly affected by the Bill. I am astonished by the proposal to ban them, as are very many other gay men. It simply serves to bring the whole law into disrepute. If this drug—which I use and which has, as the Opposition spokesman, the hon. Member for West Ham (Lyn Brown), said in her extremely good speech, been used for decades—is banned, respect for the law will fly out of the window. All the effects warned about in paragraph 43 of the Home Affairs Committee’s report—in particular, the Gay Men’s Health Collective warns that a ban would result in increased class A and B drug use and increased transmission of sexually transmitted infections—will obviously happen. Driving the supply underground will simply put the trade in the hands of criminals.

Mr Burrowes: It is right to focus on supply, which is the focus of the Bill. It is important to give the clear message that the Bill will not ban use, but supply: it will not ban the continued personal use of poppers, but it will ban their supply.

The issues are complicated. There are controls on alkyl nitrites in that the sale of poppers to under-18s is caught by the Intoxicating Substances (Supply) Act 1985. There is a wider debate about whether that is a proportionate response for under-18s. However, there are already controls on supplying under-18s. We need to be aware that this is a complicated area of law, beyond the issues relating to psychoactive substances.

Crispin Blunt: I know that my hon. Friend has done a significant amount of work on this and that he, too, has been trying to use his influence in the right direction. He kindly sent me a message saying that he has been working to make sure that we do not do something really daft on this issue. He is, of course, loyal to Conservative Front Benchers, as am I—or I try to be—but we may differ on how to influence them. I will not be party to something that I know is, frankly, really foolish by voting for such a piece of public policy.

The issue is about supply. The policy might put someone like me into the hands of criminals if he wanted to get a supply of something that he used to think was perfectly okay. Under legislation that I think is absurd, someone like me—obviously not me, because I will, of course, respect the law of the land—might be so minded, and would then find himself in the hands of those who supply everything with which they might conceivably tempt people.

It is manifestly stupid to go down the path we are going down. Let us get the evidence; if the Government then come forward with a case that convinces the Chairman of the Home Affairs Committee and his colleagues, we can then discuss the issue in due course. Please let us not have a ban.

Mr David Davis: Supply does seem to me to be a very grey area. I understand that the policy is not intended to victimise current users, but it puts them in a position—dealing with a criminal—in which they might be susceptible to blackmail if they are a public figure. It seems to me that it will criminalise people whom it does not intend to criminalise.
Crispin Blunt: Indeed, I suppose I have advertised the fact that I may be vulnerable to that. I therefore plead with the House to make sure that I do not find myself caught in this particular situation. Given that the issue relates to my personal experience, as well as to my experience as a Justice Minister with responsibility for offenders and offender management, I implore my colleagues at the very least, if they do not want to be seen voting against the Government, not to be associated with putting the Bill on the statute book. It is a real mistake, and it would be sensible to do anything possible to ensure that amendment 5 is accepted, with our looking at and considering the matter again in due course.

Jim Shannon: I am not alone in having a constituency that has been blighted by the use of legal highs. I do not like the term “legal highs” because, unfortunately, the very words attract young people to them. I have been concerned about that for a long time.

I commend the Government on introducing very strong legislation for us to consider in the House. The Chair of the Home Affairs Committee, the right hon. Member for Leicester East (Keith Vaz), referred to the Minister as his “favourite” Home Office Minister. When he brings such legislation before the House, the Minister is the favourite of many Members. My constituents will be grateful to him for the proposed changes. I am not at all in favour of liberalising drug use, so it is quite clear where I am coming from. I think the Government have the same stance, which I welcome.

I welcome that stance because, just last year in my constituency, we saw an example of the heartbreak, illness and trauma that results from legal highs. A young man, Adam Owens, a constituent of mine—I know his father and stepmother quite well—was found dead in the town of Newtownards in my constituency of Strangford as a result of his addiction to legal highs. The case shocked not just my constituency, but the whole of Northern Ireland, want is to ensure that local councils and police can stop the manufacture and sale of such products.

James Berry (Kingston and Surbiton) (Con): Is the hon. Gentleman aware that in Ireland, after the introduction of legislation very similar to the Bill, not only did every one of the 102 head shops close, but no Irish domain websites now sell such substances? We obviously hope that there will be the same effect in England and Wales.

Jim Shannon: I mentioned the closure of the head shops, which is really good news—good stuff. I also referred to the detective sergeant in the Drugs and Organised Crime Bureau. He outlined an issue that the Irish are now trying to address. It is good to be able to refer to other examples of hard and fast legislative change to address such issues. In the Republic of Ireland, they have been partially successful in relation to online sales—they are almost there—but we must also do that.

I commend the Minister and the Government on what they have introduced. This is the sort of legislation that I and my constituents, as well as people from across the whole of Northern Ireland, want. I look forward to supporting the Minister when it comes to a vote—if it comes to a vote.

Mike Freer (Finchley and Golders Green) (Con): I thank the shadow Minister for a balanced speech that contained some well-judged comments. I also thank my right hon. Friend the Minister for his courtesy when I took a delegation to him from the National AIDS Trust, Stonewall, Millivres Prowler and Boyz magazine to discuss this topic.

It is clear not just from this debate, but from the debate that has been raging in the gay press over the past few months, that there is considerable concern over the need to ban poppers. What has come to the fore over the past few months while I have been working on
[Mike Freer]

the topic is the complete lack of empirical data one way or the other. I appreciate that the Home Office believes—I have no reason to think that this belief is not genuine—that deaths have occurred from the use of poppers. However, that evidence has never been forthcoming.

I therefore decided to do a bit of research of my own. I would like to draw attention to some American research, particularly that of Dr Thomas Hall of the University of California in Los Angeles, who gave evidence to the Gay Times for a report on the effects of isopropyl nitrite. I will not quote the whole document, you will be pleased to know, Madam Deputy Speaker, but he said:

“There is very little specific research on the health effects of alkyl nitrates other than amyl nitrite.”

He went on to say:

“My summary statement would be that in the grand scheme of drugs of abuse, the risks from nitrite poppers are fairly benign... Isopropyl nitrite and other nitrite poppers appear to be far less harmful to the body in general than chronic alcohol consumption.”

I then looked at The New England Journal of Medicine, which stated in 2010:

“To our knowledge, over the past 10 years, there have been only two case reports of visual loss after inhalation of poppers, and the anatomical basis of this injury remains elusive.”

Finally on medical research, I turned to the US Department of Health and Human Services report of January 2014. It stated:

“To date, use of alkyl nitrates as a psychoactive substance among MSM”—

men who have sex with men—

“has received little attention in addiction textbooks, where they are subsumed among other inhalants.”

We have heard about that today. The report continues:

“This is unfortunate, because lumping these disparate agents together based on mode of administration”—

that is, inhalation—

“obscures substantial differences in both mechanism and typical risk between alkyl nitrates, which act on a specific...pathway, and inhaled solvents and propellants”

that have other effects. That is about the sum of the medical evidence that I could find.

In the absence of medical evidence or hard facts in the UK, I wrote to the Advisory Council on the Misuse of Drugs. The chairman could not have been more blunt. He said that poppers were

“not seen to be capable of having harmful effects”.

There has been talk of a medicinal benefit to poppers, which I thought was an interesting turn of phrase until I received an email. I have to bow to the knowledge of our SNP colleagues, because it was from a gentleman from Croy in Inverness. He said: “Alkyl nitrates are carried, used and, when the need arises, shared by many people who work in the countryside as the first line of treatment if one is bitten by an adder.”

I confess that adders are not common in Finchley and Golders Green. Mr Joyce of Croy went on to say:

“A substantial number of people are bitten each year in Britain and the bite is rarely fatal, but whether that is because the venom is not particularly powerful against modern healthy humans or because treatment, with Alkyl nitrite or one of the eight known anti-venoms, is almost always administered very quickly is a question that is open to debate.”

That email shows that there is a conflict between the views that are held and what limited information and fact are out there in the public domain.

I support the view that there is a need to provide up-to-date empirical evidence. There also needs to be proportionality. Everything that we do carries a risk, whether it is smoking or anything else. If one drinks bleach, one will be harmed, but we are not proposing to ban bleach. When we seek to control, regulate or ban anything, we must deal with it in the round and consider the proportionality of doing so.

I welcome the response to the Home Affairs Committee report, because it states that an investigation will be under way shortly into the impact of the ban on the relationships of gay men and women. I am told that this issue affects not just gay men, but gay women. The Chairman of the Home Affairs Committee, whom I would like to call my right hon. Friend, talked about anal sex. That is quite a crude way of saying that poppers can facilitate sex, through the relaxation of muscles. However, this is not just about the physical side of a relationship. If people want their relationship to be as intimate as possible and poppers facilitate that, they are an important element in the emotional wellbeing of that couple. Therefore, if we are talking about the medicinal benefits, we have to include the emotional and mental health benefits that the use of poppers in a relationship can bring.

When we are talking about risks—I have mentioned proportionality—it is important that we do not start banning things on the basis of one or two incidents. There has to be a significant risk of significant harm to a significant number of people, otherwise we would be banning cigarettes and alcohol tomorrow.

I say to the Minister that the investigation and report must be as open and transparent as possible. I ask him to give an assurance when he responds that evidence will be taken not just from organisations such as Public Health England, elements of the NHS and the ACMD, but organisations such as the National AIDS Trust, the Terrence Higgins Trust and Stonewall. It should also be taken from organisations such as Millivres Prowler, which I believe is the largest retailer of poppers in the UK, because it has a strong, relevant and up-to-date evidence bank of how poppers are used and how they are sold. Because it is a reputable retailer, it also has an enormous amount of data on the illegal import of the more dangerous poppers that are coming in through the internet. I hope that the Minister will also say that evidence will be taken from the international bodies, a few of which I mentioned earlier, that have done medical research into the benefits or disbenefits of the use of poppers.

Finally, if the Home Office decides that there is a risk that needs to be mitigated, but that an outright ban is not necessary, I urge it to consider licensing poppers for sale through sex shops. That would allow some level of control, regulation and protection, without the need for an outright ban, which might lead people to be exposed to all sorts of underground drugs.

There is a lot of work to be done. I welcome the swift action of the right hon. Member for Leicester East (Keith Vaz). Members might think that my conclusion will be that I will support Opposition amendment 5, and I have to say that the Opposition have spoken a lot of sense. However, I will support the Government because
I want an exemption based on empirical evidence. If poppers are exempted by the summer recess, as outlined in the response to the Home Affairs Committee report, that exemption could not be easily overturned on the whim of a future Home Office Minister, because it would be based on empirical evidence, whatever it says. On that basis, I will support the Government on this issue.

Anne McLaughlin (Glasgow North East) (SNP): I think that I have to beg to move the amendments that stand in my name. If I have not to beg, I have to do something else, I am sure.

Mr Burrowes: Speak to them.

Anne McLaughlin: Oh, I am speaking to them and not begging at all. I wish to speak to the amendments that stand in my name, amendments 12, 13, 14, 15 and—along with Labour colleagues—amendment 5.

We support the aims of the Bill to protect public health and to go after the big guys—the ones who are making a profit out of other people’s endangerment—rather than going after the individuals who decide to try these substances for whatever reason. In that respect, however, I do not think that we are quite there yet, which is why we have tabled our amendments.

3 pm

Before I speak to our amendments, I would like to make a plea that I made in a previous debate about the language that we use and the names that people give to these new psychoactive substances. The products have names that are given to them by marketeers to make them sound bold and exciting, and I always say that I will not use those names. We should call them exactly what they are, and I notice that that has been happening much more in the debate today.

Amendment 12 deals with the definition of the term “psychoactive substance”. As I have said, we welcome the broader public health aims of the Bill, and the Scottish Government have worked hard with the Government down here to ensure that the measures are proportionate, workable and based on the best available advice. The best advice we have comes from the Advisory Council on the Misuse of Drugs, which made it clear in its submission that the definitions at the heart of the Bill required further detail. The Home Affairs Select Committee also recommended that the Government should reconsider the definitions.

The Government seem to be coming at this from a different angle and going against the grain of scientific advice. We have therefore tabled amendment 12 to encourage the Government to be more specific with their definitions. If I were to ask a member of the public what they considered to be a legal high, they would generally define it not by its chemical family or by the fact that it was in itself psychoactive, but by the similarity of its effect to that of substances that are already prohibited under the Misuse of Drugs Act 1971. The amendment would ensure that this commonly held way of defining a legal high was similar to that in the legislation. That would improve public understanding and acceptance of these measures.

The other important aspect of the amendment is that it would tie the legislation firmly to the questions of public health and the threat of harm. The Bill as it stands is an extremely broad measure, and while it is the Government’s intention to cover all psychoactive substances, old or new, synthetic or natural, it is surely a good principle when legislating to be clear about the threat that we are legislating to tackle. We should be tackling the effects of psychoactive substances on the individual and the threat to broader public health, not the fact that the entity itself is mildly psychoactive.

We have also tabled amendment 13. The Scottish National party has welcomed the Government’s move towards criminalising supply and not necessarily criminalising possession, but we have tabled the amendment to try to prevent the counterproductive criminalisation of young people who purchase a psychoactive substance together, with one of them placing the order using money from the wider group. At that moment, that individual would be at risk of being criminalised for supplying a psychoactive substance. However, the effects on public health—and indeed on the group members’ finances—are indistinguishable from the effects had they all purchased the substance individually.

Victoria Atkins (Louth and Horncastle) (Con): I am sure that the hon. Lady knows that the situation she has just described in which youths place an order with a dealer and then distribute the substance among their friends is entirely consistent with the law as set out in the Misuse of Drugs Act 1971. The message is that if you buy the drug and then distribute it, you are a supplier in the eyes of the law. I would be interested to know why she thinks there should be a distinction between these substances and the more serious drugs that are dealt with under the 1971 Act. Surely we are still trying to achieve the same aim: to stop the supply of harmful substances.

Anne McLaughlin: My understanding was that we were trying not to mirror the Misuse of Drugs Act. We have moved on, and this Bill is not about criminalising individuals for possession, as they can be under the Act. The Bill does not have to mirror the Act exactly. The key issue is the effect that criminalising a young person for a foolish mistake can have on their life chances. Drugs blight enough lives already—that is certainly the case in my constituency—and we do not need to penalise someone who is acting on behalf of his or her peer group, a small group of friends, without any financial motive. These young people are not drug suppliers. Obviously, we might question the sense of their decision to buy drugs, but it should not be a criminal offence. A young person could be pressurised by their peer group to purchase these substances, and they might do so in order to gain the recognition of their peers, but if they were caught they could end up with a substantial criminal conviction.

Victoria Atkins: Surely the point is to introduce clarity to the young people that the hon. Lady is describing. Ecstasy is a class A drug, and if a young person buys it, they risk going to prison for a very long time if they are prosecuted and convicted. If a young person buys one of these new psychoactive substances that is minimally different from MDMA, and the dealers get round the problem by saying that it is just a little bit different from ecstasy and therefore does not fall under the 1971 Act, are we to say that young person could be placed in a very difficult position. They would have to be a scientist to know the difference between the two substances. My question is:
[Victoria Atkins]

should we not be encouraging clarity to differentiate between those drugs, to enable young people to know that they should not be buying those substances and distributing them?

Anne McLaughlin: I am not arguing that we should not be discouraging young people in that way. I am arguing that if someone buys these substances for themselves and a couple of friends, we should not criminalise them as though they were drug dealers when they clearly are not. I worry that, further down the line, Members of this House will be contacted by the parents of someone who has foolishly purchased such a substance on behalf of himself and one or two friends and has been convicted of supplying drugs. That young person’s life chances would be greatly diminished. Of course we hope they will be discouraged by our telling them what will happen to them if they make these purchases, but I certainly do not think we should punish them and label them as a drug dealer for stupidly buying stuff for their friends. On the whole, people pass a strong moral judgment on anyone with any kind of a conviction relating to drugs, but an even stronger judgment is passed on anyone convicted of supplying drugs. We are talking about a young person getting these substances for himself and his friends, not a young person who has become a drug dealer, yet that is what the conviction would be for.

Paul Flynn: Following the arguments being put forward from the other side, does the hon. Lady agree that the two most deadly drugs, which are taken by millions of people in this country and which cause addiction and a huge number of deaths, are tobacco and alcohol? Has she contemplated the effects that banning those two drugs would have throughout the world?

Anne McLaughlin: The hon. Gentleman would not expect me to disagree about the considerable harm that tobacco and alcohol can cause, but today we are talking about new psychoactive substances. I take his point, but it is important to carry on discussing what we have come here to discuss.

Any Member in the Chamber today who has children could face a situation in which their child was silly enough, along with some friends, to experiment with some currently legal highs. They might be fortunate enough not to be damaged physically or mentally by their experience, but they could still be convicted of a drug dealing offence just for stupidly experimenting.

Amendment 14 deals with the question of internet purchases. It seeks to highlight the fact that the Government are criminalising the use of drugs for personal consumption that have been purchased over the internet and that are then shipped into the UK for use by an individual. The Government suggest that they are moving forward and that they are not seeking to criminalise individuals unnecessarily. Indeed, the Bill indicates that those who purchase in other ways will not be committing a criminal offence. However, this part of the Bill will still unnecessarily criminalise people.

I would strongly prefer law enforcement agencies to use their time and effort to prevent the large-scale importation of psychoactive substances for distribution in the UK, rather than concerning themselves with the purchase of these substances for personal use by one individual. In a previous debate on the Bill, the Minister for Policing, Crime and Criminal Justice stated:

“The spirit of the Bill is that we do not want to criminalise individuals for possession, but we are going to criminalise the sale and purchase of these substances.”

We asked for further clarification, and he said:

“I apologise: I kind of misled the House unintentionally on individual possession. I was talking about intent to supply, not intent to use. Making a purchase from a foreign website would be caught, but the purchase on its own from a website or foreign website would not, and I apologise if I misled the House on that point.”

My hon. Friend the Member for Angus (Mike Weir) pressed the Minister and pointed out that clause 8 stated that a person commits an offence if “the person intentionally imports a substance,” and “the person…intends to consume the psychoactive substance for its psychoactive effects”.

He went on to say:

“It seems to me that if someone imports and possesses even a small amount of the substance over the internet he is criminalised, but if he bought it in a head shop, for example—in this case the head shops would be gone, so if bought in the street—”

“he would not be criminalised, which seems to be a strange provision.”

The Minister’s response was:

“That is not the Bill’s intention. As we go through the Bill in Committee we will endeavour to iron out those concerns.”—[Official Report, 19 October 2015; Vol. 600, c. 737-9.]

I was unable to be on the Committee as I was serving on another Bill Committee but I can read Hansard, I have hon. Friends who served on that Committee and I know that in Committee the Minister voluntarily offered this statement:

“Possession in a club would not be an offence; indeed, possession is not an offence under any part of the legislation, unless in a secure facility. It is important to send that message out.”—[Official Report, Psychoactive Substances Public Bill Committee, 27 October 2015; c. 37.]

I would like some clarity from the Minister on that.

How much longer have I got, Madam Deputy Speaker?

Madam Deputy Speaker (Natascha Engel): There are no time limits in this debate but many Members want to speak and the list is getting longer and longer, so the longer the hon. Lady speaks, the less others will have a chance to do so.

Anne McLaughlin: I will move on, then. I will take out all my killer arguments and bring them up when the Minister is summing up.

I shall make one more point, which is about purchasing online. If we are saying that it is not a criminal offence to purchase down a dark alley, which is where people would have to purchase if they intended to purchase these psychoactive substances, but it is a criminal offence to do so over the internet, we will end up with a situation where two people, brother and sister, could try to do exactly the same thing, and one of them would be a criminal but the other would not. Which of them, the boy or the girl, is most likely to be gung-ho enough to
meet a criminal drug dealer down a back alley? It is far more likely that women are going to be criminalised because they are less likely to want to go and meet the drug dealer in person.

Amendment 15 proposes sentencing commensurate with the potential harm done by the substance involved. In Committee the Minister said that he supported the principle behind the amendment, so we should like to hear where he stands on it today.

On poppers, I am proud that the SNP championed this from the start. It was great to hear so many passionate speeches of support from both sides of the House, so I shall say nothing further and let someone else speak.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I shall speak to new clause 3. First, though, I welcome the constructive approach taken by my right hon. Friend the Minister to engaging with Members on all sides of the House during the passage of the Bill—a constructive engagement which, I believe, has enhanced the positive aspects of the Bill. I am pleased that the broad consensus across the House is that this is an important piece of legislation about public protection.

What we have heard clearly today is a call for evidence-based policy making. That has been echoed in a number of contributions on different amendments and new clauses, and we should all sign up to that. In that spirit, I tabled the new clause primarily as a probing amendment to examine and draw out the Minister’s comments on the existing law is an impediment to research into the potential medicinal benefits of cannabis and cannabis derivatives.

Steve Brine: I support my hon. Friend. Does he agree that the momentum is with his case? The all-party group on drug policy reform hopes to conduct an inquiry shortly into the medicinal use of cannabis. Its results will be interesting in the context of that evidence base.

3.15 pm

Dr Poulter: My hon. Friend is right.

I shall speak, first, about the barriers to mental health research—we know that the use of cannabis has links with mental illness, particularly psychosis—and also about the broader research into the potential medicinal benefits of the many products contained in the cannabis plant. That has been investigated in the United States, where more than 20 states have relaxed their laws to allow the medicinal use of cannabis and cannabis derivatives. I am pleased to hear that the all-party group is to look into that because it is important that we examine the evidence that is out there and, if necessary, consider using that evidence to change the law. The law should be for public protection but also for public benefit, and if there is a legitimate medicinal use of cannabis, we should support and encourage it because that is good for patients.

Before I proceed, I want to touch on the very brave speech from my hon. Friend the Member for Reigate (Crispin Blunt). It is rare that we discuss our personal experiences in the Chamber, but it brings into focus the importance of making sure that the laws that we pass impact positively on the real world and the day-to-day lives of our constituents. He spoke bravely about his own use of poppers, which helped to bring the debate alive and crystallised the importance of that evidence-based policy making. I know the Minister will respond to that later.

On the rescheduling of cannabis from a schedule 1 to a schedule 2 drug, as we are aware, the scheduling of drugs was laid down in the Misuse of Drugs Regulations 2001. The reason that cannabis was considered a schedule 1 drug was that it did not have any medicinal benefit. That is now a matter of considerable contention in the light of the evidence I am about to present. It is important to highlight some of the inconsistencies in legislation.

Under the Schengen agreement, it is legal for somebody in a Schengen country to bring into the UK cannabis for medicinal use, if they have been prescribed it by a doctor on their own country, for up to 30 days, yet it is not legal in this country for a doctor to prescribe cannabis for medicinal purposes unless it happens to be for the purpose of treating multiple sclerosis. That is the one licensed drug currently available. If we recognise that cannabis can be licensed for the treatment of MS, currently under very elaborate licensing law by the Home Office, surely we recognise that there is a medicinal benefit. Quod erat demonstrandum: schedule 1 is the wrong place for cannabis because we accept that it has a medicinal benefit. The Home Office accepts for its licensing programme that there is a medicinal benefit to cannabis, so we need to consider rescheduling the drug.

I have touched on the intervention from my hon. Friend the Member for Winchester (Steve Brine) by reference to the growing evidence from the United States that there are other potential medicinal benefits of cannabis for the treatment of patients. The relaxing of laws in over 20 states on the basis of that evidence is something that we clearly need to look at in this country. In particular, the potential benefits of cannabis products in palliative care merit greater scrutiny. There is inconsistency in the classification of cannabis, which is why I tabled the amendment.

I want to speak about some of the barriers to research. I am very grateful to my right hon. Friend the Minister for Policing, Crime and Criminal Justice for meeting Professor Sir Robin Murray—he is an eminent professor—and Dr Marta Di Forti, who work in mental health, particularly in psychosis, to examine the issue and learn at first hand about some of the difficulties they experience in conducting research into mental ill health. We know that there are links between psychosis and cannabis use, and it is particularly important that we understand the basis on which the plant works on neurotransmitters and that we support researchers in conducting their research. At the moment, those researchers could potentially be criminalised for carrying out research that would be legitimate in many other fields of medical research. I am sure that that is not an intended consequence. It also makes it very difficult to carry out research effectively in the field of mental health and the links with cannabis. I know that the Minister is sympathetic to that and I look forward to hearing how we can find a workable solution to the problem. We want to improve our treatment of patients with mental ill health, but to do that we need...
properly to support the researchers in carrying out their work, and I hope that the whole House can sign up to that.

This is not an easy matter and it is not part of a broader discussion on the merits or demerits of legalising cannabis. I specifically wanted to table the amendment for discussion today to highlight the difficulties faced by researchers carrying out their jobs and to highlight some of the clear inconsistencies in drug laws in relation to cannabis and, more importantly, drugs that we would consider much more potentially harmful if used by the public. Heroin, or diamorphine, is a schedule 2 drug, whereas cannabis, the use of which is shown by a growing body of evidence to have a medicinal benefit, is a schedule 1 drug. I believe that the Government need to look into the inconsistency in current drug laws, but in particular I would be very grateful for my right hon. Friend the Minister’s comments on how we can facilitate and ease the process of legitimate research without criminalising researchers.

Mrs Gillan: Does my hon. Friend also agree that there is a real anomaly when a drug such as DNP, which has caused the death of so many young people and is taken as a drug for body building or to improve people’s perception of their body image, is so classified and falls between so many stools that it is impossible to get it banned, despite the deaths and damage it has caused?

Dr Poulter: My right hon. Friend speaks wisely. On that subject, looking at the scheduling, steroids come under schedule 4 to the misuse of drugs regulations. They are often a drug misused by body builders and other athletes whereas, in the example I just gave, diamorphine, or heroin, is a schedule 2 drug. There is now a clear and compelling case, because of the growing medical evidence and the barriers to research, to consider the scheduling of cannabis. More broadly, before we even get to that point, I know that there is more we can do to make it easier to research the links between cannabis and mental health and to support that very important research so that, hopefully, we can move towards a better position through this Bill, not just in protecting the public from psychoactive substances but in improving the care of a number of the most vulnerable patients looked after by our health service.

I intend the amendment as a probing amendment and do not wish to press it to a vote, but I look forward to hearing my right hon. Friend the Minister’s response.

Diana Johnson: I rise in support of new clause 1 and amendment 4. I start by congratulating my hon. Friend the Member for West Ham (Lyn Brown), who sits on the Front Bench, on the excellent way she set out why new clause 1 and amendment 4 need to be incorporated in the Bill.

It has been six years since we seriously started to discuss in Parliament why personal, social, health and economic education should be made compulsory. I greatly regret that we did not manage to do it when we were in power. At the very end of the 2010 Labour Government, PSHE was going to be made a statutory part of the national curriculum. There was a very good case made for that, based on building life skills, confidence and resilience in young people, which we all accept needs to happen. To me, the challenges that young people face in the modern world include how to deal with drugs and these new psychoactive substances. It was a great regret that in the wash-up, during those final months leading up to the 2010 election, we were not able to secure the support of the Conservatives to get that change to the law.

The UK Drug Policy Commission spent six years researching what our drugs policies should be, and found that the best drugs education is delivered in an evidence-based life skills programme. That is why making PSHE compulsory is important. Why does it need to be statutory? The Select Committee on Education, in its report last year, said:

“There is a lack of clarity on the status of the subject. This must change, and we accept the argument that statutory status is needed for PSHE”.

We know that it varies all around the country. In some schools, it is taught very well, but in many schools it is not taught well at all, and that is because it is not statutory. It is not measured and we know that headteachers will always have an eye on ensuring that their schools and pupils do best in what is measured. That is the compelling argument for me: we should ensure that we have a level playing field across all schools, so we have to provide statutory PSHE. Another important reason to make it statutory is that schools have to ensure that teachers are properly trained. One of the big problems with how PSHE is delivered in this country is that the teacher with a little more time in their timetable—perhaps the PE teacher—takes responsibility, not a teacher with the level and depth of training required to teach the subject properly.

We know, as my hon. Friend said from the Front Bench, that many students say that they have only one hour of drugs education in school. At the moment we are relying on good will, charities and other organisations to provide information to our young people. I think that that is wrong. However, I want to pay tribute to the Angelus Foundation for the work it has done. It was set up in very sad circumstances by Maryon Stewart, who lost her daughter, Hester, who took GBL without knowing what it was and sadly died. Maryon has fought hard for this legislation to be put on the statute book, but I am sure she would be the first to say that we need to ensure that our young people are educated. It is not just about changing the law, but about making sure that young people make good decisions for themselves.

I also want to refer to an organisation in my constituency called REAL—Recovery Enabling Abstinent Lifestyle—run by Mike Tong and Su Baker, who are also trying to get information out to young people in Hull to explain about legal highs. We have already debated how we should describe legal highs, and I think it right to refer to them as new psychoactive substances, rather than legal highs. Those provisions all rely on good will and charity, which is why it is vital that the amendments are accepted today.

Before the Minister responds, I wish to mention the FRANK campaign—I think my hon. Friend the Member for West Ham also mentioned that. “Talk to Frank” is not good enough, and if the Government is serious about ensuring that young people have information to make good choices in their lives, FRANK is not the delivery mechanism for that.
We know that young people have called for PSHE to be made statutory, and the Youth Parliament supported and ran with that campaign a few years ago. Parents support PSHE and want it brought into schools, as does the cross-party Education Committee. We need to equip our young people with life skills to make good decisions, and to equip the police with the powers that they need to enforce the law against those who exploit, harm and damage people, particularly young people.

The Minister is a sensible man who often relies on his good common sense, and I hope he will think hard about whether rejecting these amendments is in the long-term interests of this country and the young people whom we in this House wish to ensure are protected and able to make good and healthy decisions about their lives.

3.30 pm

Mr Burrowes: It is a pleasure to follow the hon. Member for Kingston upon Hull North (Diana Johnson). Much of the debate on this important Bill has shown consensus across the House. Along with many others, I have campaigned for this Bill for many years, and for a blanket ban on certain substances, and I recognise the efforts made by the Minister to bring the issue to the table. Unusually, that has been done at some pace, and the Home Affairs Committee—on which I and other hon. Members present in the Chamber sit—sought to keep up with the Bill and to ensure that we added our penny’s worth to the debate. Hopefully that has helped, and it was a pleasure to sit on the Bill Committee and see those long-standing interests come to fruition.

I will speak later about poppers, but in some ways, if one wishes to deal with this issue with a blanket ban, the Bill could be seen as a blunt tool in tackling the evil of NPSs. If one wishes such a ban, there are some anomalies or concerns in the Bill. Amendments have been tabled about other seemingly harmless substances that may be tied into a blanket ban. I am willing to give the Government as much rope as possible to hang not themselves but the target of this Bill, which is those evil pliers of the trade—the “big fish” that were mentioned—and the new substances that are coming on to the market. That is what the target should be, and although there has been a natural concern about poppers—I raised that issue in Committee—and we obviously do not want to criminalise the personal use of them, we must also deal with those other substances. However, poppers are not the target of the Bill.

Paul Flynn: Will the hon. Gentleman give way?

Mr Burrowes: I want to make some progress.

Let me focus on education, because it is important to ensure that there is enough communication to deal with this issue and to have a profound effect, not just through legislation and enforcement, but through education. We must make the most of the opportunity to educate everyone out there about the harms caused by NPSs.

I have been involved in drugs policy for some time, and I had the pleasure and privilege for a number of years of sitting as an honorary member on the inter-ministerial group on drugs. To me it is not surprising—I say this frankly and openly—that no representative from the Department for Education is currently sitting on the Treasury Bench. Although that IMG was well attended—it is one of the best attended cross-departmental groups, and it led to the 2010 drugs strategy in which I played my part—the Department for Education was the most difficult Department to get to the table.

I say that openly and publicly because it is relevant when assisting the Minister to ensure that communication gets out there, and that education is prioritised. I do not believe that the Department for Education has yet been as forthcoming as it should be, not least given the commitment understood by the Committee, which was that meetings between the Home Office and the DfE would run parallel to parliamentary business, so that we could see that the DfE is serious about wanting to educate young people about the harms of NPSs.

My concern is great—I say this in relation to new clause 1. I do not suggest that we need such a prescribed PSHE route, but we urge the Government to include education in the review and to say that 30 months down the line they will look at how well we have done on education, and how well the word has been spread about the harm of NPSs. The Government told the Home Affairs Committee that the strategic communication plan has been set out, but a question tabled by the hon. Member for West Ham (Lyn Brown) revealed that no specific funds have been set aside for its implementation.

Mike Penning: In case I forget this point in my later comments, perhaps this is an opportune moment to say from the Dispatch Box that that issue will be part of the review into how well we have done in educating young people. I will respond in a moment to the hon. Member for West Ham (Lyn Brown) about the financial point. Perhaps I will not be—I nearly said “doing drugs”, but that is probably a bad thing to say in the Chamber. I may not have this responsibility in the near future, so it is good that I put on the record, categorically, that that issue will be part of the review.

Mr Burrowes: That speaks directly to amendment 4, which was also tabled in Committee. That is in effect what the Minister has committed to and that is very welcome.

I have seen my way, when I was on the inter-ministerial group, through four Home Office Ministers. I recognise my right hon. Friend the Minister’s commitment to tackling drugs and, although there has been a revolving door of individual Ministers involved in tackling drugs, Department for Education Ministers need to show that same commitment.

Paul Flynn: Will the hon. Gentleman tell us what attention the Committee gave to the fact that the only two countries in the world that have passed similar legislation have seen large increases in the use of these drugs? In Ireland, there was an increase from 16% to 22%, and in Poland there was a level increase of 3%, the biggest in its history. Is the Bill not going to have the same bad effect?

Mr Burrowes: I am not convinced by the hon. Gentleman’s premise. We consistently disagree on drugs policy. The evidence from Ireland is clear. Its blanket ban has been a success, with the closure of head shops and less accessibility to new psychoactive substances.

Everyone agrees that this is the most significant change in drugs legislation since 1971. This is a huge step-change and represents progress in tackling the new drugs on the
market. It is not matched, however, with the same commitment to provide funding for education and information. The Department for Transport spent £1.952 million on developing, delivering and evaluating its communications campaign to ensure people became aware of enhanced police powers in relation to drug-driving—I know the Minister was very much in favour of putting that in the statute book—and in particular driving under the influence of cannabis. We do not see that same matched funding commitment to such a significant Bill. We need to see where that will come from to ensure that the good words expressed in the strategic communication plan have a real effect. We need the public to be informed. We need a strategy that covers social media. We need to involve the Angelus Foundation. For the foundation not to be linked to FRANK is frankly ridiculous. That needs to change. FRANK needs to talk better with Angelus and learn from it, in particular from its film awareness campaign. It is so important to have the common goal of alerting young people to the harms presented by NPSs. I look forward to hearing some reassurance on that from the Minister.

I would like to touch very briefly on two other aspects of the Bill. There are amendments on cannabis. I want to link them to new clause 6, which seeks to suggest that arrests and detention for class A drugs should trigger assessment and treatment. I want to highlight the fact that the big issue for young people, along with NPSs, is their use and misuse of cannabis. Cannabis is having a profound effect on them. I visited Highbury Corner magistrates court with the Justice Secretary, the Lord Chancellor. He heard that cannabis has an impact on many young people, but only Islington has a drug treatment facility or the ability to deal with that treatment. Justices have at least one hand tied behind their back when it comes to getting young people the treatment they need. We need to tackle that, along with treatment facilities for NPSs. We need to get up to speed with where the market is going. It is going away from substitute treatment for addiction to the old opiate substances and towards needing an holistic approach to treatment and education. We must get up to speed and the review needs to convince us it is doing that.

Finally, I come to poppers. In Committee I raised concerns about the ban on behalf of many people, including the gay community. I am very pleased that the Government have, belatedly, reached a point where they are going to look seriously at the evidence and at exempting alkyl nitrate. I agree with the Government have, belatedly, reached a point where they are going to look seriously at the evidence and at exempting alkyl nitrate. I agree with the Government that there are some complications, however. I raised in an intervention the fact there are already controls around the supply of alkyl nitrates. Under-18s are caught by the Intoxicating Substances (Supply) Act 1985. All of these areas need to be looked at, because there is commonality. The problem with poppers-alkyl nitrates is that they can be tweaked and abused so that the substance becomes harmful. Historically, that has been the case.

The reference to the Home Office about this is somewhat historical. It is not new, and it should not have led to an 11th-hour conversion to consider putting it on the exemption list. The Bill has been around for months—this issue was raised in the other place—so it is encouraging, if also disappointing, that we are still, at this late stage, considering exemptions. I am willing to go with the evidence, however, because it is complicated and we do not want the blanket ban diluted. We need to ensure that this is done properly, with evidence, so that, as the Home Affairs Committee said, there is eventually an exemption.

There are many other issues to talk about, but I want to give others the opportunity to speak. I broadly welcome the fact that, at long last, we will have a blanket ban on the statute book. It will be a force for good, particularly in protecting young people.

Andrew Gwynne: I support the Bill and its aims. Indeed, I wound up the Second Reading debate in the Chamber because Labour felt it was important to view it not just as a Home Office Bill—although that is where it is placed—but in terms of its public health aspects. As Labour’s shadow public health Minister, therefore, I have been keen to promote some of the public health issues. I also commend the work of my hon. Friend the Member for West Ham (Lyn Brown), who led the Opposition in Committee and in the House today in an exemplary fashion.

I support the Bill and want to make it as good as it can be. There are several areas where it is not as strong as it ought to be, and that is why I am proud to support my hon. Friend in tabling several amendments. In particular, I want to talk about new clause 1, on PSHE, and amendment 5, on poppers, because both have an important public health aspect to them.

On new clause 1, I mentioned in an intervention that Simon Stevens, in his Five Year Forward View for the NHS, had identified £5 billion of savings that could be reinvested into the NHS as a consequence of prevention. The Government were unwise to cut £200 million from the public health budget, because that is the very kind of prevention that will not now bear fruit in year five of the Five Year Forward View, but they could redeem themselves by adopting the new clause. I have always viewed it as a weakness that we do not have statutory PSHE in this country. Many schools do it, but it is a “something else” added on to the curriculum; it is not given the focus it ought to be given.

If we are serious about tackling the whole range of health inequalities, we could start providing statutory PSHE for children from a very young age. If we are to talk about the dangers of tobacco, alcohol and drugs, and about sex and relationships, we must do it in the context of a statutory framework in all our schools. There are huge public health benefits to doing so. When the Minister comes to consider the views expressed today, he could do nothing better than read in Hansard—I know he was listening—the contribution from my hon. Friend the Member for Kingston upon Hull North (Diana Johnson), because she got it spot on. The real benefits of having statutory PSHE in schools are clear. It would really strengthen the Bill’s aims and ambitions.

Our amendment 5 relates to poppers. In the short time I have been Labour’s shadow public health Minister, I have met lots of charities and organisations in the public health world, and many of them, including drug-abuse charities, have raised many issues with me. Not one has raised poppers as an issue.
because of the damage they do to society, but I challenge drugs. I am hostile to the excessive use of legal drugs to this Bill. I suspect all Members share the same they are designed to challenge the Government’s approach expected. I therefore urge the Minister to think carefully about whether the Bill’s intention is to do something in the way he wants it to be done or in the way we want it to be done. This Minister is known for common sense, and I give credit to him for that. He is straight talking and has a modicum of sense that some of his colleagues do not often display. I am being kind to the Minister, for whom I have a great deal of respect.

I simply do not understand the logic of banning poppers, then looking at the evidence and subsequently perhaps unbanning them. That would send out mixed messages. If the review comes forward with enough evidence to warrant the banning of poppers, I will support the Minister all the way. However, I am not in the job of banning things for banning’s sake only to unban them later. The Minister should apply some common sense and back our amendment 5, because that is the right approach.

Norman Lamb (North Norfolk) (LD): Thank you, Mr Deputy Speaker, for calling me slightly earlier than I expected.

I speak in support of my amendments. Taken together, they are designed to challenge the Government’s approach to this Bill. I suspect all Members share the same objective in that we are all ultimately concerned about harm and want to reduce for our loved ones and across society the risk that drugs, both legal and illegal, pose.

Speaking as a father, I happen to be rather hostile to drugs. I am hostile to the excessive use of legal drugs because of the damage they do to society, but I challenge the approach taken in this Bill. The right hon. Member for Chesham and Amersham (Mrs Gillan) spoke of the risk of making bad law, and I think that, seductive though the Government’s approach may be, we face the risk of legislating for bad law in this instance. As I have said, our objective should be harm reduction, and we should surely base legislation on evidence of what works.

According to the Home Office’s own 2014 report entitled “Drugs: International Comparators”, “there is no apparent correlation between the ‘toughness’ of a country’s approach and the prevalence of adult drug use.”

As the hon. Member for Newport West (Paul Flynn) pointed out, the great risk is that Members on both sides of the House will assume that adopting the Bill’s approach will reduce the use of what are, in some cases, dangerous substances, although the evidence points in precisely the opposite direction.

Like others, the hon. Member for Reigate (Crispin Blunt), who made a fantastic speech and spoke very openly and candidly, made the point that the Bill—in respect of poppers, but, in fact, across the board—would drive users into the hands of criminals. What criminal respect of poppers, but, in fact, across the board—would they cause some damage to society, and I want to reduce for our loved ones and across society the risk that drugs, both legal and illegal, pose.

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[Norman Lamb]

The Bill’s approach is seductive, and it is understandable, because people are fearful of the effects of these products. Ultimately, however, it is bad law, and it will have precisely the wrong effect.

Johnny Mercer (Plymouth, Moor View) (Con): I rise to express my broad support for what the Government are trying to do. This is a major issue in Plymouth. At the beginning of this week the local paper ran a story about an individual who had drowned in a local harbour in October 2014. A toxicology report showed that among a number of other drugs a legal high was present in his system. Sadly, I need only look back a further five days in the same paper to find another story about these chemicals, which have now become a haunting menace to society.

Over Christmas I did what many of my hon. colleagues will have done, and went and served Christmas lunch to the homeless at the hostels, and they are being plagued outside these hostels by people selling these illegal highs. This is a real problem in Plymouth.

I also go out with the emergency services at least once a month. When doing so, I see the challenge presented to our law enforcement by these substances. I fully support the Minister in his efforts to identify the new psychoactive substances and react more quickly to them.

I ran a campaign briefly prior to Christmas attempting to raise awareness of these substances, and I strongly support other councils on this. I would like Plymouth to lead the way in getting these substances banned locally before this Bill is enacted.

Ultimately, for me this comes down to one key thing. We often talk in this House of how we support those who challenge the most challenging parts of society, such as police officers and prison officers. They strongly support what we are doing here. It is not good enough simply to stand up in the House of Commons and say, “We fully support the police” and “We fully support prison officers” and then not give them the tools to do their job, which is what I think is being done here. That is why I support the Government’s position.

Paul Flynn: Before I start, may I point out one major error? A picture of me has been widely retweeted by Members of the House. It was taken from American television, where tens of millions of people were informed in the caption that I was leader of the Labour party. I just want to point out that this information is a tad premature.

It is generous to describe this Bill as a landmark in legislative futility, because it is in fact worse than that: this Bill will do harm, as all the other prohibition Bills in the 28 years in which I have been here have—they have all done harm. The Home Affairs Committee does not seem to have considered what has happened in the two countries that have passed legislation very similar to this Bill. In Ireland what happened was that, certainly the head shops closed down—of course they did; they were illegal—and the sites closed down, but they were replaced by other illegal head shops; they were replaced by a market that is criminal and irresponsible. Furthermore, in Ireland the market among young people for using these drugs increased from 16% of the population to 22%. Those are figures from the European Monitoring Centre for Drugs and Drug Addiction. Meanwhile in Poland there was a 3% increase. So now the countries that have passed similar Bills to this one have the greatest use of psychoactive drugs in the world.

This Bill will be counterproductive. In 1971 we passed the Misuse of Drugs Act. At that time we had 1,000 cocaine and heroin addicts in Britain. We have now got 300,000. I wish Members would consider the possibility, in respect of what they are doing and the ideas they have, that the conventional wisdom is the conventional stupidity. It would be madness to ban poppers, as everyone says.

This Bill should be considered on the evidence alone. Should we support the attempt to move cannabis into an area where scientists can work on it? That is an approach that is based not on superstition, rumour or prejudice, but on science, and it should be supported.

Rachael Maskell (York Central) (Lab/Co-op): I shall be brief.

I wish to emphasise that although so many elements of the Bill are important, it is essential that it is strengthened in the field of education. New clause 1 addresses that and does answer what was set out in paragraph 76 of the Home Affairs Committee report, which says:

“Successive governments’ spending on education on the dangers of NPS has been shockingly inadequate to date. Action must be taken now, to educate young people”.

Therefore, we are dealing with a plea and a recognition that there has been an absence of education. This is not about politics; it is about evidence-based practice, which is why I am hopeful that the Government will support new clause 1.

4 pm

Who provides that education is also vital. Trained professionals, school nurses and public health workers have the qualifications to deliver that programme. This is therefore not about putting pressure on teachers; it is about enabling health professionals to do their job. I ask the Minister to give this issue due consideration, to ensure that the full public health agenda is brought in, because if we do not couple this Bill with public health and the education agenda around it, its impact will be lessened. We need to make sure that the Bill has real impact and does deliver results, so let us include education. My last point is that the only systematic way of achieving that will be through the PSHE programme.

Owen Thompson (Midlothian) (SNP): I, too, will be brief.

First, I wish to thank the other members of the Bill Committee. This was my first Bill Committee experience. It was clear that the Minister, shadow Minister and all the other members of the Committee were pointing in one direction and that although we might have slight disagreements about the measures to take along the way, we ultimately want to get to the same point.

I echo the comments made by my hon. Friend the Member for Glasgow North East (Anne McLaughlin) in support of her amendments. I also very much wish to echo the comments made by a number of colleagues in Committee; I raised the point about poppers there and the case was again made, “We want a blanket ban. How can we possibly have exemptions?” We already have a
schedule of exemptions in the Bill, so there is a precedent. Giving an exemption now and having the study to continue the work being done, rather than banning poppers and having to undo that and unpick a mess that we might create for ourselves, is a far more sensible approach to take. I hope that the number of voices from around this Chamber today to that end will be heard by the Minister and he will tell us that he has now come to that conclusion and that that is the position we are going to take. I am aware of the pressures and the keenness to get on to the second group of amendments, so, with that, I shall conclude.

Mike Penning: It has been said several times that perhaps this Bill should have been introduced a lot earlier—many years ago. One reason why it was not is that it was so difficult to do. I say to my Liberal Democrat friend, the right hon. Member for North Norfolk (Norman Lamb), that when Lynne Featherstone was in my job she was 100% in support of this Bill. I know it has been a difficult time for the Liberal Democrats, but perhaps she was right in many of the things she said and which we brought forward. I am not going to comment any further on that, because the right hon. Gentleman and I disagree profoundly. We will, of course, oppose his amendments; he is not going to be surprised by that.

I, too, want to get on to the second group, so it is important that we make some progress. Many important speeches have been made this afternoon, in completely the right tone and adopting completely the right attitude towards what we are trying to do, which is protect people. Throughout the Committee stage, I was trying to ensure that we kept why we are trying to do this at the forefront of things. We may disagree about specific parts, as we have heard in the Chamber today, and we may slightly disagree on the methodology on certain parts, but I have a responsibility as the Minister, standing at this Dispatch Box with my colleagues from other Departments. They have worked closely with me, and I want some of them to work even more closely with me as we go forward with the Bill and with the review which we have committed to all the way through.

With that in mind, I will try to deal with new clause 1, then take up some of the issues raised in connection with other amendments and then deal with amendment 5, which relates to poppers. That has taken up most of our time in the Chamber today, and we may slightly disagree on the methodology on certain parts, but I have a responsibility as the Minister, standing at this Dispatch Box with my colleagues from other Departments. They have worked closely with me, and I want some of them to work even more closely with me as we go forward with the Bill and with the review which we have committed to all the way through.

As I said early on, this Bill is not a golden bullet; it is not the be-all and end-all. It is about providing a blanket ban; it is a brand new type of legislation. We have not seen it before in this House, and it needs to be worked through with two or three other Departments. Obviously, the Ministry of Justice must be involved because we are creating a criminal offence—fortunately, I also sit in that Department, which is quite helpful. The Department for Health is also important. During the course of the debate, I was very conscious of the implications for public health. I am also talking about the prevention of diseases, but I will come back to that later. Lastly, as new clause 1 indicates, the involvement of the Department for Education is also important.

I met Ministers, scientists and police in the Republic of Ireland to find out how their Bill, which is close but not identical to ours, worked. One of the biggest things they said was that we need to get the message out there. We should target young people, but not exclusively young people, as we discovered today; I mean no disrespect to my hon. Friend the Member for Reigate (Crispin Blunt) when I say that. The matter runs across the age profile. I do apologise if I refer to young people too often.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab) rose—

Mike Penning: I will give way, but I will not do it too much, because we want to get on to the next group of amendments.

Gerald Jones: What lessons does the Minister think we can learn from the Welsh schools liaison programme, which sees drug education awareness being delivered in 97% of primary and secondary schools in Wales?

Mike Penning: With devolution, different Governments in different parts of this great nation are delivering programmes. I fully respect that it is very early days. Part of the review that I committed to early on is that we will look very carefully at how we and other parts of the country have done things. Interestingly, we will have better evidence from the Republic of Ireland as well.

When we discussed this matter in Committee, I was aware that the shadow Minister was at times on a very steep learning curve, as indeed was I with regard to part of the Bill. I do think that we can resolve some issues without the statutory requirement in the legislation. The shadow Minister referred to the cost of interventions and education. The latest figure that we have on tackling drug misuse is £341 million, which was, believe it or not, in 2011-12.

Right at the start, I accepted that FRANK is not perfect and that it needs to be improved, but I do not want scrap it and bring in something else with a different name. The scheme very much needs to work with the Angelus Foundation and others, because the third sector—the voluntary sector—often knows much better than the Government, which is why the previous Administration and this Administration have used it extensively.

Norman Lamb rose—

Mike Penning: Let me make some progress. If I have time, I will come back to the right hon. Gentleman.

I know from the speech of my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) that there were concerns that non-psychoactive substances will be pulled in. This Bill is specifically about psychoactive substances. My full understanding is that we will not be including the sort of products to which she has alluded, but we will keep a close eye. Under clause 3, we have the ability to take things out. I must say, though, that that clause is not designed to bring in things, which caused slight confusion during the debate this afternoon. When I come on to poppers, I will explain myself a little better.

Mrs Gillan: Will the Minister give way?
Mike Penning: No, I want to make some progress if I can, but I will come back if I have some time.

Last night, I had the honour of meeting my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), along with a professor from King’s, to discuss research. We need research not only in matters of health, but in the law to ensure that we are evidence based. I was conscious last night that we needed to ensure that we are not preventing research. The Bill actually makes a provision for it, but the probing amendments of my hon. Friend were looking at the problems around cannabis and how we need to learn about its harms and benefits. I will ask my officials to continue that important dialogue after we leave the Chamber this afternoon.

I had a really interesting time in Committee with the Scottish National party’s Front-Bench spokesperson, the hon. Member for Glasgow North East (Anne McLaughlin). We have had a very good dialogue with Scottish Ministers, particularly on an important provision that makes possession a criminal offence in secure facilities. That was not originally in the Bill, but it was added at the request of the Ministry of Justice and, interestingly, prison officers and some prison groups, because these substances are a menace in our prisons and young offenders institutions. I am quite amazed at some of the hon. Lady’s amendments today, because during our discussions both the Minister and the Cabinet Secretary in the Scottish Government were content for possession in custodial suites to be an offence. I make no comment on communications within the Scottish Administration, but we worked really hard to ensure that everybody was on board with that, so I cannot support those amendments.

The key to the Bill is protecting people. I do not want to criminalise every young person in the country who has been using these substances legally, but dangerously, for a considerable time. However, it is absolutely crucial that we do not get into a situation in which the defence in our courts is, “I bought it for a couple of friends and sold it on to them, so what’s the danger?” It is a danger.

Mrs Gillan: In that case, will the Minister ensure that he writes to me about the substances listed in my amendment so that I can reassure my constituents that they will not be breaking the law by continuing to offer them online?

Mike Penning: I am more than happy to write to my right hon. Friend with those assurances, so long as we know exactly what those substances are. We need to communicate about that outside the Chamber.

Norman Lamb rose—

Mike Penning: I will give way to the right hon. Gentleman, but then I will curtail my comments so that the House can make its decisions and we can move on to the next group of amendments.

Norman Lamb: I am grateful to the Minister. On the question of not wanting to criminalise young people, and in reference to the point made by the hon. Member for Glasgow North East (Anne McLaughlin), is it the case that the Bill will criminalise someone who buys online from overseas but will not criminalise someone who buys in an alleyway from a criminal?

Mike Penning: We need to stop these products from being available to young people, middle-aged people and old people like me. It is absolutely crucial that we do that. One of the ways that people can get these products, as we have heard today, is online. We need to ensure that the criminal offence of selling one of these substances will have the penalties it deserves, because there is no point having a blanket ban if we do not actually enforce it.

Paul Flynn rose—

Mike Penning: I will not give way again.

Let me now touch on what is an important, and understandably emotive, provision in the Bill. This relates to amendment 5, tabled by the hon. Member for West Ham (Lyn Brown). I desperately have no intention of making life difficult for any individual group; my sole role as a Minister at this Dispatch Box is to protect. When I first looked at the proposals in the Bill, one of the things I asked straight away was, “Okay, tell me about poppers and alkyl nitrites”—I knew very little about them.

Bearing in mind that my role is to protect people and to make sure that this legislation does its job, one of the first things that was put in front of me is the fact that since 1993 these nitrates have been mentioned 20 times on death certificates. Then after that—quite late on, to be fair—I started to listen to other groups, because it was the first time they had asked me to do so. The Bill had gone through the Lords and started its Committee stage when, in Committee, I offered to meet, as I always do, any group that wanted to come and see me. Groups that were going to be affected by the poppers ban came to see me and started to give evidence that these substances were not as dangerous as I had said—and have probably just said again.

4.15 pm

With that in mind, I went away to look at this, and, with the help of the Home Secretary and others, came up with a compromise and a plan. I pay tribute to my hon. Friend the Member for Finchley and Golders Green (Mike Freer) in this regard. As he said, I have different types of evidence being put to me, so let us, for once, have an evidential base for this. Stage 1, which will start immediately after this—it has probably already started, in many ways—is that the MHRA will start evidence-gathering. I slightly misled the shadow Minister earlier when I said that it would be the AMCD, although it will obviously be putting evidence into the process.

Stage 2, once the MHRA has gathered its evidence, will be an assessment by an independent—I stress independent—assessor. We will come to a common agreement, probably with the help of the Select Committee, as to the identity of that independent individual, or individuals. This will not be Home Office-led; it will be done with the Department of Health. Following that, we can come forward with a decision that will be jointly made by the Secretary of State for Health and the Home Secretary. Then, if necessary, we can use the regulations in clause 3 to exempt products. I make a commitment that we will do that by the summer recess. I know that others in the House would like us to do it another way, but clause 3 cannot be used for that. We would have to amend the Bill again.
I think that is a compromise. I have listened extensively to Members across the House in the past few weeks and since the Bill started in the other House. I know that this is going to be difficult for some individuals, and I fully respect their views, but I hope that everybody in the House respects the fact that I am trying to do the right thing to protect people.

Question put, That the clause be read a Second time.


Division No. 168] [4.17 pm

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Tellers for the Ayes: Sue Hayman and Grahame M. Morris

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Psychoactive Substances Bill [Lords] 20 JANUARY 2016 Psychoactive Substances Bill [Lords]
This amendment seeks to remove the sentencing provisions subsection (2).

intent to supply—are aggravated if taking place in such place the provisions that other offences—including possession with a psychoactive substance in a custodial institution, while leaving in This amendment would remove the specific offence of possession of a psychoactive substance to any persons who were under the age 18 when the offence was committed.

Wilson, Mr Rob
Wollaston, Dr Sarah

Question accordingly negatived.

New Clause 2

Breach of a premises notice

(1) A senior officer or a local authority may issue a notice requiring a premises to cease trading if conditions A, B and C are met.

(2) Condition A is that the premises has been issued a premises notice under section 13 of this Act.

(3) Condition B is that in the view of the senior officer or a local authority that issued the premises notice, the terms of that notice are not being complied with.

(4) Condition C is that the senior officer or local authority has made an application to an appropriate court for a premises order under section 19 of this Act.

(5) A notice issued to a premises under subsection 1 shall cease to have effect when a court has considered an application for a premises order in respect of that premise.

(6) In a case where a court has decided not to issue a premises order to a premises that has been subject to a notice under this section, the court may order the local authority or the senior officer's organisation to pay compensation to the owner of the premises in respect of income lost due to the suspension in trading.

(7) For the meaning of “senior officer”, see section 12(7).—(Lyn Brown.)

This new clause's intention is to allow a senior officer or local authority to compel a premises to stop trading while it applies for a premises order.

Brought up, and read the First time.

4.30 pm

Lyn Brown: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Amendment 2, in clause 6, page 3, line 19, leave out “or C” and insert “, C, D or E”.

Amendment 3, page 4, line 7, at end insert—

‘(9A) Condition D is that the offence was committed on or within 100 metres of a children’s home.

(9B) For the purposes of section (9A) “children’s home” has the same meaning as in section 1 of the Care Standards Act 2000.

(9C) Condition E is that the offender supplied a psychoactive substance to any persons who were under the age 18 when the offence was committed.’

Amendment 16, page 5, line 20, leave out clause 9.

This amendment would remove the specific offence of possession of a psychoactive substance in a custodial institution, while leaving in place the provisions that other offences—including possession with intent to supply—are aggravated if taking place in such institutions.

Amendment 17, in clause 10, page 6, line 5, leave out subsection (2).

This amendment seeks to remove the sentencing provisions associated with the offence in clause 9.

Government amendments 6 to 9 and 11.
John Woodcock (Barrow and Furness) (Lab/Co-op): I apologise for any confusion, Mr Deputy Speaker. I thought that this debate would come later. I will speak very briefly. I am grateful to you for allocating time for this matter.

I want to impress on the Government that they ought to consider adopting the extra protection in the new clause. The blanket ban is a good step forward for which many of us on both sides of the House have called for some time. However, the potential still exists for a significant gap between the police or a local authority seeing the substances being traded and their being granted a court order. The new clause would allow an interim ban to be put in place while the application for the court order was being heard. If the application turned out to be misplaced, compensation of some kind could be made, but the provision would give communities the extra protection they need and deserve in these circumstances.

Mike Penning: I apologise to the House that my comments will have to be short because of the limited time available. In respect of new clause 2, I fully understand where Labour Members are coming from, but judicial oversight is very important. The hon. Member for Barrow and Furness (John Woodcock) mentioned the possibility of compensation if we got it wrong, but I do not want to get it wrong. I believe that we can get these matters into the courts very quickly; we do so with other court business and we can get judges to make these decisions.

My hon. Friend the Member for North West Hampshire (Kit Malthouse) spoke to amendments 2 and 3, and I fully understand his argument. The logic behind the specific designation of schools in the Bill goes back to the Misuse of Drugs Act 1971. I absolutely agree that we should bring our legislation up to date quickly, and I believe that the Sentencing Council is the place for that. However, under section 125(1) of the Coroners and Justice Act 2009, courts are under exactly the same obligation to consider aggravating factors when sentencing an offender, whether those factors are in this Bill or in the guidelines issued by the Sentencing Council. So, sadly, although I fully understand both sets of arguments that have been put forward, I believe that we need to go with the Bill as it has been drafted.

Question put, That the clause be read a Second time.

The House divided: Ayes 227, Noes 306.

Division No. 169] [4.36 pm

AYES

Abrahams, Debbie
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Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Bardell, Hannah
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Kaufman, rh Sir Gerald
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Mactaggart, rh Fiona
Madders, Justin
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McCarty, Kerry
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McFadden, rh Mr Pat
McGill, Connor
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McMahon, Jim
Meahe, Sir Ali
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Monaghan, Dr Paul
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Morden, Jessica
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Pennycook, Matthew
Perkins, Toby
Pound, Stephen
Powell, Lucy
Qureshi, Yasmin
Rayner, Angela
Psychoactive Substances Bill [Lords]
20 JANUARY 2016

Psychoactive Substances Bill [Lords]

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Adams, Nigel
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Aldous, Peter
Allan, Lucy
Allen, Heidi
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Ansell, Caroline
Argar, Edward
Alkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
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Barwell, Gavin
Bebb, Guto
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Bingham, Andrew
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Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
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Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brookshires, Sir James
Bruce, Fiona
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Burns, Conor
Burns, Sir Robert
Burns, Sir David
Burt, Sir Alistair
Cairns, Alun

Stevens, Jo
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Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
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Turner, Karl
Twigg, Stephen
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Vaz, rh Keith
Watson, Mr Tom
Weir, Mike
Whitehead, Dr Alan
Whitford, Dr Philippa
Wilson, Corri
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Zeichner, Daniel

Tellers for the Ayes:
Sue Hayman and
Graham M. Morris

Carmichael, Neil
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehan
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, css
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyne, Jackie
Drax, Richard
Drummond, Mrs Flick
Duncan, Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip

Ellis, Michael
Ellison, Jane
Elwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evannett, rh Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazier, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Guummer, Ben
Gyimah, Mr Sam
Hafon, rh Robert
Hall, Luke
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harries, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Heron, Lady
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollowbone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, rh Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph

Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwasi, Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Andrew
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Parish, Neil
Patel, rh Priti
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philip, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Psychoactive Substances Bill [Lords] 20 JANUARY 2016 Psychoactive Substances Bill [Lords]

Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shellbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, lain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Cameron, Dr Lisa
Carmichael, rh Mr Alistair
Chapman, Douglas
Clegg, rh Mr Nick
Cowan, Ronnie
Crawley, Angela
Docherty, Martin John
Donaldson, Stuart Blair
Edwards, Jonathan
Ferrier, Margaret
Gethins, Stephen
Gibson, Patricia
Grady, Patrick
Grant, Peter
Gray, Neil
Kerr, Calum
Lamb, rh Norman
Law, Chris
Lucas, Caroline
MacNeil, Mr Angus Brendan
McDonald, Stewart Malcolm
McDonald, Stuart C.

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartlidge, James
Caughey, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo

McLaughlin, Anne
Monaghan, Carol
Monaghan, Dr Paul
Mullin, Roger
Newlands, Gavin
Nicolson, John
O'Hara, Brendan
Oswald, Kirsten
Paterson, Steven
Salmond, rh Alex
Saville Roberts, Liz
Sheppard, Tommy
Stephens, Chris
Thewlis, Alison
Thomson, Michelle
Weir, Mike
Whitford, Dr Philippa
Wilson, Corri
Wishart, Pete

Tellers for the Ayes:
Owen Thompson and
Marion Fellows

NOES
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davies, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyie-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, rh Mr lain
Dunne, Mr Philip
Elliot, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George

Question accordingly negatived.

4.49 pm
More than three hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, 19 October 2015).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 8
Importing or exporting a psychoactive substance

Amendment proposed: 14, page 4, line 38, leave out paragraph (i)—(Anne McLaughlin.)

This amendment seeks to exclude from criminalisation those who order psychoactive substances over the internet for personal consumption.


Division No. 170

AYES
Ahmed-Sheikh, Ms Tasmina
Bardell, Hannah
Blackford, Ian
Brake, rh Tom
Brock, Deidre
Brown, Alan
Cameron, Dr Lisa
Carmichael, rh Mr Alistair
Chapman, Douglas
Clegg, rh Mr Nick
Cowan, Ronnie
Crawley, Angela
Docherty, Martin John
Donaldson, Stuart Blair
Edwards, Jonathan
Ferrier, Margaret
Gethins, Stephen
Gibson, Patricia
Grady, Patrick
Grant, Peter
Gray, Neil
Kerr, Calum
Lamb, rh Norman
Law, Chris
Lucas, Caroline
MacNeil, Mr Angus Brendan
McDonald, Stewart Malcolm
McDonald, Stuart C.

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartlidge, James
Caughey, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo

McLaughlin, Anne
Monaghan, Carol
Monaghan, Dr Paul
Mullin, Roger
Newlands, Gavin
Nicolson, John
O'Hara, Brendan
Oswald, Kirsten
Paterson, Steven
Salmond, rh Alex
Saville Roberts, Liz
Sheppard, Tommy
Stephens, Chris
Thewlis, Alison
Thomson, Michelle
Weir, Mike
Whitford, Dr Philippa
Wilson, Corri
Wishart, Pete

Tellers for the Ayes:
Owen Thompson and
Marion Fellows

NOES
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davies, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyie-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, rh Mr lain
Dunne, Mr Philip
Elliot, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
and insert—

by virtue of “ and insert “under”.

This amendment enables the High Court of Justiciary in Scotland to make an Act of Adjournal under section 305 of the Criminal Procedure (Scotland) Act 1995 (Acts of Adjournal) may be made under section 305 of the Criminal Procedure (Scotland) Act 1995 (Acts of Adjournal) in accordance with subsection (5) of section 285 of the Criminal Procedure (Scotland) Act 1995 and subsections (4) and (5) of section 305 of the Criminal Procedure (Scotland) Act 1995.

Tellers for the Noes:
Guy Opperman and Sarah Newton

Question accordingly negatived.

Clause 32

Nature of proceedings under sections 19 and 29.

Amendments made: 6, page 21, line 3, leave out “arising by virtue of” and insert “under”.

This is a drafting amendment to ensure that the language in clause 32(1) mirrors that in clauses 33(5) and 34(5).

Amendment 7, page 21, line 11, leave out subsection (5) and insert—

‘( ) An Act of Adjournal under section 305 of the Criminal Procedure (Scotland) Act 1995 (Acts of Adjournal) may be made in relation to proceedings before the High Court of Justiciary, the sheriff or the Sheriff Appeal Court—

(a) arising by virtue of section 19 or 29;

(b) under section 28, where the application relates to a prohibition order made under section 19;

(c) under section 30(5);

during subsection (1) of section 31, where the relevant order (as defined in subsection (3) of that section) was made under section 19;

(e) under section 31(7).”

This amendment enables the High Court of Justiciary in Scotland to make an Act of Adjournal (criminal procedure rules) in relation to specified civil proceedings under clauses 19, 28, 29, 30 and 31 before the High Court of Justiciary, the sheriff or the Sheriff Appeal Court.
Amendment 8, page 21, line 23, leave out subsection (7)—(Mike Penning.)

This amendment deletes clause 32(7), which provides that the criminal procedure rules would apply to proceedings under clauses 19 and 29 in the Crown Court in England and Wales. Such rules would apply in any event; accordingly express provision to this end is not required.

Clause 62

EXTENT

Amendment made: 9, page 38, line 33, at end insert—

'( ) The power under section 384(1) of the Armed Forces Act 2006 ("the 2006 Act") may be exercised so as to extend to any of the Channel Islands (with or without modifications) any amendment or repeal made by or under this Act of any part of the 2006 Act.

( ) The power under section 384(2) of the 2006 Act may be exercised so as to modify any provision of that Act as amended by or under this Act as it extends to the Isle of Man or a British overseas territory.'—(Mike Penning.)

This amendment enables the amendments to the Armed Forces Act 2006 made by paragraph 7 of Schedule 5 to the Bill to be extended, with or without modifications, to any of the Channel Islands and provides power to modify that Act, as amended by the Bill, as it extends to the Isle of Man or a British overseas territory.

Schedule 1

EXEMPTED SUBSTANCES

Amendment proposed: 5, page 41, line 12, at end insert—

"Miscellaneous

8 Alkyl nitrites"—(Lyn Brown.)

This would exempt "poppers" from the Bill, as recommended by the Home Affairs Select Committee.

The House divided: Ayes 228, Noes 309.

Division No. 171] [5.1 pm

AYES

Abbott, Ms Diane  
Abrahams, Debbie  
Ahmed-Sheikh, Ms Tasmina  
Alexander, Heidi  
Ali, Rushanara  
Anderson, Mr David  
Bardell, Hannah  
Barron, rh Kevin  
Beckett, rh Margaret  
Benn, rh Hilary  
Betts, Mr Clive  
Blackford, Ian  
Blackman-Woods, Dr Roberta  
Blomfield, Paul  
Blunt, Crispin  
Bradshaw, rh Mr Ben  
Brake, rh Tom  
Brennan, Kevin  
Brook, Deidre  
Brown, Alan  
Brown, Lyn  
Buck, Ms Karen  
Burden, Richard  
Burgon, Richard  
Burnham, rh Andy  
Byrne, rh Liam  
Cadbury, Ruth  
Cameron, Dr Lisa  
Campbell, Mr Ronnie  
Carmichael, rh Mr Alistair  
Chapman, Douglas  
Chapman, Jenny  
Clegg, rh Mr Nick  
Coaker, Vernon  
Coffey, Ann  
Cooper, rh Yvette  
Corbyn, rh Jeremy  
Cowan, Ronnie  
Coyle, Neil  
Crausby, Mr David  
Crawley, Angela  
Creagh, Mary  
Creasy, Stella  
Cruddas, Jon  
Cryer, John  
Cummins, Judith  
Cunningham, Alex  
Cunningham, Mr Jim  
Danczuk, Simon  
David, Wayne  
Davis, Geraint  
Davies, rh Mr David  
Docherty, Martin John  
Donaldson, Stuart Blair  
Doughty, Stephen  
Dowd, Jim  
Dowd, Peter  
Dromey, Jack  
Durkan, Mark  
Eagle, Maria  
Edwards, Jonathan  
Efford, Clive  
Elliot, Julie  
Ellman, Mrs Louise  
Evans, Chris  
Farrelly, Paul  
Fellows, Marion  
Ferrier, Margaret  
Field, rh Frank  
Fitzpatrick, Jim  
Fiell, Robert  
Fletcher, Colleen  
Flint, rh Caroline  
Flynn, Paul  
Fovargue, Yvonne  
Foxcroft, Vicky  
Gardiner, Barry  
Gethins, Stephen  
Giibson, Patricia  
Glass, Pat  
Glindon, Mary  
Goodman, Helen  
Grady, Patrick  
Grant, Peter  
Gray, Neil  
Green, Kate  
Greenwood, Lilian  
Greenwood, Margaret  
Gwynne, Andrew  
Haigh, Louise  
Hamilton, Fabian  
Hanson, rh Mr David  
Harman, rh Ms Harriet  
Harpham, Hawn  
Harris, Carolyn  
Hayes, Helen  
Healey, rh John  
Hendrick, Mr Mark  
Hepburn, Mr Stephen  
Hodgson, Mrs Sharon  
Holker, Kate  
Hopkins, Kelvin  
Hunt, Tristram  
Huq, Dr Rupa  
Hussain, Imran  
Irwana-Davies, Huw  
Jarvis, Dan  
Johnson, rh Alan  
Johnson, Diana  
Jones, Gerald  
Jones, Mr Kevan  
Jones, Susan Elan  
Kane, Mike  
Kaufman, rh Sir Gerald  
Keeley, Barbara  
Kendall, Liz  
Kerevan, George  
Kerr, Calum  
Kyle, Peter  
Lamb, rh Norman  
Lammy, rh Mr David  
Law, Chris  
Lewell-Buck, Mrs Emma  
Lewis, Clive  
Lewis, Mr Ivan  
Long Bailey, Rebecca  
Lucas, Caroline  
Lucas, Ian C.  
Lynch, Holly  
MacNeill, rh Mr Angus Brendan  
Maclaggart, rh Fiona  
Madders, Justin  
Mahmood, Mr Khalid  
Mahmood, Shabana  
Marris, Rob  
Marsden, Mr Gordon  
Matheson, Christian  
McCabe, Steve  
McCarty, Kerry  
McDonagh, Siobhan  
McDonald, Andy  
McDonald, Stewart Malcolm  
McDonald, Stuart C.  
McDonnell, Dr Alasdair  
McFadden, rh Mr Pat  
McGlinn, Conor  
McInnes, Liz  
McLaughlin, Anne  
McMahon, Jim  
Meale, Sir Alan  
Mearns, Ian  
Monaghan, Carol  
Monaghan, Dr Paul  
Moon, Mrs Madeleine  
Morden, Jessica  
Mullin, Roger  
Murray, Ian  
Nandy, Lisa  
Newlands, Gavin  
Nicolson, John  
O'Hara, Brendan  
Onn, Melanie  
Onwurah, Chi  
Osamor, Kate  
Oswald, Kirsten  
Owen, Albert  
Paterson, Steven  
Pearce, Teresa  
Pennycook, Matthew  
Perkins, Toby  
Powell, Lucy  
Qureshi, Yasmin  
Rayner, Angela  
Reed, Mr Jamie  
Reed, Mr Steve  
Rees, Christina  
Reynolds, Emma  
Reynolds, Jonathan  
Rimmer, Marie  
Ritchie, Ms Margaret  
Robinson, Mr Geoffrey  
Rotheram, Steve  
Salmond, rh Alex  
Saville Roberts, Liz  
Sharma, Mr Virendra  
Sheerman, Mr Barry  
Sheppard, Tommy  
Sherriff, Paula  
Shuker, Mr Gavin  
Siddiq, Tulip  
Skinner, Mr Dennis  
Slaughter, Andy  
Smeth, Ruth  
Smith, rh Mr Andrew  
Smith, Cat  
Smith, Jeff  
Smith, Nick  
Smyth, Karin  
Slarmer, Keir  
Stephens, Chris  
Stevens, Jo  
Streeter, Wes  
Stringer, Graham  
Stuart, rh Ms Gisela
Psychoactive Substances Bill [Lords] 20 January 2016

Tami, Mark
Thewiss, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
Thornberry, Emily
Trickett, Jon
Turner, Karl
Twigg, Stephen
Umuna, Mr Chuka
Vaz, rh Keith
Watson, Mr Tom
Weir, Mike

Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Mr Mark
Wilson, Corri
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Zeichner, Daniel

Tellers for the Ayes:
Sue Hayman and
Grahame M. Morris

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriet
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chiou, Rehaman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver

Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Heron, Lady
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollolbone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jerrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Liddleton, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne

Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCARTney, Jason
McCARTney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalf, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Parish, Neil
 Patel, rh Priti
Pawsey, Mark
Penning, rh Mike
Penrose, John
Perry, Andrew
Perry, Claire
Phillips, Stephen
Philip, Chris
Pickle, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Prentis, Victoria
Pritchard, Mark
Pursgrove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simms, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
I commend the work done by two Liberal Democrat Ministers in the last Administration, Norman Baker and Lynne Featherstone, who were very much in the driving seat in the preparation of the Bill. For a number of reasons I wish that it had been introduced in the last Parliament, not least because I would not have been at the Dispatch Box having to deal with so many difficult issues.

This is an enormously important Bill. It is not perfect, but it is an awful lot better than what we had before we started. There were some minor amendments that needed to be addressed in the other House, but in 2014 there were 129 deaths in Great Britain in which psychoactive substances were implicated. On the day I announced this Bill was going to be introduced, I took a call from a journalist from Falkirk in Scotland who wanted a comment from me on why I was doing this. He told me about a gentleman and a lady in his area who had been to a head shop a couple of days before and bought what they thought were safe, legal products, and within hours he was dead and she was seriously injured. I passionately hope she has made a full recovery.

I am conscious that we should never again talk about a legal high that is safe or legal. If someone takes a substance, they have to realise the dangers involved in that. I know the shadow Minister wants us to be strong on the education part of the Bill, and we will work together to make sure that it is strong.

I also want to express thanks for the tone and the way in which we have conducted proceedings on the Bill. The Chair of the Select Committee alluded to the fact that it has been done quite speedily. There was speedy work done by the Select Committee and by the Public Bill Committee. I thank all members of the Bill Committee. Some of them, particularly the Scottish National party members, had never participated in a Bill Committee before, and I pay tribute to the attitude and the way in which that was done. I also pay tribute to the devolved Administrations, because this Bill covers the whole of the UK; it is a very important Bill.

I pay tribute in particular to my hon. Friend the Member for Finchley and Golders Green (Mike Freer). There was never any intention in this Bill of making things difficult for any individual or groups. What we wanted to do—I was passionate about this—is make us safe in this country. We wanted to get away from the concept that people might have thought something was fun and would be safe, when it could take their life or the life of their loved one.

My team, led by an excellent Bill manager, has done excellent work as well. That is perhaps partly a tribute to the work done before I was the Minister—the background information that gave us an understanding of how this Bill could work.

It is absolutely right that the Bill is similar, but not identical, to the one introduced a couple of years ago in the Republic of Ireland. We have learned from some of the mistakes made there. To be fair, they are looking very closely at us now.

I fully understand why previous Ministers and Governments looked long and hard at the Bill, and why, although it was desperately needed and there was a lot of talk, it did not go very far.
done this? How are we going to do it? Can you help us by monitoring it as you go forward so we can introduce similar things?"

There is one major amendment that I particularly hope works, and does so very fast and that is the Government amendment on possession within custodial premises—prisons and the other closed estate. That was requested not by me, but by the prisons Minister. He requested it because he had the governors around the country, the Prison Officers Association, and others, including the prisoners, saying, “This is out of hand in our prisons. We need help.” Many people said that there was legislation that could have been used, but this Bill makes it very clear that possession in prison or other custodial premises is a criminal offence. Nobody in this House wanted to criminalise everybody in possession, but within these institutions that is very important. I hope that that works quickly, along with the body-worn cameras which are being trialled in our prisons at the moment to prevent assaults on staff.

I am conscious that others want to speak, but let me say that I am enormously proud to have brought this Bill through, as it will save lives. As a father, I can only imagine what others have gone through when they have had their loved ones taken away from them or seen them badly damaged. I, too, panicked like hell when my daughters went to university. They are really sensible kids who understood everything, but they could easily have been dragged into thinking that these things were safe—they were not safe and we have made sure that everybody knows that now.

5.20 pm

Lyn Brown: Labour’s 2015 manifesto included a commitment to ban the sale and distribution of dangerous psychoactive substances. We believe that a blanket ban, with listed exemptions, is the most effective means of beginning to tackle the pernicious industry in new psychoactive substances. We committed to banning new psychoactive substances in our manifesto, and I sincerely believe this Bill is a good first step in our fight against the harms brought about by new psychoactive substances is only just beginning, and I will continue to work for better drug education and awareness in this country as that battle to protect the public and our children from the serious health risks and harms that these dangerous drugs present. However, the fight against the harms brought about by new psychoactive substances is only just beginning, and I will continue to work for better drug education and awareness in this country as that fight continues.

5.23 pm

Steve Brine: May I echo the words of both Front Benchers about what a pleasure it has been to work on this Bill and to work with Members from the three main parties? During this process there had been complete consensus and we had no Divisions even in the Public Bill Committee; I served on the Health and Social Care Bill Committee in the last Parliament and I am not used to such Bill Committees. It therefore came as a bit of a rude shock when, at the end of this process and like the No. 10 bus, we had three Divisions in a row—

Paul Flynn:—

Steve Brine: I hope the hon. Gentleman will not mind if I do not give way, because two of my colleagues wish to speak and we are going to finish on time. I want to say just three things. Although I do not wish to downplay the importance of the subject, it is unfortunate that we have spent so much time discussing amendment 5 on poppers. All I will say is that it is a hugely important issue, and we need to get it resolved and to move quickly on from it. I really appreciated it when the Minister said “immediately” and “by the summer”. I wrote those phrases down, and, as his former PPS, he knows that I will hold him to his word.

I have been in the House since 2010, and have found that the interest in this subject has been huge. Debates in Westminster Hall and questions to the Prime Minister in the previous Parliament led to the matter being included in manifestos at the general election. Here we are today, and we are almost done with it. To explain why it is important I wish to return to the story of an 18-year-old from my constituency who died at a music
[Steve Brine]

festival. She had everything to live for—she was an Army cadet, and a Duke of Edinburgh gold award winner—but for £40 her life was gone. Her dad said at the inquest:

“I always imagined if any harm came to Ellie it would be on a bungee jump, canoeing down a fierce river, or in an accident on a mountain—but nothing like this. She was so sensible. It is an absolute tragedy for our family. It was one act of stupidity that has destroyed a family.”

That says it all about why we are here.

Let us remember that new psychoactive substances are notoriously difficult to identify. Currently, they have to be regulated on a substance-by-substance, or even group-by-group, basis because of the diversity and the speed with which they are developed to replace drugs that are controlled under the 1971 Act. The cruelest danger of the so-called legal highs is that I have seen them sold as “harmless fun” at so many festivals that I have attended with my friends and, this summer, with my family, and they are of course anything but that.

Do I think that the Bill addresses the problem? I believe so, because it is the blanket ban that we were promised. It is a Bill that we have been crying out for and campaigning for over many years. The current response in Hampshire, which I represent, is built around reducing demand, restricting supply and the use of Trading Standards. Hampshire Trading Standards has tried everything, but it has been unable successfully to secure a prosecution using existing legislation for the sale of NPS by head shops in the county. Instead it has focused on supporting the police using current antisocial behaviour legislation where that can be associated with a problem retailer. It does not take a genius to work out that that is merely fiddling while Rome burns. It is all good work, but, without this legislation, we have been tying our hands behind our backs, and we are now nearly there.

I mentioned head shops. There was one on Stockbridge Road in my constituency and it was still there on Second Reading. I am glad to say that it was closed down last month under antisocial behaviour legislation. My hope is that this legislation will lead to the end of many, many more head shops, as happened in Ireland.

Have we improved the Bill as it has gone through the House? As I said, I sat on the Bill Committee where we introduced, under clause 1, the new offence of possession of a psychoactive substance in the secure estate. That is absolutely crucial, and like the Minister, I share a great deal of hope that that will make a big difference. There is a huge problem in the secure estate right now, and we have a responsibility to tackle it.

In conclusion, this is a very good Bill. It has been a long time coming, and it has been a pleasure to play even a small part in it. It was a manifesto commitment, and we are getting on with delivering it. We are here to do no harm, and to do as much good as we possibly can. As the Minister has said, although the Bill is not perfect, it is a giant leap forward.

5.28 pm

Anne McLaughlin: I shall be very brief. I wish to congratulate all those involved in bringing forward this Bill, including the Government; the Minister who has been very willing to engage in open and robust debates; the Scottish Government who have supported the ethos behind the Bill; the Committees; and our colleagues on the Labour Benches. This is the second Bill with which I have been closely involved, and it has been a pleasure to work alongside Labour colleagues on a number of issues.

It is clear that new psychoactive substances are dangerous, and we are putting that message out there now. They are also unpredictable: there is no way of knowing what is in them or of predicting the impact on the individual.

In a previous debate in this House, I talked about someone I know who made one foolish mistake at the age of 17. She was a talented young medical student, and a beautiful girl, and she has spent the rest of her life on a locked psychiatric ward. It is impossible to predict what impact drugs will have.

I have some remaining concerns, as the Minister will be aware, particularly on poppers. I look forward to the review. I remain concerned about distinguishing between people buying online and people buying down a dark alley from a drug dealer. I understand that the Minister has said that that is not the intention behind the Bill, and I accept that. I just want to quote him:

“The spirit of the Bill is that we do not want to criminalise individuals for possession.”—[Official Report, 19 October 2015; Vol. 600, c. 757.]

He also said:

“Possession in a club would not be an offence; indeed, possession is not an offence under any part of the legislation”; and:

“Purchase and possession would be legal... so there would be no illegality on the part of the individual.”—[Official Report, Psychoactive Substances Public Bill Committee, 27 October 2015; c. 37-63.]

Mike Penning: In the spirit with which we have taken the Bill through, I just wanted to say that the Bill does make possession illegal in secure institutions.

Anne McLaughlin: I understand that—as the Minister knows, I am against it—but I was referring specifically to buying substances on the internet. We were unable to have those words included in the Bill today, but we do have the Minister’s words on the record, and lawyers will be able to use them if they have to.

My intention in all this is to protect people on two fronts: to protect their health by supporting the Bill in the first place, and to protect them from being criminalised for making a foolish mistake on one occasion. I commend the Bill as it stands, and, if it turns out that we are right about some aspects, I hope that it will be amended at a later stage.

5.31 pm

Mrs Flick Drummond (Portsmouth South) (Con): I know that time is limited so I shall be very quick. I am absolutely delighted with this Bill. I have worked for a long time, before being elected to this place, with a number of families who have suffered terribly from the effects of these dangerous chemicals. I have heard first hand their stories at meetings of organisations such as Rebound, ANA and other charities I have worked with.

I was extremely grateful for the support of the previous Justice Secretary, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), who came down to Portsmouth to meet the victims. He was horrified to be
taken around the five head shops there. I took him to one where drugs are sold over the counter. Mr Speaker, you will be horrified to know that there is a head shop selling these chemicals just over the road from a primary school in Portsmouth, and there is another one opposite a secondary school. I am pleased that my local paper, The News, has been backing this campaign. Hampshire police have had their own initiative against “lethal highs,” as they accurately call them. I am sure that my hon. Friend the Member for Winchester (Steve Brine) will join me in applauding the excellent work they have done in this field.

Whatever we call these new psychoactive drugs—legal highs, club drugs or a number of innocent-sounding brand names for specific compounds—the sellers and producers deliberately hide the dangers they pose from the people who consume them. The drugs look glitzy, as if they belong in a sweet shop, but they are extremely dangerous. Some of the compounds often mixed in legal highs are already controlled substances, such as ketamine and mephedrone, but there is also a wide range of uncontrolled chemicals. I am really pleased that they will now all be brought under control as a result of this Bill. I urge all local authorities, including my own in Portsmouth, to start planning now for how they will deal with head shops and tackle this menace generally.

As always, we have to balance punishment and criminalisation against rehabilitation and support. Many of the people who take these substances are vulnerable and need support as well as deterrence, and that includes many people in the criminal justice system. Many of those who dabble in these substances are children, and they are especially vulnerable, as the substances hide behind deceptively childish names and presentation. Having seen at first hand the effect on families, I believe that we need to take action now. I am absolutely thrilled that the Bill is going to be passed through this House tonight.

5.33 pm

Jim Shannon: Mr Speaker, may I ask what time will be left for the hon. Members who will follow me?

Mr Speaker: It is very good of the hon. Gentleman to pursue a bit of information. The answer is that the debate must conclude at 5.39 pm, which fits neatly with the hon. Gentleman’s legendary succinctness.

Jim Shannon: Thank you, Mr Speaker. I want to be fair, which is why I asked that question.

I am very pleased that we are having this legislation agreed on the Floor of the House. I am pleased that the Minister, whom we have great affection for, has delivered what he said he would, and in the time he set out, and that the Government have done that as well. I also want to thank the civil servants who are here—they do not often get thanks; they should get more—for all the hard work they have done. They have helped the Government formulate the legislation and bring it forward.

My party, the Democratic Unionist party, was committed to this—so I wanted to see legislative change. I have been approached by the Forum for Action on Substance Abuse, a group that helps those with addictions. It wanted this legislative change, as did my constituents, and we now have it in place as the law of the land. That is good news on behalf of Adam Owens’ family—his father and step-mum—and his friends, who wanted this to happen. We had a rally in Newtownards town, in the middle of my constituency, for all his family and friends. I gave them a commitment that I would work with Government within this House to make it happen, and we have delivered it. With that in mind, I want to say on behalf of my constituents in Strangford, and those across the whole of Northern Ireland, a very special thanks to Government for doing what they said they would do.

5.35 pm

Craig Mackinlay (South Thanet) (Con): For too long, we have seen shops such as Skunkworks proliferate on our high streets, with their number reaching 250 in 2014. They were not just selling new psychoactive substances badged up in attractive packages with names such as GoCaine, Herbal Haze and the like—they were selling, legally and openly, various paraphernalia involved in wider drug use, involving bongs, seeds, pipes, and hydroponic growing and lighting systems. In advance of this Bill, many of these shops have now, thankfully, closed. We had one such shop in Margate that was raided by Kent police, who found 269 banned items and confiscated 52 varieties of what one might call legal highs and herbal tobacco substitutes. Of course, the internet will remain, and will grow, as a source of such products and a source of prescription-only drugs such as steroids.

The number of deaths involving NPSs is low compared with the number involving heroin, morphine and other opiates, and cocaine, but it is substantial enough, with too many young lives being wasted. I therefore welcome the Government’s attempt to clamp down on these substances. My only marginal concern about the Bill is that the definition is very broad—

Mr Speaker: Order. I hope that the hon. Gentleman is going to leave time for the hon. Member for Newport West (Paul Flynn) to speak as well, and so is bringing his remarks to a close.

Craig Mackinlay: Yes, I am, Mr Speaker.

By its very intent, the blanket ban must be so, or else we will just continue the game of cat and mouse that has characterised control of these substances to date.

We have heard a lot about Ireland, and I hope that the experience in the UK will be broadly as positive. We did not mention New Zealand, which has also tackled this problem head on.

As I said, I support the Government’s ambition to take action. I remain a libertarian—I am not a killjoy—but these lethal highs have killed too many, damaged others, and are an evil of the kind that this place is here to act on. I hope that the Bill will have its intended consequences, and I support it.

5.37 pm

Paul Flynn: Evidence-free and prejudice-rich, this Bill will do harm. It is evidence-free because the House has ignored the evidence of the countries that have taken this step before and have increased drug use. We banned mephedrone, and the result was that its use increased again. By banning a drug, we make it more attractive,
drive it underground, increase the prices, and have more irresponsible people selling it.

I have been in this House for every cannabis debate—every drugs debate—for the past 28 years. It is the shared foolishness of the House to believe that prohibition works. It does not: it makes things worse. Drugs will not be controlled by this Bill just as they are not controlled in our prisons, where there is illegal drug use in every single one. This is a foolish Bill based on prejudice and not on evidence.

Question put and agreed to.

Bill accordingly read the Third time and passed, with amendments.

Proceeds of Crime

5.39 pm

The Minister for Security (Mr John Hayes): I beg to move,

That the draft Proceeds of Crime Act 2002 (Investigative Powers of Prosecutors: Code of Practice) (England and Wales and Northern Ireland) Order 2016, which was laid before this House on 17 December 2015, be approved.

Mr Speaker: With this, we shall consider:

That the draft Proceeds of Crime Act 2002 (Cash Searches: Code of Practice) Order 2016, which was laid before this House on 16 December 2015, be approved.

That the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (England and Wales) (No. 2) Order 2016, which was laid before this House on 16 December 2015, be approved.

That the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (Northern Ireland) Order 2016, which was laid before this House on 16 December 2015, be approved.

That the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (England and Wales and Northern Ireland) Order 2016, which was laid before this House on 16 December 2015, be approved.

Mr Hayes: I am grateful, as ever, Mr Speaker, for your stewardship and indulgence.

The important matters before us are technical and, I anticipate, relatively uncontroversial; they are certainly not partisan. Nevertheless, it is important that we scrutinise them with the diligence for which this House is rightly famed, and I will be happy to deal with any amount of detail with which the House wishes me to engage.

Isaiah Berlin once said:

“Freedom for the wolves has often meant death to the sheep.”

As someone who believes in standing fierce in defence of the gentle, I know exactly what he meant. It may be of some assurance and comfort to the House that the matters under debate relate to the Proceeds of Crime Act 2002 and were largely commenced in England and Wales on 1 June 2015. In order to extend that commencement, as is necessary, to Scotland and Northern Ireland, we are required to make codes of practice that encompass those jurisdictions and bodies using the powers there. So, the codes will largely replicate those that were considered and approved by this House, which is why I described them as technical and largely uncontroversial.

The codes are a safeguard to ensure effective and consistent use of the powers. Once commenced, the new powers will give officers important new tools for the recovery of criminally obtained assets. That is a key pledge of our serious and organised crime strategy and the Government’s commitment to tackling all levels of crime.

The codes build on previous codes. They closely follow those issued more widely to police officers under the Police and Criminal Evidence Act 1984. The codes provide an important safeguard and ensure that the powers are used in a targeted, consistent and effective way, thus providing vital reassurance to the public that the powers in the 2002 Act are being used appropriately and proportionately.
The orders bring into force a number of codes of practice that provide guidance on the use of various powers under the 2002 Act. Four current codes need updating and a new code is required as a consequence of amendments made to the 2002 Act by primary legislation already passed by this House. I draw Members’ attention to the Policing and Crime Act 2009, the Crime and Courts Act 2013 and the Serious Crime Act 2015.

We plan to commence those powers relating to the 2002 Act throughout the UK on 1 March, in so far as they are not already in force. To achieve that, we need to issue the codes of practice that will provide guidance on the use of the powers throughout the UK. The Scottish Parliament and the Northern Ireland Assembly will consider codes that fall within their competence due to devolution.

Some might think that it would be enough for me just to put those technical matters on the record, but knowing this House as you and I do, Mr Speaker, I know that it will want me to say a little more about the amendments to the 2002 Act, which require the codes of practice providing guidance—

Mr Speaker: Order. As the Minister of State has already prayed in aid Isaiah Berlin, I had supposed that it would be only a matter of time before he would refer, in an orderly way, of course, to “Four Essays on Liberty”, but perhaps I am being impatient and that will be reached in the course of the right hon. Gentleman’s peroration. We wait to see.

Mr Hayes: Mr Speaker, you are encouraging me to stray from the subject at hand, but I will just say this: in a frail and fallen world, liberty has to be handled with great caution, and I have neither the time nor the expertise to delve into those matters at sufficient depth to satisfy you, Sir, or the House as a whole.

I will therefore restrict my remarks to the matters before us and deal briefly with the areas to which the codes of practice relate, namely the power to allow search of vehicles for criminal cash; search and seizure powers to prevent the dissipation of property that may subsequently be used to satisfy a confiscation order; expanded confiscation investigation powers to allow the tracing and identification of assets following a confiscation order; expanded civil recovery investigation powers; and change of court jurisdiction so that the Crown Court rather than the High Court will make investigation orders in relation to cash forfeiture cases.

As you will understand, Mr Speaker, we are not debating the powers themselves, because they have already been approved by the House, as I have described. Importantly, however, we are considering the codes that provide guidance on the use of the powers. This is essentially about the consideration of appropriate safeguards. Such safeguards are required under the 2002 Act in investigations by law enforcement officers. There is a final further code that relates to the use of the investigation powers by prosecutors, and owing to amendments made to the powers new codes are needed to address the new provisions.

The orders will bring all the relevant codes of practice into effect, ensuring that effective safeguards and up-to-date guidance are in place, and enabling full commencement of the amendments to the 2002 Act, which I have described. For the powers that are not yet in force, we are working towards a common commencement date of 1 March. The use of the powers will be rightly guided by the revised codes of practice. I make no apology for repeating that the codes were an important safeguard to ensure the targeted, proportionate and effective use of the powers in the Act, balanced against the entitlements—my brief says “rights”, a word I always hesitate to use, but I mean the lawful entitlements that we often call rights—of individuals and communities. I therefore ask the House to approve the orders to give effect to the codes of practice.

In order not to disappoint you of all people, Mr Speaker, I conclude by quoting my favourite poet—not T. S. Eliot, but W. B. Yeats:

“Do not wait to strike till the iron is hot; but make it hot by striking.”

The Government, with appropriate alacrity and determination, and with the moderation associated with putting in place such safeguards, are indeed striking to make the iron hot. In that spirit, I hope the whole House will agree that the orders are an appropriate way forward, with appropriate checks and balances in the exercise of these vital powers.

5.46 pm

Jack Dromey (Birmingham, Erdington) (Lab): I have to say that our determination to support the measures has been reinforced by the Minister quoting my favourite poet. As someone whose dad came from County Cork in Ireland and whose mother came from Tipperary, and as someone who grew up on “A terrible beauty is born”, I fully support the Minister’s choice of poet.

The Minister was right both to paint the context of the measures and to stress that they are non-controversial, as indeed they are. The origins of the proceeds of crime legislation was a determination, across the House, that crime should help to pay for the prevention of crime and for support for victims—hence the 2002 Act, a bold step that was widely welcomed at the time.

To be frank, the 2002 Act was not as strong as it might have been, and as experience unfolded that certainly pointed to the need for the legislation to be further strengthened. That was dramatically evidenced in the two National Audit Office reports, which respectively showed that only 26p and 35p was recovered for every £100 of the proceeds of crime.

There were some very famous cases. On the one hand, there was the aptly named Adams family, who ultimately did not succeed in avoiding the full force of the law. On the other hand, Julian de Vere Whiteway-Wilkinson was ordered to repay £2.1 million, but only £262,000 was recovered, and Nasir Khan was ordered to repay £14 million, but nothing was recovered. Classically, smaller confiscation orders tended to have a high rate of success in recovering the monies concerned, but the Mr Bigs of this world continued to get away with it.

We acknowledged that our legislation was not as strong as it needed to be, and during the last Parliament we argued for the law to be strengthened. The Minister mentioned the successive Acts, which culminated in the 2015 Act. There is no question but that welcome progress has been made on key issues, including the freezing of assets, default sentences, strengthening the leadership of the National Crime Agency, a stronger ministerial
focus and, crucially, effective information and communications technology and data sharing. Real progress has been made.

What is before us today is the latest necessary step in the process of not just strengthening the law, but, crucially, seeing the law enforced. It does so in a way that strikes the balance between the liberty of the individual and our utter determination not to allow people to get away with swinging the lead, particularly when an order is made.

We are content to support all five of the measures. I will not go through them all in detail. The Minister was right that that is not necessary. I will highlight just one: the search, seizure and detention of property code of practice for England and Wales. Allowing seizures in reasonable anticipation of confiscation orders is right, as is the determination of the appropriate officer to authorise and oversee seizure.

In conclusion, we welcome the steps that are being taken. They are necessary steps. I will ask but one question of the Minister. There is a shared determination to ensure that those who commit crimes do not get away with the benefits of them and, therefore, to recover the proceeds of crime. Crucially, as the experience under successive Governments tells us, there must be effective enforcement. Therefore, will the Minister say how we can be confident that there will be effective enforcement and to what extent the orders will help? We almost need case studies that bring alive the progress that the Government intend to make. We certainly believe that this is progress and we are content to support it.

Several hon. Members rose—

Mr Speaker: The person on my list is not here, but the hon. Member for North West Hampshire (Kit Malthouse) is here. Mr Malthouse, if you wish to give us your views, we wish to hear them.

5.51 pm

Kit Malthouse (North West Hampshire) (Con): I just want to speak briefly, Mr Speaker.

I support the measures completely, but I want to plant a small seed in the Minister’s fertile mind. When I was deputy mayor for policing, we were very keen to use the Proceeds of Crime Act 2002 to an enormous extent. We thought that it held enormous potential for recovering money in London and elsewhere. However, it involved a significant investment of police resources, which had to be diverted from elsewhere.

We therefore attempted to cut a deal with the Home Office that would have allowed the Metropolitan police to retain some, if not all, of the money that was recovered. The Home Office denied us that ability and, as a result, we did not invest anywhere near the resources that we could, and perhaps should, have invested in using the Act in the devastating way it can be used, particularly against organised criminal networks.

I ask the Minister to consider allowing police forces to retain a proportion of the money they recover, first to cover the costs in pursuing the money and, secondly, so that it can be reinvested in local services. There is nothing in the current climate that would motivate a chief constable to use these powers more than the idea that it might be a profit centre for his or her force. If the measures are to be as effective as I know the Minister wants them to be, allowing such entrepreneurialism, shall we say, among police forces would be extremely welcome. Other than that, I completely support the measures.

5.53 pm

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is a pleasure to take part in this debate.

The Minister has, indeed, been incredibly persuasive, so he will find no opposition from the SNP Benches. To put it mildly, all Members are enthusiastic about ensuring that the proceeds of crime are confiscated wherever possible and put to good use. In Scotland, the CashBack for Communities scheme has proved enormously successful and popular. It ploughs money recovered from criminals into free community initiatives for young people around the country.

Today, we are concerned with the safeguards that are in place for the powers that are designed to help recover certain proceeds of crime. The powers to detain, search and seize are clearly very invasive, so it is imperative to have appropriate safeguards. I will be helpfully brief, Mr Speaker, and will confine myself to the order on the cash searches code of practice, which is the only one that relates to Scotland.

The code of practice order relates to search powers, which can represent a significant interference with privacy rights. The code of practice must therefore ensure that the use of the powers is fully justified and that consideration is given to whether results could be achieved by less intrusive means. The code of practice must explain clearly what the reasonable suspicion amounts to, as well as making clear the necessity to seek judicial authority, or at the very least the authority of a senior officer, wherever practical. It must also outline how to conduct a proper search. The code appears to do all those things and it is, as the Minister says, essentially a reworking of previous drafts. For those reasons, we have no opposition to the order or the code.

I want to flag up one concern, however. On the one hand, it was a surprise to see a reference on page 4 of the code to the use of the powers by immigration officers. That possibility was not present in the Proceeds of Crime Act 2002. However, a footnote in the draft order explains that the UK Borders Act 2007 provides that part 5 of the 2002 Act should apply to immigration officers as it applies in relation to a constable. On the other hand, having been involved in the scrutiny of the Immigration Bill, I know that it is not a new experience to see police powers being handed out almost like sweets. Successive Governments seem to have been tempted down that path. I am not saying that customs officers or immigration officers do not, on occasion, require similar powers to those of the police. However, whenever police-like powers are going to be handed to people who are not police officers, we need to be extra-vigilant and to demand a clear operational case and appropriate safeguards.

I would like to highlight the inspection of immigration officers’ powers to enter business premises without a search warrant that was conducted by the chief inspector of the UK Border Agency between October and November 2013. He reported that 59% of the cases he examined
did not have the required justification for the use of the power, and that a further 12% had insufficient information for him to form an opinion. He found widespread non-compliance with the guidance, and ineffective processes for ensuring that staff were complying with the legislation and guidance. I could go on, but I believe that those findings cast a light on the need to be very careful when handing police-like powers to officials who are, quite simply, not police officers. We also need to be extra-vigilant when scrutinising the codes that guide the use of those powers, and to question whether the safeguards are sufficient to make up for the fact that they are being used by non-police officers.

5.57 pm

Mark Durkan (Foyle) (SDLP): It is a pleasure to make a short speech in this short debate. The Minister for Security, the right hon. Member for South Holland and The Deepings (Mr Hayes), gave us a Yeatsian introduction to what is actually a fairly prosaic set of statutory instruments, and I would not want to provoke him any further in that direction. I just want to use this opportunity to make a couple of points clear. We support these measures, which will properly even out a number of anomalies and inconsistencies. We need to ensure that we have proper codes of practice and guidance on the use of these powers, and that is what the statutory instruments will provide.

In Northern Ireland, there has at times been sensitivity when the Home Office has introduced legislation here. An example would be the introduction of the National Crime Agency, when not enough attention was paid in advance to the Patten architecture or to ensuring that any additional policing systems and powers were consistent with the Patten principles. It took time to get that right, but it has now been got right. The statutory instruments before us tonight to build on that work that has already been done. They do not transgress the principles and they will not trigger any of the Patten tripwires in any way.

Most people in Northern Ireland will welcome the fact that there is to be full, even and consistent pursuit of the proceeds of crime. During the last set of negotiations at Stormont House, paramilitarism was a vexed issue among the parties. There was an impression abroad that the Home Office has introduced legislation here. An example would be the introduction of the National Crime Agency, when not enough attention was paid in advance to the Patten architecture or to ensuring that any additional policing systems and powers were consistent with the Patten principles. It took time to get that right, but it has now been got right. The statutory instruments before us tonight to build on that work that has already been done. They do not transgress the principles and they will not trigger any of the Patten tripwires in any way.

In so far as these statutory instruments add to that, I welcome what he said.

Jim Shannon (Strangford) (DUP): Like other Members who have spoken, I want to put on the record that my party supports the statutory instruments. We need them even more today, perhaps, than in the past. Statistics given to me beforehand show that since the end of the troubles, the number of organised crime gangs in Northern Ireland has risen from 60 to 170. It is important that we have legislation in place, such as the Proceeds of Crime Act 2002 in relation to the search, seizure and detention of property or in relation to the code of practice for investigations. People look to the law of the land for support.

Some 600,000 litres of illegal fuel were seized in the past year and 27 laundering plants have been dismantled. It is clear to me that there are crime lords out there and those 170 groups are involved in systematic criminal activities. The laundering plants generate money, but when they are washed out the pollution goes into the rivers and waterways. In some places around the border in Northern Ireland and the Republic, there are no fish and no life left in the waters because of what is happening. The effects of that are clear. There were three times as many deaths due to heroin in 2013 than there were in 2009 as a result of the criminal gangs and crime lords in Northern Ireland.

There has been some success and it is good to have that—14 organised crime gangs were dismantled in 2015 as a result of the Organised Crime Task Force, so good work has been done. We want it to continue, and these measures can stop those involved in criminal activities and those who live off their ill-gotten gains. Seize their goods and the proceeds of their crime, take those crime lords out of action, dismantle their empires and give freedom to the estates and the people of Northern Ireland by stopping those who live off them. My party and I fully support the proceeds of crime measures, congratulate the Government on moving forward in a positive fashion, and look forward to supporting the Government in all aspects of these measures.

6.3 pm

Mr Hayes: I shall answer one or two points on the first of the codes, then, with your permission and indulgence, Mr Speaker, I shall move the subsequent ones formally.

The points that have been made are all in the spirit of wanting the measure to work. I am grateful to the House for that. The shadow Minister, the hon. Member for Birmingham, Erdington (Jack Dromey), made the telling point that this has long been a consideration of this House and of successive Governments. He referenced in particular the 2002 Act and he will know that subsequent legislation to which I referred earlier builds on that Act and brings it up to date, because as crime changes, the proceeds of crime and our ability to recover them change too. Very much in that spirit, I welcome what he said.

I note the hon. Gentleman’s point about the way the measure is explained. Although with typical courtesy he did not draw the attention of hon. Members to the fact, I am aware that the Secondary Legislation Scrutiny Committee felt that the explanatory memorandum that accompanied these orders was not sufficient. I agree that the policy background in the memorandum was...
[Mr John Hayes]

insufficient and did not set out that the powers will operate in the way I want them to, as he said. To that end, I am delighted to be able to tell him that this very morning I asked my officials to redraw the explanatory memorandum in exactly the form that he requested, with worked examples of how these things might work in practice. These are complex matters, but none the less it seems to me that they need to be articulated in a way that makes it absolutely clear how the codes will introduce the kind of safeguards that we all favour.

To that end, I can assure the House that my officials are well aware that the explanatory memorandum must do just that. I am delighted to be able to tell the House that the Secondary Legislation Scrutiny Committee has said that were that to be done with the speed and in the fashion that I have described, it would be satisfied. The hon. Gentleman has done a service to this House and it is not his fault that I have anticipated his point by doing what I have described this morning. Indeed, it shows that we are on the same page.

My hon. Friend the Member for North West Hampshire (Kit Malthouse), who has moved—he is in his place, but his place has changed—made the interesting suggestion that the police might be incentivised, if I might put it in those terms, to go still further if they were to recover some of the costs of their inquiries. That is an interesting suggestion. It would be above my pay grade and outside my remit to agree it on the Floor of the House at this very moment, but I shall certainly take it back to the Department to discuss with the policing Minister and others.

Lucy Frazer (South East Cambridgeshire) (Con): My right hon. Friend rightly mentioned that the explanatory memorandum could go into a little more detail, and I welcome that suggestion. Paragraph 4.9 of the explanatory memorandum suggests not only that there have been new additions but that:

“The code has been slightly restructured to make it easier to read and understand.”

Would it be possible to set out what is a clarification and what is a new provision, so that when that is considered in due course it will be clear that some points are just clarifications rather than new provisions?

Mr Hayes: With the eye for detail that my hon. Friend’s scrutiny increasingly shows, and for which she is building a substantial reputation, she draws attention to precisely one of the matters that I discussed with my officials in the conversation I had with them this morning, to which I referred in relation to the comments made by the shadow Minister. It is right that we should clarify that point. She is also right that we need to consider the whole of the explanatory memorandum in a similar spirit, and that is precisely what we intend to do. I am grateful to her for allowing me to illustrate that not only she has an eye for detail, but the Minister has too.

The points made by the hon. Member for Foyle (Mark Durkan) seemed to me to be absolutely on the button. It is important that these things are dealt with constructively and that we take them seriously. I make no comments on his remarks about the previous history in the Province, but I can assure him that we are determined that the powers shall apply across our kingdom and that they will be pursued with appropriate vehemence. There can be no greater mission than to ensure that criminals do not profit from what they do. That is precisely what we intend to achieve. I am grateful for his support and for the comments he made about that.

The hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald) spoke about immigration officers’ powers. I take his point; they have been generally expanded so that they are now mainstream law enforcement officers, like the police, the NCA and others. There is appropriate training—he is right that it is very important that that takes place—and appropriate safeguards and oversight, as there always should be in such matters. This is in relation to the 2002 Act, as I said, and I will pass concerns on to the Minister for Immigration so that the people for whom he is responsible are equipped with the information and skills they need. As I said in response to the hon. Member for Foyle (Mark Durkan), it is important that we behave consistently, and I am grateful for his contribution to the debate.

The hon. Member for Strangford (Jim Shannon) spoke about effective enforcement, and not only is it important that these codes are clear, established, transparent and comprehensible, but the powers that they effect or give appropriate safeguards to must be used. As he said, it is right that there has been a determination in this House, but we must ensure that that is seen through to the point of impact. It is all very well having intent, a legislative vehicle and safeguards, but there must also be a determination that this is seen as an important priority in the Province and across the United Kingdom.

This has been a useful debate, and I am grateful for the spirit in which the House has considered these matters. It is perhaps best to end not with Yeats—although I could, and I am tempted to—but with C. S. Lewis, who said in “The Weight of Glory” that

“the art of life consists in tackling each immediate evil as well as we can”.

The proceeds of crime are an evil that this Government are entirely determined to tackle, and these codes will help us to do so. In that spirit, I commend the motion to the House.

Mr Speaker: With the indulgence of both the Chair and the House, the Minister has served up both a starter and a pudding, for which I am sure the House is deeply grateful. The main course has, of course, been provided by other hon. Members who have contributed to the debate and whom the Minister has graciously accommodated.

Question put and agreed to.

PROCEEDS OF CRIME

Resolved.

That the draft Proceeds of Crime Act 2002 (Cash Searches: Code of Practice) Order 2016, which was laid before this House on 16 December 2015, be approved.

That the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (England and Wales) (No. 2) Order 2016, which was laid before this House on 16 December 2015, be approved.

That the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (Northern Ireland) Order 2016, which was laid before this House on 16 December 2015, be approved.
That the draft Proceeds of Crime Act 2002 (Investigations: Code of Practice) (England and Wales and Northern Ireland) Order 2016, which was laid before this House on 16 December 2015, be approved.—(Mr Hayes.)

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

HEALTH CARE AND ASSOCIATED PROFESSIONS

Ordered,

That the draft General Dental Council (Fitness to Practise etc.) Order 2015, which was laid before this House on 18 November 2015, be approved.—(Charlie Elphicke.)

PETITION

BBC licence fee

6.13 pm

Andrew Bridgen (North West Leicestershire) (Con):

This petition is about the BBC licence fee. It declares that the petitioners are dissatisfied with the BBC licence fee of £145.50, and notes that 50 MPs recently demanded an urgent Government review of BBC funding. For almost 20 years, the Magistrates Association has been calling for the decriminalisation of TV licence evasion, and it is concerned that evaders are punished disproportionately.

In 2014, 52.8 million letters were sent out to suspected evaders, which were followed up by 3.8 million visits by TV licensing enforcement officers. That resulted in 204,018 prosecutions or out of court disposals, of which 24,025 were ultimately unsuccessful. Further to that, there were 40 imprisonments for an average of 20 days, for non-payment of associated fines. It should be noted by the House that the licence fee represents a much higher proportion of income for poorer households, and it gives an unfair advantage to one broadcaster and distorts the marketplace.

In conclusion, the petitioners find the BBC’s content outdated and biased, and therefore do not wish to fund it. Further to that, an online petition on this matter was signed by 176,079 individuals as of 9 am today. Interestingly, that is approximately the same number of people who are currently—

Following is the full text of the petition:

[The petition of residents of the UK,

Declares that the petitioners are dissatisfied with the BBC licence fee; further that up to 50 MPs recently demanded an urgent Government review of the BBC funding; further that the Magistrates Association has been calling for the decriminalisation of TV licence evasion for nearly 20 years, concerned that evaders are punished disproportionately; further that 52.8 million letters were sent in 2014 to suspected evaders which were followed up by 3.8 million visits by TV licence officers, 204,018 prosecutions (or out of court disposals), of which 24,025 were unsuccessful, and 40 imprisonments, for an average of 20 days; further that the licence fee represents a much higher proportion of income for poor households; further that it gives an unfair advantage to one broadcaster; further that the UK is now perceived less favourably internationally by countries that have never enforced TV licence fees or have abolished their TV licence due to its public broadcaster funding model; further that the petitioners find the BBC’s content outdated and biased and therefore do not wish to fund it; and further that an online petition on the matter was signed by 170,000 individuals.

The petitioners therefore request that the House of Commons urges the Department for Culture, Media and Sport to end the BBC licence fee.

And the petitioners remain, etc.]

Mr Speaker: We are grateful. The hon. Gentleman has given us the thrust of his petition. I have been rather generous. It is, to be blunt, over-long. The hon. Gentleman has had his say. We are deeply obliged to him for what he has said, but his oration is now over. What he needs to do is read the prayer and present the petition.
Domestic Politically Exposed Persons: Money Laundering Rules

Motion made, and Question proposed, That this House do now adjourn. — (Charlie Elphicke.)

6.15 pm

Mr Charles Walker (Broxbourne) (Con): It is a great honour and privilege to have secured tonight’s debate. I note that it follows on from the proceedings of crime debate, so it is both appropriate and timely.

It is a truism that international money laundering is a serious crime, and the UK Government are right to want to both persecute and prosecute those responsible. The legislation contained in both the third money laundering directive and the soon-to-be-introduced fourth directive is wide in its scope and is being aggressively applied by the banks. Although my debate deals specifically with politically exposed persons, my concerns can be more widely read across to the many law-abiding professional people in this country who are experiencing difficulties with their bank or in opening a new bank account.

In setting out the scene for tonight’s debate, I thought it would be helpful if I defined what a politically exposed person is in relation to the Money Laundering Regulations 2007. The regulations transpose the third money laundering directive into UK law. I will quote from the 2005 report of the Joint Money Laundering Steering Group. This is a direct quote from its guidance:

“Senior political figure is a senior figure in the executive, legislative, administrative, military or judicial branches of a government (elected or non-elected), a senior figure of a major political party, or a senior executive of a government-owned corporation. It includes any corporate entity, partnership or trust relationship that has been established by, or for the benefit of, a senior political figure.

Immediate family typically includes the person’s parents, siblings, spouse, children, in-laws, grandparents and grandchildren where this can be ascertained.

Close associate typically includes a person who is widely and publicly known to maintain a close relationship with the senior political figure and includes a person who is in a position to conduct substantial domestic and international financial transactions on his or her behalf.”

Those definitions are reflected in the Money Laundering Regulations 2007, which were introduced pursuant to the third money laundering directive 2005. Importantly, however, although banks are choosing to apply the legislation to holders of domestic UK office, these people are specifically excluded from its scope.

Schedule 2 to the Money Laundering Regulations 2007 defines a PEP as being an individual, including their immediate family members or associates “who is or has, at any time in the preceding year, been entrusted with a prominent public function by:

(i) a state other than the United Kingdom;
(ii) a Community institution; or (iii) an international body.”

It therefore specifically excludes Members of Parliament serving in the United Kingdom Parliament. In addition, the Joint Money Laundering Steering Group guidance for the UK financial sector states that the definition of a PEP used by banks “only applies to those holding...a position in a state outside the UK”.

However, UK banks have consciously chosen to adopt a broader definition of a PEP, which also includes customers who hold political office within the UK. Banks argue that this is desirable in advance of the introduction of the fourth money laundering directive, due to come into force in 2017, which, unless amended, will apply to domestic politically exposed persons.

The rules around money laundering are a mess. I know this; the Government know this; the Chair of the Treasury Select Committee knows this; and the principals of many small and medium-sized businesses in my constituency and in others know this. The position of the UK banking sector, in its aggressive application of money laundering rules to domestic politicians, to their extended families and—I now fear—more widely to many of our law-abiding constituents, is known, in banking parlance, as de-risking.

What are the practical consequences of de-risking? In regards to the teenage children of MPs, it amounts to intrusive demands for information. One 18-year-old was recently contacted by her bank demanding that she produce personal information or face losing her banking facilities. This demand included information about her occupation, her employer’s name and address, details of any residential addresses she used and how much time she had spent at each address and information about regular sources of funds, such as income, student loans and funds from her parents.

A Back-Bench colleague, who agreed to be interviewed by his bank, was required to answer questions about his account dating back 25 years. This colleague is yet to turn 50.

Fiona Mactaggart (Slough) (Lab): The regulations have affected me, as a Back-Bench Opposition MP. I have been involved in family charitable trusts where my fellow trustees have said, “Please Fiona, you can’t play a role in this philanthropic enterprise. Setting it up would be too complicated because you’re a politically exposed person.”

Mr Walker: The right hon. Lady’s timing is prescient, because I was about to say that some colleagues had been denied places as charity trustees or board members, simply because the charity could not deal with the financial compliance required to make the offer of the voluntary position worth while. These colleagues want to give their time and experience for free.

Another example of heavy-handedness concerns colleagues who retain a link with their professional practices. De-risking by banks means colleagues are struggling to open company bank accounts, often despite being required to do this by their own professional regulator, in order to look after and protect client moneys. In another case, a colleague’s 81-year-old father was summoned for an interview by his bank to verify his details and sources of wealth, despite his having been with the bank for more than 50 years.

Other colleagues have been asked to provide details of their parents’ financial assets, such as property, share and cash holdings. A son-in-law of a Back-Bench MP who owns his own business was recently informed that he had been identified as a politically exposed person and was required to provide details of his business’s transactions, as well as information about his personal account. In a similar vein, a Back-Bench
MP’s son was required to provide information about his wife and details about her parents—his in-laws.

The actions of banks are, at best, highly intrusive and, at worst, in danger of restricting the ability of honest people, such as sons, daughters, brothers and sisters, to raise the money required to invest in and grow their business.

Pauline Latham (Mid Derbyshire) (Con): We were recently contacted by a bank that we have been with for more than 40 years asking for proof of our address. It beggared belief, as it had managed to send us statements for the whole of those 40-odd years. I said, “Well, don’t you know where we live?” It said, “You’ve never proved it.” This is taking it to the most stupid nth degree, and it has to stop.

Mr Walker: My hon. Friend’s intervention brings me nicely on to the next part of my speech. The aggressive application of de-risking by the banks comes despite assurances from Lord Deighton, the then Commercial Secretary to the Treasury, to his colleagues in the other place, on 14 October 2014, when he said—I quote again—I am afraid—that “while UK parliamentarians are not currently considered to be “politically exposed persons”—or PEPs—domestically, revised global standards to which the UK is fully committed will require that they are treated as such. These global standards require enhanced due diligence and ongoing monitoring only when the business relationship is assessed as high risk. The UK will make representations when negotiating the fourth money laundering directive to ensure that it reflects these standards.”

Lord Deighton went on to say:

“The key here is in the approach of the banks in doing their due diligence appropriately. The main feature of these arrangements is that domestic PEPs should be assessed in terms of their level of risk, and in the main UK parliamentarians should be assessed as low risk and, frankly, treated in precisely the same way as any other customer. The problem is when banks do not apply the right kind of risk-based assessment and instead revert to inappropriate box-ticking approaches.”—[Official Report, House of Lords, 14 October 2014; Vol. 756, c. 114.]

What is now obvious is that the banks have not paid the blindest bit of regard to the entreaties of Lord Deighton. In advance of the fourth money laundering directive, they have decided to apply the rules with no regard to any assessment of risk. This should come as no great surprise. The financial crisis that the banks sprung on us in 2008 clearly demonstrated that they have no, or at best a limited, understanding of risk.

Heather Wheeler (South Derbyshire) (Con): I apologise for being detained at the very beginning of this debate.

Would my hon. Friend be as surprised as I was to be phoned up by a bank that I had banked with for over 30 years to be told that I was high risk, that the bank would not deal with me any more and that it was closing my account? That was a phone call I received in my parliamentary office. Subsequently, a second bank has written to me that it is closing my bank account—with no explanation whatever.

Mr Walker: That is an outrageous act by banks. The banks would argue that they are not public utilities, but my response would be that they are, because it is taxpayers and us who have bailed them out. They have a responsibility to behave responsibly, whether it be to Members of Parliament, small businesses or our constituents.

We are now faced with the somewhat laughable situation that not only Members of Parliament are being assessed as high risk in regards to money laundering, but their extended families are, too. On the basis of this Chamber alone, that puts nearly 10,000 people in the frame.

In common with all parts of the population, Members of Parliament can, of course, do bad and stupid things. That has always been the case and always will be the case. When it comes to our elected politicians, however, it is impossible to imagine a more scrutinised group. Not only do we have to register details of our commercial activities with the Register of Members’ Financial Interests—under pain, in extremis, of being dismissed from this place if we fail to do so—but we have the likes of The Daily Telegraph, the Daily Mail and Channel 4’s “Dispatches” breathing down our necks in the hope of catching the slightest whiff of wrongdoing.

Indeed, it often comes as a great disappointment to our pursuers that so few of us cavort with international despots and criminal masterminds. The much less glamorous truth is that most Back Benchers indulge in far more mundane but worthy pursuits, such as trying to sort out our constituents’ housing and street-lighting problems. Indeed, the tiny fraction of Back-Bench colleagues who lead altogether more politically racy lifestyles are well known to the media, with their activities well reported. It must be remarked, “Oh, what a friend the banks’ compliance departments have in Fleet Street and the House of Commons Press Lobby.”

That, of course, leaves Ministers, but again the Executive discretion Ministers have in relation to contracts is minimal. The tendering process is conducted by civil servants, with the Minister passed a single name to sign off on or, if they are lucky, perhaps the option of two names, with the chance to exercise a smidgeon of discretion given only under the careful watch of the permanent secretary.

In concluding my comments, I say this to the Minister and the banks: regulation needs to be proportionate to the risk.

Craig Mackinlay (South Thanet) (Con): I would like to put my experience on the record. The 81-year-old mentioned in my hon. Friend’s speech a few moments ago was indeed my father. He has been with the same bank for over 50 years. He was asked into the bank to answer detailed probing questions about his banking and other activities. Understandably, my father told the bank that he was not going to do so. As for my own experience, I had a two-hour interview with a banking institution that required information about everything, from my wife and details about her parents—his in-laws.

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Karl McCartney (Lincoln) (Con): My hon. Friend is making an excellent speech. Can he tell us whether every bank and every Back Bench has been affected? I ask because, at present, one party seems to be, shall we say, over-represented in the Chamber.

Mr Walker: Colleagues are naturally reluctant to talk about the issue, but I can tell my hon. Friend. That this applies to every bank, although some are worse offenders than others. The banks that I have come across are HSBC, Lloyds, the Halifax and Barclays, but there will be others.

Pauline Latham: NatWest.

Mr Walker: My hon. Friend mentions NatWest. I think that all banks are conducting their business in this way.

Jake Berry (Rossendale and Darwen) (Con): And Coutts.

Mr Walker: My hon. Friend has given another example. If the banks’ tick-box approach is replicated throughout their wider compliance operations, it suggests that they do not have a clue what they are doing, or where the risk actually lies within their customer base. Of course, a less charitable interpretation of their conduct would be the suggestion that they have a very good idea of where the money laundering threat lies in their business, but the cost in lost fees of addressing that threat, and the consequential deterring of high-net-worth individuals as clients, is greater than the cost incurred through the occasional regulatory fine. Far better for the balance sheet to make a great deal of noise—noise that both dazzles and impresses the regulator and makes the lives of law-abiding minnows difficult—than to actually engage in the hard and costly yards of nailing the serious bad guys.

The money laundering regulations need to be revisited. Their purpose is to target despots and dictators, not law-abiding citizens. They are being disproportionately applied. Today I am discussing politically exposed persons, but tomorrow I could just as easily be discussing the aggressive application of these requirements in relation to my constituents, their businesses and their families. The Government must act now to end this nonsense across the piece.

Let me leave Members with this thought: if everyone is under suspicion, no one is a suspect.

6.32 pm

The Economic Secretary to the Treasury (Harriet Baldwin): I warmly congratulate my hon. Friend the Member for Broxbourne (Mr Walker) on securing the debate. His speech featured both the clarity and the oratory that regularly win him awards as a parliamentarian.

My hon. Friend has raised an issue that I know has caused a great deal of frustration and anger with our banks, particularly when not just we but our families, by association, experience the same difficulties. I am grateful to him for putting a range of examples on the record, because I regularly inform my officials and the bank representatives whom I meet that my ears are bent every time I go into the Tea Room or the Lobbies, and now they will know that I am not exaggerating. I hear Members’ frustration loud and clear, and I assure them that, along with my right hon. Friend the Minister for Small Business, Industry and Enterprise, who is present, I am keen to enhance the action that we are already taking to deal with this example of red tape. I shall return to that subject shortly, but let me begin by setting out the broader context of our anti-money laundering and counter-terrorist financing regime, of which the issue of domestic politically exposed persons is just one part.

This year will see the most comprehensive review ever of our regime to deal with illicit finance. At a global level we are taking action to improve our response to the threats of organised crime, international corruption and new and evolving forms of terrorism. As the Prime Minister set out in Singapore last year, that is exactly why he will be hosting a major anti-corruption summit in the UK this May.

The Government are also committed to securing the hard-won growth in our economy. In order to maintain this momentum, we need to create a business environment that fosters innovation and investment and that is supported, not hindered, by regulation. That is why it is so important to get the regulatory regime right, and why we are carrying out a red tape review of our current anti-money laundering regime, seeking views from the private sector on areas of the regime that it finds unnecessarily burdensome. The aim of this is to help us to fine-tune our legislation so that we have an effective regime that works for our country. That review will report in the coming months, and I look forward to working with my colleague the Minister for Small Business, Industry and Enterprise and to receiving the analysis.

I turn now to the specific issue of domestic PEPs. I recognise that this is the key concern of the debate, and that it is a concern not only of my hon. Friend. The Member for Broxbourne but of many others in this House and the other place. As he states, the current global rules on anti-money laundering require that, in cases of high risk, banks and regulated businesses carry out enhanced due diligence on all PEPs—that is, those individuals entrusted with a prominent public function, be it politicians, high-ranking members of the military, senior members of the judiciary or others. Indeed, I myself got caught by this when I held an account with an American firm. There is solid reasoning behind this when it comes to PEPs outside the European Union, because political corruption is something we have seen time and again across the world on a truly astonishing scale.

Let me give three examples. The first is the James Ibori case. He was a state governor in Nigeria from 1999 to 2007. In that time he stole tens of millions of pounds of public money. With an official salary of £10,000 he was somehow able to buy a £2.2 million house in Hampstead, one in Regent’s Park, a house in Dorset and a flat in St John’s Wood, and it was not just Ibori himself who was ultimately convicted and imprisoned: so was his sister, as well as other associates including his UK solicitor. That is because they conspired with Ibori to conceal the origins of his wealth through a complex web of transactions and shell companies.

Another striking example is that of the former Secretary for Transport and Public Works of Macau. He was convicted to deal with this when I held an account with a Macau bank. He was convicted to deal with this when I held an account with a Macau bank. He was convicted of 40 counts of corruption and 13 counts of money laundering and sentenced to 27 years’ imprisonment. Since then the UK alone has recovered over £28 million of his corrupt assets and returned them to Macau.
Another example is that of the late Frederick Chiluba. He was Zambian President between 1991 and 2001. On 4 May 2007 he was found guilty of stealing $46 million of assets in a civil case in the Royal Courts of Justice, and used UK-based solicitors to launder money. In 2008 it was reported that about $60 million had been recovered by the Zambian authorities.

There is therefore a reason that we treat foreign PEPs differently under the existing regulations, and that is why families and close associates are also looked at in more detail.

Fiona Mactaggart: All the examples the Minister has cited are of people who had some Executive power. How can Opposition legislators be regarded as having Executive power? I certainly do not feel as though I have any.

Harriett Baldwin: The right hon. Lady is right to highlight that, and I will be coming on to it. Clearly the degree of risk in terms of political engagement will vary not only by country, which is one factor that needs to be taken into account, but also with reference to the role of the individual.

We have heard how the regime works currently, but we have also heard from my hon. Friend the Member for Broxbourne that the regime will be changing in the coming year. The overarching framework is set at a global level by the Financial Action Task Force, which is a collection of 36 countries, including the US and Australia. It includes both domestic and foreign politically exposed persons in its standards. The motivation for these global standards is that in many countries domestic PEPs actually present a higher risk than foreign PEPs, and so one person’s domestic PEP is another person’s foreign PEP. The level of risk is not the same for all countries or all individuals, as has been pointed out, which is why the risk-based approach set out in the standards is crucial.

Of course the UK supports a risk-based approach across the EU to identify and deal with PEPs, especially domestic ones. That is why we were supportive of the fourth anti-money laundering directive, which enacts these global standards. We are now faced with transposing the EU directive into UK law by June 2017, and it will extend the regime so that domestic PEPs will also be subject to enhanced due diligence across the board. Despite the fact that the new regime does not come into effect until next year, I know that some banks—we have heard some examples and some names today—particularly international ones, have already chosen to implement these changes. They are very much applying a one-size-fits-all process, as we have seen in the examples we have heard this evening. I know that for some individuals affected this has caused enormous frustration.

Let me be clear: this change should not prevent any Member of this House, or any other individual in this category, from gaining or maintaining a UK bank account. We are looking at exactly how we can encourage the banks to implement these measures domestically in the most risk-based manner possible. My officials discuss this issue with their international partners on a regular basis, and we are seeking views on this as part of our public consultation on the updated money laundering regulations and how we transpose the fourth anti-money laundering directive into UK law. I am already regularly raising this issue with not only the banks but the regulator.

I have already mentioned the red tape review of our current anti-money laundering regime, and today’s debate is helpful in that context. I know this is an issue of significant concern in this House, as we have heard clearly this evening, so I will report back to hon. Members as this work develops over the coming months. My goal is to have a banking system that is hostile to illicit finance and to terrorists, but which allows ordinary law-abiding and law-making citizens to move easily from one bank to another for better rates and better service. This debate has been very valuable for getting on the record the heavy-handed way in which banks are already applying these new rules. I would like to reassure my hon. Friend, and all other colleagues, that I am on his side, and I am grateful to him for bringing this issue to the House’s attention.

Question put and agreed to.

6.43 pm

House adjourned.
Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State for Culture, Media and Sport was asked—

Small Production Companies: Cornwall

1. Scott Mann (North Cornwall) (Con): What steps his Department is taking to support small production companies based in Cornwall. [903140]

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I hope you will indulge me, Mr Speaker, if I briefly pay tribute to the great George Weidenfeld, who died yesterday. He was a great patron and supporter of the arts.

The Government have taken steps to support small production companies across the UK through tax reliefs and grant schemes. In the last two years, Creative England has supported 51 productions in Cornwall, and grant schemes. In the last two years, Creative England has supported 51 productions in Cornwall, which has led to 439 shooting days in the county and an estimated on-location spend of nearly £7.5 million.

Scott Mann: Tourism in North Cornwall has benefited hugely from the “Poldark” effect, but other television dramas are also produced across our beautiful coastline, including “Doc Martin” in Port Isaac and “Jamaica Inn”, filmed on Bodmin moor. Will my hon. Friend assure me that he will continue to support the film industry in my part of the country?

Mr Vaizey: Of course. I am well aware of the “Poldark” effect. In fact, I am often mistaken for Aidan Turner’s body double. There are 13 great production companies in Cornwall. Our film tax relief has brought more than £7 billion of film investment to the UK as a whole, and I can assure my hon. Friend that we will continue to support productions in Cornwall.

Ian C. Lucas (Wrexham) (Lab) rose—

Mr Speaker: Does the hon. Gentleman undertake to question exclusively with reference to Cornwall?

Ian C. Lucas: Indeed. Independent production companies in Cornwall and other areas of the country benefit hugely from Channel 4’s unique not-for-profit commissioning strength. Will the Minister please explain why the creation of another business like ITV and Channel 5 is in the interests of production companies in Cornwall, and why it is in the public interest for Channel 4 to be privatised?

Mr Vaizey: I feel like I am taking part in an episode of “Just a Minute” where the subject is Cornwall. We have gone from the south-west to the heart of Westminster, where Channel 4 resides, in its headquarters on Horseferry Road. As the hon. Gentleman is well aware—I know there is another question on Channel 4 later—we are considering all options to take this fantastic channel into the future.

Subsidised Satellite Broadband Programme

2. Sue Hayman (Workington) (Lab): What recent progress his Department has made on the subsidised satellite broadband programme. [903141]

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am pleased to say that the Cumbrian programme is going extremely well. About £20 million of Government money has been invested, and in the hon. Lady’s constituency we will reach 92% by the end of the programme, which is a fantastic result, considering that, commercially, less than half of her constituents would have got superfast broadband. We will soon be introducing a consultation on the universal service obligation, and we intend to proceed with haste.

Neil Carmichael (Stroud) (Con): This kind of option is very important in rural areas such as mine, where we have technology issues getting broadband to Longney and Elmore. We have done some good work with BT, but can the Minister guarantee that we will push ahead with all options to make sure everybody has access to broadband in my constituency?

Mr Vaizey: Yes, I can guarantee that. We are moving as fast as we can to deliver superfast broadband, and we intend to reach 95% of the country by the end of 2017 and to have superfast broadband for everyone by 2020. We also have to think again about what we need to do in the decade after that.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): In early December, the Minister cast himself as Santa Claus, announcing a “Christmas present” for UK homes and businesses: £60 million to provide satellite provision for those failed by his super-slow broadband crawl-out. As of Monday, a grand total of £8,000 had been spent and only 24 people had benefited from his supposed
gift. Was it the fear of seeing him coming down their chimney that put people off or the fact that this is an inadequate stunt designed to fob off his Back Benchers and leaving millions digitally excluded for many Christmases to come?

Mr Vaizey: I thank the hon. Lady for that “Bah Humbug” question. I am delighted that, thanks to our superfast broadband programme, we have reached around 90% of the country. We have cast aside the Scrooge-like 2 megabits target that Labour had for the country as a whole, but we promised everyone guaranteed speeds of 2 megabits, and that is what we have done by providing subsidised satellite services.

Jake Berry (Rossendale and Darwen) (Con): I am sure the Minister was busy at Christmas with rehearsals for the “Poldark” Christmas special. I welcome his announcement about enabling those in rural areas to get satellite broadband. This is a particular issue in Rossendale and Darwen where farmers struggle to get broadband. Will my hon. Friend undertake to work with the National Farmers Union and others who are in touch with those working in our rural industries to ensure that farmers find out about this fantastic offer the Minister made before Christmas?

Mr Vaizey: I will certainly give that undertaking. I am happy to work with the NFU, just as I am happy to work with the landowners association and the Countryside Alliance.

Jim Shannon (Strangford) (DUP): Since a commitment was given in a Westminster Hall debate to expanding superfast broadband across Northern Ireland, I have been contacted by many constituents who have told me that they cannot increase their business—this is mainly small businesses and people who work from home—or start a business without it. What is the Minister doing exclusively to help people with small businesses in the rural community to advance this issue?

Mr Vaizey: We had a very successful broadband voucher scheme, which brought superfast broadband to something like 55,000 businesses. That scheme has come to an end, but we promised everyone guaranteed speeds of 2 megabits, and that is what we have done by providing subsidised satellite services.

Grassroots Sport: Deprived Areas

3. Damian Collins (Folkestone and Hythe) (Con): What recent steps his Department has taken to increase support for grassroots sport in areas of deprivation. [903143]

Mr Philip Hollobone (Kettering) (Con): Kettering Town Harriers, of which I am proud to be a member, is a fantastic local athletics club, which offers great opportunities for boys, girls and adults from across the borough of Kettering and further afield. Does my hon. Friend agree that local athletics clubs are a great way to help people get involved in sport?

Tracey Crouch: I am a huge fan of both those schemes. The Premier League Kicks project, which is supported by a number of partners, including my own Department and now the Home Office, shows that 75% of its participants live in the top 30% most deprived areas in England. Where the scheme has been run, it has seen a 60% reduction in antisocial behaviour. It is exactly those kind of projects that will play a key role in delivering the new sports strategy.

Barry Gardiner (Brent North) (Lab): Will the Minister reflect on the role of apps and digitalisation within the programme she has outlined, and the way in which they can turn the telescope around to project information into the most disadvantaged communities?

Tracey Crouch: Certain members of society that we are trying to reach to ensure that they participate more in sport rely on apps and a greater use of technology. It is something that we reference with a great deal of interest in the sports strategy. Having recently met the hon. Gentleman’s constituents, I know that a great deal of work is being done to increase the number of apps and make sure that technology plays a key part in ensuring that we get the nation active.

Mr Gardiner: Will the Minister ensure that all sports programmes involving those at the elite end of sport line their pockets with money that could well be invested in the grassroots. That is demoralising for those who work so
hard to deliver sport in our communities. Is it not time to insist that people who are found guilty of doping, match-fixing or accepting bribes are given life bans, no matter who they are? Are the Government demanding that all United Kingdom-based agencies, whether sporting, financial or criminal, actively search for evidence of corruption and cheating in our sport?

Tracey Crouch: The hon. Gentleman is right to say that we need to ensure that as much money as possible is invested in grassroots sport. I am pleased that, as part of the sports strategy, we have managed to encourage the Premier League to at least double its investment in grassroots sport, which will be underpinned by the welcome settlement in the spending review. I was disappointed that the hon. Gentleman did not share our joy over that settlement.

Scandals and allegations of corruption are, unfortunately, ongoing. It is very disappointing when each scandal is reported. We in the Government will see what we can do, and if it is necessary to review existing legislation, we will do so. In the meantime, we are encouraging international federations to root out corruption as quickly as possible.

Amateur Sports Clubs: Flooding

4. Mr David Nuttall (Bury North) (Con): What steps his Department has taken to help amateur sports clubs affected by recent floods. [903144]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): After the floods became more widespread, Sport England doubled its emergency flood relief fund, which is designed to help finance necessary recovery work for amateur sports clubs that are affected by flooding. That is entirely a matter for Sport England, but the Department and I receive regular updates on issues that clubs in affected areas are facing. The Football Foundation and the England and Wales Cricket Board are providing additional flood funds to assist clubs that are ineligible for Sport England funds.

Mr Nuttall: I thank the Minister for her reply, and wish her well for her forthcoming maternity leave.

The grounds of both Ramsbottom United football club and Ramsbottom cricket club, which are in my constituency, were completely submerged during the recent floods, which caused tens of thousands of pounds’ worth of damage. Although the supporters have worked valiantly and they have done what they can to help themselves, the clubs are still struggling to recover. What further help might the Government provide, as a matter of urgency, to help them to do so?

Tracey Crouch: I have read about the awful damage at Ramsbottom cricket club and “Rammy United”, as I believe it is known. It seems that the wider community, sporting and otherwise, has done an incredible job in helping with the immediate clear-up. The ECB, the Football Foundation and others have pledged financial support, but if the clubs need assistance with anything else, my hon. Friend is welcome to get in touch, and we will try to ensure that they receive all the help and advice that can be provided.

Channel 4

5. Mr Ben Bradshaw (Exeter) (Lab): What recent discussions he has had on the future of Channel 4; and if he will make a statement. [903145]

The Secretary of State for Culture, Media and Sport (Mr John Whittingdale): My ministerial colleagues regularly meet a range of stakeholders to discuss issues relating to the work of the Department, including the future of Channel 4. The Government are considering a number of options, including those proposed by Channel 4’s leadership, but no decisions have yet been made.

Mr Bradshaw: Will the Secretary of State join me in congratulating Channel 4 on achieving a record number of both Oscar and BAFTA nominations this year? Does he agree that it would not be able to deliver its unique and invaluable remit if it had to return a profit to shareholders?

Mr Whittingdale: As I have said, my concern is to ensure the continuing success and viability of Channel 4, which is why we are considering a number of options. I understand that the last Labour Government did so as well, and that they also considered privatisation. We have not yet reached a conclusion, but I will adopt whatever policy I believe is best designed to ensure that Channel 4 continues to enjoy the success that the right hon. Gentleman has described.

Damian Green (Ashford) (Con): Does the Secretary of State recognise the inherent tension in the fact that one of the purposes of privatisation would be to raise the maximum amount of money for the Treasury, and the more Channel 4 sticks to its distinctive and successful remit, the less money is likely to be raised? Can he assure the House that, when he makes his final decision, the preservation of the broadcasting and the creative success of Channel 4 will be uppermost in his mind?

Mr Whittingdale: I am very happy to give my right hon. Friend exactly that assurance. The reason why we are looking at different options for the future of Channel 4 is to ensure that it can continue to deliver the remit in what is going to become a very fast-changing and challenging environment. However, as I have made clear before, it is the remit that matters, and I want Channel 4 to continue to deliver it into the future.

Mark Durkan (Foyle) (SDLP): Has the Secretary of State had an opportunity to consider the “One year on” report on Channel 4’s 360° diversity charter? Does he recognise that, while diversity is a pronounced feature in Channel 4’s particular vocation, increasing diversity is not only the job of Channel 4, and will he value diversity when he considers the BBC charter renewal?

Mr Whittingdale: I absolutely agree with the hon. Gentleman. The challenge of increasing diversity applies across all broadcasters. It is something that I know my hon. Friend the Minister for Culture and the Digital Economy has paid close attention to—and indeed he was speaking only this week with Idris Elba, who is another person who competes with him in terms of his own attraction.
**Oral Answers**

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### First World War Commemorations

6. **Dan Jarvis** (Barnsley Central) (Lab): What plans his Department has to commemorate the first world war.

**The Secretary of State for Culture, Media and Sport** (Mr John Whittingdale): There are two key first world war events to commemorate this year. On 31 May, national events will be held in Orkney to mark the battle of Jutland and the wider war at sea, and on 1 July national events will be held both in Manchester and at the Thiepval memorial in France to commemorate the battle of the Somme. These form part of wider national commemorations over the next two years, and I would encourage all hon. Members to read details of the latest 14-18 NOW culture programme, which was announced yesterday.

**Dan Jarvis**: I thank the Secretary of State for the work he and others, including the hon. Member for South West Wiltshire (Dr Murrison), have been doing in ensuring the smooth running of these commemorations. They will have seen the great success of the Tower poppies installation at the Yorkshire sculpture park, which reminds us all of the importance of ensuring that the commemorations extend to every corner of the country. Does he agree that in this important year of commemoration we should also find a moment in this House for Members to come together and pay their respects in this place? Will he use his good offices to ensure that such an opportunity is forthcoming?

**Mr Whittingdale**: I thank the hon. Gentleman for his words, and in turn thank him for his support. We may argue over many matters in this House, but I think all parties can come together in memory of those who sacrificed so much. He mentioned the weeping window and the wave sculptures, and I was delighted that the Chancellor has made more money available to allow us to take that sculpture to more parts of the country, including St Magnus cathedral, as part of the commemoration of Jutland. The hon. Gentleman's suggestion that we should have an opportunity here to commemorate those who gave their lives is an excellent one. It is not entirely one I can deliver, but I am very happy to pursue it.

**Oliver Colville** (Plymouth, Sutton and Devonport) (Con): Can my right hon. Friend say how Devonport is going to be included in the battle of Jutland commemorations, since my grandfather was a gunnery officer and wrote an eyewitness account of it?

**Mr Whittingdale**: I hate to disappoint the hon. Gentleman, but, as I said earlier, no decisions have been taken. I have not had an opportunity to discuss the matter with the Chancellor of the Exchequer, because we have not yet reached our own conclusions on it, but I look forward to doing so in due course.

### Children and Young People: Access to Sport

7. **Huw Merriman** (Bexhill and Battle) (Con): What plans he has to ensure that all children and young people have access to sporting activities.

**The Parliamentary Under-Secretary of State for Culture, Media and Sport** (Tracey Crouch): A positive experience of sport at a young age can create a lifelong habit of participation. It is therefore important that all children have the opportunity to engage in sport and physical activity in a way that interests them, and that sits at the very heart of the new sports strategy.

**Huw Merriman**: I thank the sports Minister for her question and I wish her well with her maternity. I am aware that she will have other notable diary commitments, but I would like to invite her and other parliamentary colleagues to join me, the BBC and ITV on 2 February for the parliamentary launch of the Six Nations rugby season. Does she agree that free-to-air sports, underpinned by the listed events regime, are crucial to inspiring young people to take up sport?

**Tracey Crouch**: I am conscious of the fact that my hon. Friend's injury is sport-related and that at this moment he might therefore not be the best advert for encouraging people to get involved in sport. On his specific question, I understand that the Secretary of State is hoping to attend the event on 2 February. Alas, I shall—I hope—be otherwise engaged. However, I do of course agree that sport on free-to-air TV, underpinned by the listed events regime, is crucial to inspiring youngsters to take up sport. Like so many others, I am looking forward to the Six Nations, even though I shall be watching it from my armchair.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): May I gently point out to both Front-Bench teams that I do not seem to have heard the words “England”, “cricket”, “South Africa”, “Joe Root” or “Yorkshire” this morning? Can we congratulate the English team on what they achieved in South Africa, as we have not already done so? On young people’s access to sport, is it not a question, in this age of childhood obesity, of young people getting out into the countryside and walking as well as engaging in sport? As the chair of the John Clare Trust, I know how difficult it is to get children from poorer areas into the countryside so that they can learn about it and learn to love it.

**Tracey Crouch**: I am grateful to the hon. Gentleman for giving me the opportunity to congratulate our England cricket stars on their sporting success in South Africa.
We should also congratulate our English men and women down in Australia, who appear to be doing incredibly well in the Big Bash tournament. Of course, ensuring that children are involved in sport is incredibly important and we need to ensure that they are inspired by all the different sports that are available to them. The sports strategy is very much designed to encourage people who want to do all sorts of sports and physical activities, whether traditional sports or other outdoor activities such as mountaineering or climbing, and to ensure that they have access to them.

Tourism: Yorkshire

8. Sir Greg Knight (East Yorkshire) (Con): What plans his Department has to increase the level of tourism in Yorkshire from domestic and foreign visitors. [903148]

The Secretary of State for Culture, Media and Sport (Mr John Whittingdale): The Government are supporting an increase in visitor numbers to Yorkshire through the work of VisitBritain, VisitEngland and the GREAT campaign. Yorkshire received record inbound tourist numbers in 2014, and we are continuing to work hard to attract domestic and international visitors to the county. That is why the Prime Minister has published his five-point plan on tourism and why at the recent spending review we secured a new £40 million Discover England fund.

Sir Greg Knight: Does my right hon. Friend agree that when a heritage item is movable, there is a case for occasionally placing it on display outside London and the south of England? Is he aware that Hull is our city of culture next year, and that many people in Yorkshire have been expecting that the aeroplane used by the Hull-born aviator Amy Johnson will be on display in the region? However, the London-based Science Museum has refused to give its permission, saying that the plane must stay in London. Will he join me in asking the London-obsessed Science Museum to think again, and will he agree to meet me to discuss this matter?

Mr Whittingdale: I am very much aware that Hull is to be the next city of culture; I recently had a meeting with the organisers, as did both my ministerial colleagues, to discuss that. I quite understand why Hull should want to celebrate the life of Amy Johnson, who was born in the city. I know that there has been a lengthy dialogue about the specific issue that my right hon. Friend has raised and that the Science Museum is concerned about the delicate state of the aeroplane and the potential cost of the move, but I am happy to look into the matter further and I am of course willing to meet my right hon. Friend to discuss it.

Diana Johnson (Kingston upon Hull North) (Lab): I am sure the Secretary of State will be delighted to know that Hull now ranks in the top 10 cities of the world to visit, according to the “Rough Guide”. On that basis, I am very pleased that one of my constituency neighbours, the right hon. Member for East Yorkshire (Sir Greg Knight), has supported the bid to bring Amy Johnson’s plane to Hull. Also on that basis, will the Secretary of State press the Treasury to fill the £5 million gap that has resulted from the Arts Council turning down an application for funds to refurbish the New theatre in the city? That refurbishment needs to go ahead in time for the 2017 celebrations. I make this request in the light of the fact that the Treasury has found £78 million to pay for a new theatre in Manchester.

Mr Whittingdale: The hon. Lady is quite right to highlight the autumn statement and the settlement that was achieved, which included money for arts institutions across the country. I am aware of the issue relating to the New theatre in Hull, and of course I am keen to support as much as possible in the city during this very important year approaching. I am happy to continue to press the case, but obviously she will understand that there are a lot of competing bids. We are determined to make Hull a success as the UK city of culture.

BBC Charter Renewal

9. Patricia Gibson (North Ayrshire and Arran) (SNP): What progress has been made on the BBC charter renewal process. [903149]

The Secretary of State for Culture, Media and Sport (Mr John Whittingdale): Good progress is being made on the BBC charter review programme. The consultation launched in July received 192,000 responses. We are, of course, committed to reading and analysing all of them, and we reached 150,000 earlier this month. In addition, I have commissioned further reviews and research, including an independent review of governance and regulation led by Sir David Clementi. In the coming months, my Department will work towards publishing proposals for the future of the BBC.

Patricia Gibson: Does the Minister not accept that the huge number of responses to the consultation—the second largest response to any Government consultation—shows the concern for and interest in the BBC? In the interests of full transparency, will the Secretary of State now give, as my constituents are demanding, a specific timetable for the Government publishing their full response to the BBC consultation?

Mr Whittingdale: As I say, I am very pleased about the volume of responses we have had, although approaching 150,000 of them came in within 48 hours; 38 Degrees has boasted of its success in generating all those responses. That does not mean they are not valid expressions of opinion; it just means that perhaps they are not wholly representative of public opinion at large. However, we are committed to reading every one. That is proving a logistical challenge and it has taken longer than we anticipated, but we will be publishing both a summary of the consultations and our proposals as soon as we are able.

Martin Vickers (Cleethorpes) (Con): There have been persistent reports that, as a part of cost-cutting, the BBC will downgrade news coverage and its parliamentary coverage. Does the Secretary of State agree that the public reasonably expect a news channel and comprehensive parliamentary reports to be essential parts of a public service broadcaster’s remit?

Mr Whittingdale: My hon. Friend will understand that it is not for me to tell the BBC how to spend its resources. However, I agree with him that a core part of the BBC is that it should provide news, and that includes coverage of the proceedings of this House.
Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): My constituents tell me that they do not want the BBC dismantled or diminished, and they certainly do not want its remit narrowed. This Government have flogged off more of our national assets than almost any other, so can we really trust them with the BBC?

Mr Whittingdale: The BBC charter expires at the end of this year, and that provides an opportunity to look at all aspects of the BBC in what is a very fast-changing media landscape. That is the purpose of the charter review. We have not reached any decisions yet and we are listening to all expressions of opinion about the future of the BBC, of which there are very many.

13. [903153] Deidre Brock (Edinburgh North and Leith) (SNP): How does the Secretary of State explain the worrying discrepancy between the amount raised via licence fees and the amount spent in Scotland? There is a mismatch between the £335 million in income for the BBC from Scotland and the £190 million spent there. Does he not agree that a fairer share of that income would boost our broadcasting sector and provide funding for the restructuring of BBC Scotland?

Mr Whittingdale: Of course, viewers in Scotland, just as elsewhere in the United Kingdom, benefit from the national programming of the BBC. She will be aware that the director general recently gave evidence to the Scottish Education and Culture Committee, in which he pointed out that in 2014 £108 million was spent on local content and that that rose to more than £200 million when central support and distribution costs were included.

Maria Eagle (Garston and Halewood) (Lab): Ninety-seven per cent. of the adult population of the UK use the BBC services for an average of 18 hours every week, and their perceptions of the BBC have improved over the past 10 years. According to the BBC Trust, 85% of the public support the BBC’s main mission to inform, educate and entertain. Those figures are a remarkable endorsement of the public service ethos of the BBC. The consultation on charter renewal of the Secretary of State’s Department closed on 8 October last year, and he has now spent more time considering the responses to that consultation than he allowed for the public to respond. When will he get his act together and publish the results? Can he just give us a date today, please?

Mr Whittingdale: May I begin by welcoming the hon. Lady to her new position? I have been doing this job for a relatively short time—just eight months—and she is now the third Opposition spokesman I have faced. I do hope that she survives a little longer than her immediate predecessors. In relation to her question, I am keen that we should publish our proposals, but we did not anticipate 192,000 responses. She will understand that, if I were to get up and publish our conclusions, she would quickly be at the Dispatch Box claiming that we had not properly analysed them and that this was a cosmetic exercise. It is not a cosmetic exercise and we are reading the responses carefully.

Maria Eagle: I am afraid that the right hon. Gentleman sounds as if he is procrastinating. The BBC charter expires at the end of this year, but he has not even got around to publishing his White Paper because the consultation is taking so long. Will he guarantee that his Department’s time wasting will not result in some kind of debilitating short-term charter extension beyond the end of the year? Will he be clear today that the next charter will be for a minimum of 10 years?

Mr Whittingdale: Charter review comes round once every 10 years and I am determined that we should get it right. We will take however long it takes to ensure that we fully consult and consider the options, and we will publish as soon as we are ready. We are currently considering the length of the next charter, which was one of the questions in the Green Paper, and it will form part of our conclusions when we come to publish them.

Topical Questions

T1. [903159] Mike Wood (Dudley South) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Culture, Media and Sport (Mr John Whittingdale): Since the House last met for these questions, the Minister for sport, my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch), has launched the first Government sports strategy in more than a decade and the Minister for Culture and the Digital Economy, my hon. Friend the Member for Wantage (Mr Vaizey), has become the longest serving arts Minister in history. We have also seen the sad passing of some of our great cultural icons. I am sure that the whole Chamber will join me in extending our sympathies to the families, and indeed the fans, of David Bowie, Jimmy Hill, Alan Rickman and Lemmy, and also in celebrating the enormous contribution that each made to the sporting and cultural life of our country.

Mike Wood: The success in attracting the “Star Wars” trilogy to the UK underlines the terrific talent available in our creative industries as well as the incredible variety of filming locations. What assessment has my right hon. Friend made of the impact of tax credits on the film and other creative industries?

Mr Whittingdale: My hon. Friend is absolutely right to highlight the success we have had in attracting international investment in film to this country not just in “Star Wars”, but in a huge proportion of the major films now being made. Part of the reason for that is indeed our creative industry’s tax credits. In 2013, the creative industries accounted for 5% of the economy, and our tax credits are one way of our supporting them. The film tax credit has been responsible for nearly £7 billion of investment in the UK, and our high-end TV tax credit has helped to support more than £800 million of investment.

T5. [903163] Liz McInnes (Heywood and Middleton) (Lab): What assistance will the Department give to local authorities to keep their regional museums open following the recent Museums Association report, which stated that one in five regional museums has closed in part or in full and that one in 10 expect to introduce entrance charges to cover reductions in local authority funding?

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I read the Museums Association report, and I welcome the fact that 60% of museums have seen their visitor numbers increase and that 40% of museums have seen their museum outreach increase.
We want to work with local authorities and to work through the Arts Council with local authorities. I urge Labour authorities such as Lancashire to look again at their horrific plans to close their museums.

T2. [903160] Mr David Nuttall (Bury North) (Con): Nuisance phone calls—[Interruption.]

Mr Speaker: Order. I have never known a situation in which Mr Nuttall has not been fully heard, and he will be fully heard.

Mr Nuttall: Thank you, Mr Speaker. Nuisance phone calls continue to blight the lives of many of my constituents. Will the Minister explain how quickly the latest proposed action on caller line identification will be introduced and enforced?

Mr Vaizey: I am very pleased that we have now issued a consultation on caller line identification which will, we hope, allow receivers of nuisance calls to screen the calls so that they take only calls from people from whom they want to hear.

T7. [903165] Mr David Crausby (Bolton North East) (Lab): What progress has been made in securing at least 5% of the Premier League TV deal for grassroots football? Children's football is virtually unplayable at this time of year, yet the Premier League continues to throw money around as though it is going out of fashion.

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): The hon. Gentleman will be pleased to know that through negotiations and discussions with the Premier League I have managed to secure at least double what it currently invests in grassroots football. That will be more than £100 million per annum from the domestic TV rights, which equates to about 6.5% of the total.

T3. [903161] Richard Graham (Gloucester) (Con): The long-serving Minister responsible for arts and broadband will share my disappointment that despite his welcome promise to ensure that no home in the country has broadband speeds of less than 2 megabits per second, there are apparently parts of my constituency in Gloucester that have still not reached that speed. I have raised one particular area and problem with BT since 2013. First BT promised to upgrade the cabinet, then it failed to do so, and now it says that it is commercially unviable. Will the Minister meet me and celebrate his long tenure by resolving this problem?

Mr Vaizey: I will happily meet my hon. Friend at any point. I am pleased that at least 93% or 94% of his constituents have superfast broadband. Of course, it is more difficult because of state aid rules to subsidise broadband in cities, but I will certainly meet my hon. Friend and discuss the particular issues he faces.

Graham Jones (Hyndburn) (Lab): I, too, wish the Minister well on maternity leave. I hope that it all goes well and that we see her back in her role.

A recent response from the Gambling Commission to a freedom of information request has revealed 633 possible incidents of money laundering in betting shops in the past 12 months alone. Not only that, but online we are seeing videos of fixed odds betting terminals being smashed up with chairs and hammers. What are the Government going to do to protect lone staff and vulnerable people in betting shops?

Tracey Crouch: I take the issue of money laundering in gambling very seriously and the Gambling Commission is currently consulting on proposed regulatory changes to strengthen the fight against that crime. I understand that the Treasury will be consulting on the EU directive on money laundering, which will include gambling. On the issue of violence in betting shops, there has of course been an increase in the number of police callouts to high street shops. Whether the callout is related to FOBT machines is not recorded, but as a keen campaigner on BT machines I am sure that the hon. Gentleman will be interested to know that today I have published on the gov.uk website the evaluation of the £50 regulations introduced last April, and I expect a triennial review of stakes and prizes to begin soon.

T4. [903162] Jeremy Quin (Horsham) (Con): Will the Secretary of State join me in congratulating the many towns across the UK that will be laying on cultural experiences in the coming year? In Horsham, that varies from a brand new cultural festival we are putting on in the summer to pancake racing next month. The Secretary of State would be very welcome to join me at either.

Mr Whittingdale: I am very happy to join my hon. Friend in congratulating all those towns holding arts festivals, which include not just Horsham but Maldon. I am particularly pleased that there are plans in my hon. Friend's constituency, as part of a festival, to commemorate the 400th anniversary of Shakespeare's death, which will be marked not just across the country but around the world. I would be very happy to visit an event in my hon. Friend's constituency, although I cannot promise to participate in the pancake race.

Alan Brown (Kilmarnock and Loudoun) (SNP): Despite the Secretary of State's earlier bustle about national programming, people in Scotland were shocked by the £145 million differential between income and expenditure as regards the BBC licence fee. That could free up £100 million for direct production in Scotland, which would support 1,500 jobs and add a boost of £60 million to the economy. Will he commit to full devolution of broadcasting to make that happen?

Mr Whittingdale: I am aware of the concerns in Scotland about this, and, as I said earlier to the hon. Member for Edinburgh North and Leith (Deidre Brock), it is something that the director-general discussed with the Select Committee last week. I shall be seeing the director-general later. It is important that the BBC should serve all parts of the country, but I do not think that we can simply sit down and allocate spending precisely in proportion to the licence fee. It is a national broadcaster.

T6. [903164] Helen Whately (Faversham and Mid Kent) (Con): I, too, wish my hon. Friend well in her imminent personal sporting challenge. As she knows, Faversham and Mid Kent is rich in fascinating tourist destinations, such as Leeds castle and the historic market town of Faversham itself, so I welcomed the recently announced £40 million Visit England fund. Will organisations such as Visit Kent have a chance to bid for a share of this fund?
Tracey Crouch: As a fellow Kent MP, I am proud of the tourist attractions across the county. I reassure my hon. Friend that all parts of the country, including Kent, will have an opportunity to bid for the Discover England fund.

Dr Rupa Huq (Ealing Central and Acton) (Lab): I am proud that “Downton Abbey” was made in Ealing—the below-stairs servants quarters were in my constituency—but the series has now ended, so what are the Government doing to increase representation on and off-screen of the nation's ethnic, regional and gender diversity so that the airwaves are not all dominated by the classes upstairs?

Mr Vaizey: I fully support the sentiment behind the hon. Lady's question. We have worked closely with the broadcasters to have stretching targets. We have put the Creative Diversity Network on a permanent footing and we have clear guidance from the Equality and Human Rights Commission on what broadcasters can do—but they need to get on with it.

Mr Whittingdale: My hon. Friend is right to stress the importance of tourism to Staffordshire as it contributes to the economy of so much of our country. He will know that this is a matter for my colleagues in the Department for Communities and Local Government. I understand that discussions have taken place and my hon. Friend the Member for Stockton South (James Wharton), the Minister with responsibility for local growth and the northern powerhouse, would be happy to set up a meeting to discuss the position.

Rachael Maskell (York Central) (Lab/Co-op): Over 20,000 jobs depend on tourism in York. What support can the Minister give to ensure that attractions such as Jorvik and the merchant adventurers hall are quickly restored, following the floods?

Mr Whittingdale: I am very conscious of the challenge to ensure that we get the message out that Yorkshire and other parts of the country affected by flooding are open for business. We will be looking closely at what we can do to support those businesses affected by flooding. I hope we will be able to say more about that quite soon.

Jesse Norman (Hereford and South Herefordshire) (Con): Did I just hear the Minister confirm that there would be a triennial review this year, and will she comment on exactly when and what that will be?

Tracey Crouch: My hon. Friend is right—he did hear me say that. The triennial review is expected to be in 2016. It will be in 2016. Precise timings are to be confirmed.

Steven Paterson (Stirling) (SNP): Andy Murray, who hails from my constituency, won again last night. He is a hero and the epitome of integrity in sport. He made some comments this week about match fixing. We have had the International Association of Athletics Federations report and the FIFA fiasco. Can the Minister assure me that we will do all we can to make sure that we are a shining example of promoting integrity in sport, as epitomised by Andy Murray?

Mr Whittingdale: I am happy to join the hon. Gentleman in that call. I have spoken this week with the Lawn Tennis Association, the All England tennis club and the Association of Tennis Professionals. We are determined to do all we can to support them in ensuring that the game is absolutely clean, and I know they are committed to that as well. We will be holding a summit later in the year, looking at the challenge of tackling corruption across all sectors, including sport.

Dr Andrew Murrison (South West Wiltshire) (Con): Given the imminent demise of the largely unsuccessful Arqiva mobile infrastructure programme, what can now be done to improve the “not spot” situation, which is wholly unsatisfactory in relation to the £400 billion rural economy?

Mr Vaizey: I am pleased that we should have 75 sites erected as a result of the mobile infrastructure programme. Thirty-two people living in Wales have benefited from a new mobile site that has just been erected. I am pleased that under the deal that we negotiated with mobile operators, they will increase their coverage to 90% geographic coverage.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I congratulate my local team, East Kilbride football club, on reaching the last 16 of the Scottish cup for the very first time. Does the Minister agree that it is unfair that while English fans can watch the national team free of charge, Scottish fans have to pay? Will she meet the Scottish Government's sports Minister to discuss and resolve the situation?

Tracey Crouch: That is a matter for the home nation football associations, so the Scottish FA should negotiate with UEFA, under its central sales strategy, which broadcasts qualifying or friendly matches. We have a listed events regime whereby we can see home nations compete in the European championship and, of course, world cup final tournaments, but home nations need to qualify to be able to do so.

Philip Davies (Shipley) (Con): The hon. Member for Hyndburn (Graham Jones) has a nerve trying to claim to be the champion of betting shop workers. If his policies were adopted there would be far fewer of them, because many betting shops would close. Does the Minister agree that if we want to see more staff employed in betting shops—I certainly do—they need to have a viable financial future, particularly in relation to negotiations on machines and the levy?

Tracey Crouch: There are some very strict rules and statutory requirements, particularly on the number of staff in betting shops. They are subject to health and safety regulations, and voluntary minimum standards are required across the industry. I expect all operators to adhere to those standards in order to protect their staff on the high street.
HOUSE OF COMMONS COMMISSION

The right hon. Member for Carshalton and Wallington (Tom Brake), representing the House of Commons Commission, was asked—

Restoration and Renewal

1. Peter Grant (Glenrothes) (SNP): What steps the Commission plans to take to ensure public and parliamentary scrutiny of the restoration and renewal of the Palace of Westminster after a decision on the options for that project has been made.

   Tom Brake: The hon. Gentleman makes a very good point. Clearly, a project on this scale will require the participation of small, medium and large businesses from all over the country. When the project comes forward, I hope that the initiatives used to promote opportunities for businesses in the run-up to the Olympics will be deployed for the restoration of the Palace.

2. Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): What steps the Commission plans to take to ensure public and parliamentary scrutiny of the restoration and renewal of the Palace of Westminster after a decision on the options for that project has been made.

   Peter Grant: Many of my constituents find it difficult to understand how we can consider spending billions of pounds on a palace—literally a palace—for parliamentarians when so many of them can barely afford a roof of any kind over their heads. Can we have an assurance that the Joint Committee, which so far has met entirely in private, will soon meet in public and that all documentation relating to its considerations will be made public?

   Tom Brake: I am sure that the Joint Committee will listen carefully to the views expressed before making any decisions.

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   Dr Cameron: I would like to thank the House of Commons Commission for contacting me, as chair of the all-party group for disability, to ensure that we are involved in plans to restore the Palace of Westminster. Will the right hon. Gentleman ensure that all restoration and renewal work fully addresses issues of accessibility for people who have disabilities?

   Tom Brake: I am not in a position to give the hon. Gentleman reassurance because it is for the Joint Committee to decide what it recommends as a way forward. I think that everyone in this place knows that this work must be undertaken, and it is in our interest and that of the taxpayer that it is pursued vigorously. The longer we delay, the greater the costs associated with the works.

   Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I urge the right hon. Gentleman to look seriously, and imaginatively, at how this reconstruction is going to be funded—perhaps by public subscription through a form of crowdfunding? May I warn him not to enter into a careless public finance initiative like the one in Halifax, where £770 million has been paid back on a hospital that cost £70 million?

   Tom Brake: I hope that everyone in this place has learned the lessons of PFI. Again, it is not for me to work out what the financial arrangements are going to be, but clearly PFI may well be one of the more expensive options. I hope that the Treasury will look at something that is perhaps more straightforward in funding these improvements.

Gender Equality

3. Mr Philip Hollobone (Kettering) (Con): What steps the Commission is taking to promote gender equality on the Parliamentary estate.
Tom Brake: Equality, diversity and inclusion are core to the way in which the House of Commons works. The Commission agreed a diversity and inclusion strategy that promotes gender equality, and receives regular updates on its delivery. Key measures include targets for the number of women in the senior pay bands, fair and open recruitment, and promotion of flexible working.

Mr Hollobone: If gender equality is core to the way in which the House of Commons works, why are only two members of the 12-member House of Commons Commission women?

Tom Brake: That is a good point, and in terms of the party appointees, it is for the political parties to respond to it. I am pleased, however, that the two lay people on the Commission are women, as the hon. Gentleman indicated.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The right hon. Gentleman may remember that in the previous Parliament I raised the issue of the representation of women, both as politicians and authors, in the Parliamentary Bookshop. When perusing its bookshelves, visitors from all over the world, potential MPs among them, would gain the impression that the House was almost exclusively male and white—as they would, for that matter, when viewing the walls in the Palace of Westminster. What steps is he taking to ensure that, superficially at least, the Palace of Westminster better represents the people and diversity of this country?

Tom Brake: Again, the appropriate authorities will have heard the hon. Lady's question. Like her, I think it is important that we recognise the very important role that women have played, and continue to play, in politics, and I hope that will be reflected in what is on offer in the bookstores.

Jim Shannon (Strangford) (DUP): It is very important that the House of Commons sets the agenda for gender equality. The right hon. Gentleman has outlined some of the things that have been done, but what more is being done to let people outside this House know that we are leading the way and setting the examples in raising gender equality issues?

Tom Brake: Independent assessments are carried out of how Parliament addresses the issue of equality. For instance, members of the public could look at Stonewall's report, the progress we are making. More still could be done, but that is a very good way for members of the public to assess the progress we are making.

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The Deputy Leader of the House of Commons (Dr Thérèse Coffey): We have fulfilled our manifesto commitment in introducing English votes for English laws, which I believe will strengthen the Union. We have undertaken two Legislative Grand Committees, and several statutory instruments have passed without Division. The House knows about the tablet issue affecting two hon. Members in the live Division on Tuesday. It was recognised immediately, and their votes were recorded, included by the Tellers and listed in Hansard. The Government will undertake a review of the English votes for English laws procedure later this year, and the Procedure Committee has already announced its technical review.

Chris Law: During the English votes for English laws debates, we were repeatedly assured by the Leader of the House that no legislation would pass without a double majority. On Tuesday, we voted on an England-only certified motion to annul secondary legislation. How satisfied is the Deputy Leader of the House that, had the majority of the whole House voted for the negative motion while the majority of English Members voted it down, we would have a statutory instrument that financially affects Scotland that the majority of the House had voted against?

Dr Coffey: Mr Speaker certified the statutory instrument as relating to England only, and the principle of English votes for English laws was displayed. It needs the consent of the majority both of MPs representing the nation in question and, indeed, of the House.

Ian C. Lucas (Wrexham) (Lab): Half the students at Glyndwr University in my border constituency are from England and it was directly financially affected by the vote earlier this week referred to by the hon. Member for Dundee West (Chris Law). The institution is vital to my constituency and is directly affected by financial decisions made by this House, so is it not wrong in principle that my voice, on its behalf, should be taken away and that my vote counts for less than that of the hon. Lady?

Dr Coffey: The hon. Gentleman voted in the same Division as I did. It is a credit to Glyndwr University in Wrexham—a town I know well—that it manages to attract students from across the border, as well as from within Wales.

Voting System


The Deputy Leader of the House of Commons (Dr Thérèse Coffey): Since October 2014 the House service has been investigating means of electronic recording of Divisions, with a view to improving the timely publication of Division lists, making Division data more accessible to the public and easier to analyse, and improving accuracy. There was a trial in the last Parliament and hon. Members
will have seen it in practice on Tuesday. Full implementation of tablet recording of Divisions is expected later in this Session.

Ms Ahmed-Sheikh: The voting system in this House is archaic, as exemplified yesterday when well over an hour was spent on four different votes on the Psychoactive Substances Bill. That cannot be a proper use of parliamentary time, particularly when it can be used to debate the substance of Bills. Can we please consider moving forward with a system of electronic voting and look to other Parliaments across the world, not least the Scottish Parliament, which uses it to great benefit?

Dr Coffey: There is an established tradition in this House. I recognise that hon. Members may have different views, but many Members value the opportunity given by the time during Divisions to see not only each other but Ministers and similar. The number of hours available in this House for scrutiny of the Government and legislation far exceeds that in other Parliaments in this country and, indeed, around the world.

Martyn Day: As we move further away from the 20th century and, by extension, the 19th century, when, if ever, does the Deputy Leader of the House see this House moving towards a more reasonable voting system, such as genuine electronic voting? We already have passes.

Dr Coffey: As I have said, there is a long-standing convention and a lot of Members value the fact not only that we link votes to debates, but that the convention of walking through the Lobbies gives them the opportunity to speak to other people. It is a matter for further debate and I am sure the hon. Gentleman will speak to the Procedure Committee in due course.

Mr David Nuttall (Bury North) (Con): Does the Deputy Leader of the House agree that the introduction of iPads to the voting process in the Lobbies is more than enough modernisation for this century?

Dr Coffey: I have always thought of my hon. Friend as a very traditional man. The other place has been using that technology for some time. It is a useful thing to do and I look forward to the electronic recording of votes being introduced into this place in due course.

Philip Davies (Shipley) (Con): I urge my hon. Friend to stick to her guns on this issue. I am sure that far more people visit this Parliament than the Scottish Parliament, and I suspect that most people visit this Parliament to see what we do and to respect our traditions, rather than necessarily to listen to what hon. Members have to say. We should guard our traditions with great care.

Dr Coffey: I visited the Scottish Parliament as a tourist and found it to be a very interesting building. I did not see a debate while I was there. I agree with my hon. Friend. I value the tradition, as do many other Members.

Melanie Onn (Great Grimsby) (Lab): It is timely that I follow the hon. Member for Shipley (Philip Davies), because, since the election in May, Conservative Members and Ministers have denied this House a vote on exempting carers from hospital parking charges, ensuring that children learn emergency first aid and improving access to low-cost treatments for conditions such as cancer, multiple sclerosis and Parkinson’s. Does the Deputy Leader of the House believe that the way of voting on private Members’ Bills is undemocratic, looks outdated to the public and needs to change?

Dr Coffey: I speak as somebody who has taken a private Member’s Bill through the House, which is a unique way to bring in legislation not introduced by the Government. The hon. Lady will know that the Procedure Committee is looking into this matter. Frankly, it is important that legislation is properly scrutinised. The Procedure Committee will come up with recommendations on which the House can further deliberate.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): I had the privilege of serving for a year on the Digital Democracy Commission that you, Mr Speaker, established. The commission, which had a majority of lay members, endorsed the principle of walking through the Lobby for the benefits it brings. However, we urged the House to come up with a proposal for electronic voting by swiping smart cards to speed up the process, to ensure our constituents can quickly see how we have voted and to begin to modernise the House. Will the Deputy Leader of the House advise us on what progress has been made on that?

Dr Coffey: I am not aware of a move to introduce swipe cards, as the hon. Lady suggests, but we believe that introducing tablet recording for Divisions will help to facilitate the provision of the kind of information for constituents to which she refers.
Business of the House

10.35 am

Chris Bryant (Rhondda) (Lab): Will the former leader of the Out campaign give us the business for next week?

The Leader of the House of Commons (Chris Grayling):
The business for next week is as follows:

Monday 25 January—Remaining stages of the Childcare Bill [Lords], followed by a debate on a motion on foreign policy and development aid in central and east Africa. The subject for this debate was picked by the Backbench Business Committee.

Tuesday 26 January—Motion to approve a Ways and Means resolution relating to the Charities (Protection and Social Investment) Bill [Lords], followed by the remaining stages of the Charities (Protection and Social Investment) Bill [Lords].

Wednesday 27 January—Opposition day (17th allotted day). There will be a debate entitled “Housing benefit cuts and supported housing”, followed by a debate on prisons and probation. Both debates will arise on an Opposition motion.

Thursday 28 January—Debate on a motion on the NHS and a social care commission. The subject for this debate was determined by the Backbench Business Committee.

Friday 29 January—Private Members’ Bills.

The provisional business for the week commencing 1 February will include:

Monday 1 February—Second Reading of the Bank of England and Financial Services Bill [Lords], followed by a debate on a motion on the future of the Financial Conduct Authority. The subject for this debate was picked by the Backbench Business Committee.

Tuesday 2 February—Second Reading of the Enterprise Bill [Lords], followed by a motion relating to the House of Commons Commission.

Wednesday 3 February—Opposition day (18th allotted day). There will be a debate on an Opposition motion. Subject to be announced.

Thursday 4 February—Business to be nominated by the Backbench Business Committee.

Friday 5 February—Private Members’ Bills.

Chris Bryant: I apologise for the state of my voice, Mr Speaker. I gather that when people heard about that yesterday, several hon. Members rushed to the Table Office to table an early-day motion calling for a national day of celebration.

Mr Speaker: Order. One by-product of the hon. Gentleman’s losing his voice is that we can be sure he will not exceed his allotted time of five minutes today. It will be a five brilliant minutes, but I am sure it will not be more.

Chris Bryant: Brevity is, of course, something you are yourself used to, Mr Speaker.

What a week it has been! As we debated psychoactive substances in this House, the American Republican campaign seemed to be on psychoactive substances. Sarah Palin’s endorsement of Donald Trump must be the ultimate case of Tweedledum and Tweedleddumber. Two Tory MPs have confessed to taking poppers in the Chamber. I do not mean that they actually took the poppers in the Chamber—I do not know whether they did—but they made their confessions in the Chamber.

We also learned that the Leader of the House is going to be out-outed by the Work and Pensions Secretary, who is not only an outer as far as the EU is concerned, but so determined to be out of the two Out campaigns. Talk about two bald men fighting over a comb. As P. G. Wodehouse wrote in “The Small Bachelor”,

“If men were dominoes, he would be the double-blank.”

To be serious, Mr Speaker, may we have a debate about the operation of English votes for English laws? EVEL seems to be descending into farce. Last Thursday, a Committee considered the order abolishing student maintenance grants. You certified the order as an England-only one, yet two Scottish MPs and one Welsh MP were selected to sit on the Committee, in which they voted. That was fair enough, but on Tuesday, when the Labour party ensured that there was a vote of the whole House, two English MPs—the hon. Member for Romford (Andrew Rosindell) and my hon. Friend the Member for Oldham West and Royton (Jim McMahon)—were excluded from the lists.

I have several complaints. First, last week the Leader of the House said of this measure:

“If it is prayed against, it will not pass without a vote of the whole House”.—[Official Report, 14 January 2016; Vol. 604, c. 1002.]

Either he meant that a vote would happen automatically, in which case he does not know the rules of the House and, frankly, he should go and get himself another job, or he meant that he would make sure that the measure was put to a vote of the whole House, in which case we have been sorely disappointed because he did no such thing and, frankly, he should go and get himself another job. Which is it? Does he not know where the Table Office is—it is just out there—or did he never intend to table a motion?

What is particularly bizarre is that because the Government used the negative process and failed to table their own motion, as they had promised, it was virtually impossible for the measure to be defeated. Even if English MPs had wanted the order to be annulled, the whole House could have overruled them because the annulment required a double majority under Standing Order No. 83P. So much for EVEL—it is nothing but an elaborate farcical pretence at democracy and we should get rid of it as fast as possible.

When are we going to have a debate on the Strathclyde report? They have had one in the House of Lords, but we have not had one here. We have seen a dramatic increase in the use of statutory instruments since this Government came to power. They are now churning out 3,043 a year, compared with 1,891 a year under Labour. That is a 60% increase. And they are on more important matters: fracking in national parks, slashing working tax credits and cutting support for poorer students. Surely it is wrong to limit the powers of the Lords in relation to statutory instruments, when 3,000 such measures are being pushed through the Commons on unamendable motions every year.

The latest of these instruments is the Recall of MPs Act 2015 (Recall Petition) Regulations 2016—a very catchy title. This is no minor piece of legislation, as I am
sure you are aware, Mr Speaker. It is 174 pages long—nearly three times longer than the original Act. Yet the Government are allowing only a 90-minute debate in Committee on Tuesday. I think that we should have a proper right of recall. That is what I voted for in the last Parliament, rather than the damp squib the Government introduced. Surely such an important measure should be considered by the whole House, line by line.

Next Wednesday is Holocaust Memorial Day. This afternoon, we will have a debate on the memorial day and remember the millions of Jews who were exterminated, the trade unionists, the Roma, the gay men, the so-called asocials, the Jehovah’s Witnesses and, of course, the people with disabilities who were killed under the T4 forced euthanasia programme, which saw 9,722 men and women gassed at the Brandenburg centre in 1940 alone.

But genocide is still happening today. Daesh slaughters Yazidi women and children in Syria and Iraq. In Darfur, the Sudanese Government have been engaged in genocide for more than a decade. I am sure that the Leader of the House would agree that we must always take sides, because looking the other way helps the oppressor, encourages the tormentor and perpetuates the crime.

That brings me to Russia. Sir Robert Owen has delivered his judgment on the murder of Alexander Litvinenko. The Home Secretary will make a statement in a few minutes and my right hon. Friend the Member for Leigh (Andy Burnham) will respond. I fully understand why the Government want to engage with Russia—she is a key player in Iran and Syria—but the one thing we know for certain about the murderous, kleptomaniac regime in Russia is that it walks all over the weak. Putin has no respect for those who let him do what he wants.

On 7 March 2012, this House declared unanimously that it wanted the Government to introduce a Magnitsky Act to ensure that nobody involved in the murder of Sergei Magnitsky or the corruption that he unveiled was able to enter this country. The USA has such an Act. Is it not time that we made it absolutely clear that Russian murderers are not welcome in this country? The USA has such an Act. Is it not time that we made it absolutely clear that Russian murderers are not welcome in this country, and that the likes of Andrey Lugovoy and Dmitry Kovtun may enter the country only if they are prepared to stand trial?

Chris Grayling: May I start with the English votes for English laws vote? I thank everyone among the House’s officials who has been involved in introducing the new system. Barring the minor glitch on Tuesday, it has been done very effectively and I am grateful to all those who have been involved in making it happen. The glitch was clearly a minor human error. I, for one, do not think that it is right to start blaming those who set up the new system for that minor human error; I am surprised that the shadow Leader of the House would make that suggestion. I am grateful to all in the House who have been involved in making the new system work.

A couple of points were raised about the restoration and renewal project. Regardless of what we as a Parliament choose to do, that work would have to be carried out anyway. This is a grade I listed building and a world heritage site, and the work we are talking about has to happen regardless. The Committee will report soon, probably in spring, and it will hold sessions in public probably after the consultation period, which—I remind hon. Members—finishes next week. I encourage everyone to take part.

I echo the comments about Holocaust Memorial Day, and I am grateful to the Backbench Business Committee for marking it. It has always been an important point in the parliamentary calendar, and I am grateful to the Committee for continuing the tradition.

I have announced two more Opposition days. The shadow Leader of the House has asked for debates on a variety of subjects. He will clearly have a lot of different bids for Opposition day debating time, so let me try to help him, particularly with things that he may not have time for. He did not ask me for a debate on his party’s extraordinary new defence policy of sending our nuclear submarines out to sea with no missiles. Despite his comments on Daesh, he did not ask for a statement on Syria, so that his party leader can set out his plans for negotiations with the brutal murderers in that part of the world. He did not ask for a debate on his party’s new policy of opening discussions on the future of the Falkland Islands with Argentina, or for a debate on trade union law so that his party can argue for a return to the days of flying pickets and secondary strikes, putting companies out of business and workers out of jobs. If he wants additional time to debate those issues, I am sure we can look carefully at that.

I am certainly willing to provide extra time for debate on the backbone—or lack of it—of members of the shadow Cabinet, who are not brave enough to put their own jobs on the line when it comes to standing up to a Leader of the Opposition whose policies pose a real threat to this country.

The shadow Leader of the House has left the Church of England because he believes that its policies are unacceptable, but he will not do the same for the shadow Cabinet, even though its policies are clearly unacceptable. He and his colleagues have abandoned the red flag. By scrapping our defences and doing deals with our adversaries, today they are about keeping the white flag flying here, and the hon. Gentleman should be ashamed to be still sitting on that Front Bench.

Sir David Amess (Southend West) (Con): The House may wish to know that following the non-violent demonstration at Fenchurch Street station regarding c2c timetable changes, the service is now even worse. Will my right hon. Friend find time for a debate on matters affecting the Showmen’s Guild? I have the honour to chair the all-party group on fairs and showgrounds, and I would like the House to consider issues relating to that, such as admissions and the distinction between Travellers and traveller-showmen.

Chris Grayling: My hon. Friend is one of Parliament’s great characters, so I am not in the least surprised to discover that he fulfils that position in the all-party group. He is right: there is a world of difference between those who travel this country bringing fairgrounds and entertainment to our communities, and a great time for young people, and those who occupy public land illegally and leave behind a vast amount of mess to be cleared up at huge public expense. We should always be proud to make that distinction in this House. My hon. Friend does a great job with his work, and he is right to say that that distinction is enormously important.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing next week’s business.
[Pete Wishart]

Another week, another EVEL shambles—this week the now infamous iPad malfunction. How could they possibly do that to the hon. Member for Romford (Andrew Rosindell), the most English of all English Members in the House? A man who sits proudly in his Union Jack underpants and whose ringtone is, “There’ll Always Be an England”, has been treated as mere and meagre Scot and subject to the second-class status that we have in this House. “Reinstate the hon. Member for Romford” is the call from the SNP Benches. Seriously, the confusion around EVEL continues, and the point made by my hon. Friend the Member for Dundee West (Chris Law) deserves a better response than we got from the Deputy Leader of the House—perhaps the Leader of the House can help us with that.

The Leader of the House has always characterised the double majority and the Scottish veto—or the English veto, as we call it—as something that would give consent to a particular instrument. This week we had a measure that withheld consent but that was subject to the EVEL mechanism and the double majority vote on which we were obviously subject to a English veto. What is the response of the Leader of the House to that? When we start to distinguish Members according to geography and nationality, that will always be reinterpreted and extended. By the end of this Parliament, we will have a real divide in this House. That may be the Leader of the House’s legacy as he goes off to fight one of his Euro-battles to get the country out of Europe.

Are the Government prepared to respect the House of Lords vote on the Trade Union Bill? I am not a great supporter of the House of Lords, but I note what it did this week. More important to me is whether the Leader of the House will respect the recommendation of the Scottish Parliament’s Devolution Committee that Scotland be excluded from the scope of the Bill. We do not want the Bill to destroy the very good trade union relations that we enjoy in Scotland. This is a deeply ideological Tory Bill and the Government are trying impose it on a country that does not do Tory. Can we leave it at the border and not have this Tory Trade Union Bill in Scotland?

Growing numbers of people are concerned about the situation in Yemen. Our role in equipping and advising the Saudi air force in its bombing campaign was rightly raised by my right hon. Friend the Member for Moray (Angus Robertson). We have sold £10 billion-worth of aircraft to the Saudi air force, yet the Arms Export Controls Committee has lain dormant since the general election. Will the Leader of the House now pledge to get the Committee up and running as quickly as possible, so there is at least some form of scrutiny and oversight of arms exports to countries such as Saudi Arabia?

We heard all sorts of rumours yesterday about a possible maingate vote on Trident, which I am very disappointed to see is not in the Business statement. We are now in a situation where all of us could make a decision about maingate. All the major parties have now got their positions, which are apparent for everybody to see. The Conservatives—the right hon. Member for New Forest East (Dr Lewis) is nodding—want to spend billions of pounds of our money on useless obsolete weapons of mass destruction. The SNP is implacably opposed to that spending. The Labour party, of course, has the yellow submarine option, which is maybe for and maybe against, while at the same time sending submarines out without any weaponry whatever. So we are all in a position to make a decision. Will the Leader of the House now get on with this, so we can have a proper decision and see how the parties respond?

Chris Grayling: I wish all our friends in the Scottish National party a very enjoyable Burns night next week. I do not know whether they will be piping in the haggis in quite the traditional way after our discussions last week—they should perhaps be piping in the black pudding from Stornoway; whether my hon. Friend the Member for Bury North (Mr Nuttall) would agree with that is a different question—but I wish them all a very enjoyable evening of celebration next week.

On the English votes for English laws vote earlier this week, yes there was a mistake. However, I do not believe we should condemn human error in a project that has gone pretty smoothly. I do not think anybody would wish to exclude my hon. Friend the Member for Romford (Andrew Rosindell) from anything, nor would he allow himself to be excluded. As the hon. Member for Perth and North Perthshire (Pete Wishart) says, he is the ultimate English nationalist. He is also a United Kingdom nationalist as well. That, I think, is the point the hon. Gentleman misses about the Trade Union Bill. He talks about imposing something on the country. We are all part of one country. That is what the Scottish people decided in the referendum. I know it is difficult for the SNP to accept that, but the reality is that this is a United Kingdom Bill. I appreciate that SNP Members may disagree with it, but it will be voted on by the United Kingdom Parliament and I expect that it will be passed by the United Kingdom Parliament.

On Yemen, in Prime Minister’s questions the Prime Minister made it very clear, in response to the leader of the SNP at Westminster, the right hon. Member for Moray (Angus Robertson), exactly what the position is in Saudi Arabia and exactly what our role—indeed, non-role—is in the conflict taking place in Yemen. We all want to see a solution: a proper Government who can represent all the people of Yemen. The hon. Gentleman talks about the Arms Export Controls Committee. It can, of course, meet whenever it chooses. It is a partnership of a number of Select Committees. It is not for the Government to instruct Select Committees to meet.

The hon. Gentleman was right to highlight, as I did earlier, the chaos of the Labour party’s policy on Trident. I do not know where it stands now. Does it want to build submarines but send them to sea empty? That is probably the case. At least the SNP has a clear position. The fact is that the Labour party is all over the place on this issue. When we bring it to the House, I suspect our parties will have an interesting time exposing the Labour party’s fraudulent position.

Several hon. Members rose—

Mr Speaker: Order. I must advise the House that no fewer than 47 right hon. and hon. Members are seeking to catch my eye. I am always keen to accommodate colleagues, but there are two ministerial statements to follow and two debates under the auspices of the Backbench Business Committee. Therefore, a premium on brevity. What is required from each Member is a single, short supplementary question without preamble and a characteristically pithy reply from the Leader of the House.
Pauline Latham (Mid Derbyshire) (Con): Derby City Council has granted planning permission on vital green wedge land in Oakwood—land that prevents the city from being an urban sprawl—in spite of substantial local opposition. The site contains very old and diverse woodland, but will become totally surrounded, preventing wildlife from entering and leaving. May we have a debate on providing corridors for wildlife in planning applications on green spaces to ensure safe havens for wildlife and to allow that wildlife to travel to and from established habitats?

Chris Grayling: I understand the concern, which was raised recently by my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) with regard to his own campaign, and I know that the Secretary of State for Communities and Local Government has considered it carefully. We always wish for local authorities to provide a balance between the necessary development to provide housing for the people of this country and wildlife protection.

Ian Mearns (Gateshead) (Lab): I am grateful to the Leader of the House for advance notice of the Back-Bench business debates on Thursday 4 February, but I note also that we have time allocated on Monday 25 January and Monday 1 February after Government business. Will he again consider protecting time for those debates so that we have at least three hours? I also point out to right hon. and hon. Members that the Backbench Business Committee is very much open for business.

Sir William Cash (Stone) (Con): Will the Leader of the House be good enough to give us a debate on how we can get back our country? On the immigration question, the voters absolutely have to understand how the Dublin regulation is being bulldozed, with the connivance of the Commission, through Angela Merkel’s own policy, and how human rights laws are being extended to allow people in Calais to come over here. These matters go right to the heart of the referendum. Can we get our country back please?

Chris Grayling: First, as my hon. Friend knows, the broader issue will be extensively debated in both the House and the country over the coming months. On the more immediate issues, it is important, in the interim, that, when the EU takes decisions about what happens right now, it does not forget the interests of the UK simply because we are not in the Schengen area.

Barbara Keeley (Worsley and Eccles South) (Lab): May we have a debate on the lack of accountability of transport bodies, at regional and national levels, when they do not work together? We recently suffered hours of gridlock because of an accident on the motorway and a football match at the Etihad stadium—events likely to happen on the same day from time to time. The agencies involved find it impossible to work together or come up with any solutions.

Chris Grayling: It is important that transport bodies are mindful of such events. Occasionally in recent years, major national events have coincided with major engineering works—on the railways, for example. The hon. Lady makes an important point, and I am sure the Transport Secretary will listen. He will be here to take questions next week, when she might wish to make that point again.

Mark Pritchard (The Wrekin) (Con): Is the Leader of the House aware of the heartless cuts to local library services by Labour-led Telford and Wrekin Council, and may we have a debate on the vital role that library services play in communities such as Donnington, Hadley and Newport in my constituency?

Chris Grayling: My hon. Friend makes an important point. Library services remain of enormous importance to people in this country. It is striking how Conservative councils have faced the financial challenges, which all local authorities face, innovatively while still managing to deliver quality services, while Labour councils, all too often, cannot provide the efficiencies we need while protecting those services.

Cat Smith (Lancaster and Fleetwood) (Lab): Last week in Women and Equalities questions we could not ask any direct questions about the Select Committee’s report on the transgender issue. Will the Leader of the House consider allowing time for Topical Questions as part of Women and Equalities Question Time?

Chris Grayling: I am happy to consider that. We review the structure of questions from time to time. The hon. Lady might also wish to take the matter to the Backbench Business Committee to secure a debate. We now make a substantial block of time available to the Committee, as we have heard today. It is a good opportunity for Select Committees to seek time for debates about reports.

Dr Julian Lewis (New Forest East) (Con): We have heard today that the Leader of the House wants a debate on the future of Trident, that the spokesman for the Scottish nationalists wants a debate on the future of Trident, and I know from personal experience that the leader of the Labour party is never afraid to have a debate on the future of Trident, so why have we not been given a date for the maingate debate and decision? Surely the Prime Minister cannot be so occupied with considerations of European negotiations as to delay this issue once more, when it was outrageously delayed for five years as part of a grubby coalition deal in 2010.

Chris Grayling: As we have heard, my right hon. Friend feels strongly that we should have such debates. He may be right about the Leader of the Opposition, but I am not sure that the rest of those on the Labour Front Bench want to have that debate any time soon. This is a matter under consideration and I hope to be able to indicate in the not too distant future the Government’s plans for future debates about defence matters.

Barry Gardiner (Brent North) (Lab): The International Association of Athletics Federations has recently acknowledged the widespread doping in world athletics. This morning, UK Anti-Doping has asked to see Arsene Wenger because of his long-term brave outspokenness on doping in football. What are the Government going to do about this issue, and may we have a debate?
Mr Speaker: Wenger is a great man!

Chris Grayling: I think we now understand where your footballing sympathies lie, Mr Speaker. Sadly, I fear my team, Manchester United, are unlikely to overtake yours this season, but we can but hope and keep our fingers crossed. We have, of course, just had Culture, Media and Sport questions, and I am sure that the Secretary of State has already thought carefully about the issue and will continue to do so. I will make sure that the hon. Gentleman’s concerns are raised. He makes an important point—doping in sport, in whatever sport, is to be roundly condemned and dealt with with the strongest possible force, when appropriate.

Christopher Pincher (Tamworth) (Con): Pursuant to yesterday’s Adjournment debate, sponsored by my hon. Friend the Member for Broxbourne (Mr Walker), may we have a debate on the entirely unsatisfactory situation whereby international banks treat Members of Parliament as persons of interest in organised crime?

Chris Grayling: I commend my hon. Friend for bringing forward yesterday’s debate and I offer my strong support for the comment that has just been made. On behalf of Members of all parties, I say that it is absolutely inappropriate for international banks to look upon Members as anything other than normal customers. The fact that they pursue a line that is, I believe, often intrusive, inappropriate and unnecessary is something that we should all clearly state we believe to be unacceptable.

Kirsten Oswald (East Renfrewshire) (SNP): We were all delighted in October last year when the Foreign Secretary’s visit to Saudi Arabia led to the release of Karl Andree from a Saudi jail, which the Foreign Secretary attributed to the strength, breadth and depth of UK-Saudi relations. The Prime Minister said at the time: “We have always acted on... British prisoners overseas, with all countries, not just Saudi Arabia”.

We surely have strength, breadth and depth in our relationship with India, so I ask the Leader of the House for a statement outlining exactly why we could secure the release of Mr Andree from Saudi Arabia, but seemingly not of my constituent, Billy Irving, from five years’ vigorous imprisonment in Tamil Nadu in India.

Chris Grayling: Let me first commend the hon. Lady for her diligence in pursuing this case. Since she last raised the matter, I have raised it with the Foreign Office and the Prime Minister. After today, I will pursue it further and try to ensure that she receives an early reply to the representations she has been making on behalf of her constituent.

Craig Whittaker (Calder Valley) (Con): The Government have been told by the insurance industry that all businesses are offered flood insurance for their businesses, but we know after devastating floods in Calder Valley over Christmas that that is not the case—and where it is, we know that the premiums and excesses are often extortionate, unaffordable and unfair. May we have a debate on flood insurance for business and on whether the Government will begin negotiations with the insurance industry on behalf of business, as they did with domestic properties and Flood Re?

Chris Grayling: My hon. Friend makes an important point. I know that the county he represents as well as his own area has been affected, and we all want to see continued progress being made in the areas affected by flooding to try to get businesses and homeowners back to normal. He knows that Flood Re was set up as a residential system in the first place, but I can assure him that Ministers are currently in discussions with the insurance industry about how to address precisely the concerns he has raised today.

Andy Slaughter (Hammersmith) (Lab): May we have a statement on criminal legal aid to clarify whether the Government still intend to go ahead with their disastrous two-tier contracts for criminal solicitors? I realise that the Leader of the House will not welcome a sixth high-profile U-turn on policies he championed when he was Lord Chancellor, but the current chaos is, in the words of the Law Society this week, “undermining access to justice for the most vulnerable in society.”

Chris Grayling: Let me remind the hon. Gentleman that the Law Society endorsed the package in the first place, two years ago. Let me also remind him that we have had to make tough decisions in a variety of areas of government—including legal aid—from 2010 onwards, because we have had to sort out the right royal financial mess that was left behind by the Labour party.

Mike Wood (Dudley South) (Con): Dudley council is banning dogs from the parts of Himley Park that are most easily accessible to people with visual and other disabilities. May we have a debate on facilities to allow guide dog owners and puppy-walkers to exercise their dogs properly?

Chris Grayling: It is important, as we rightly do the right thing for people with disabilities, for us to try to ensure that they are given the support that they need throughout society. My hon. Friend has made an important point about his constituency. I am sure that his comments will have been heard by his local authority, and that it will be considering whether it should, and how it could, act on them.

Mark Durkan (Foyle) (SDLP): Some Members’ votes can now be void. Chamber votes on substantive issues such as women’s pensions have been voided, and votes on serious issues are increasingly avoided, by means of statutory instruments. Which of those does the Leader of the House take most pride in?

Chris Grayling: The House has followed the Government’s current ways of working for decades. It did so under the last Labour Government, and it did so under the coalition Government. We have made no major changes, barring the very necessary change to provide the fairness in our devolution settlement that the English votes for English laws system represents.

Craig Williams (Cardiff North) (Con): It is with great delight that I update the House on a matter that has been raised in the Chamber many times by my predecessors. Llanishen and Lisvane reservoirs have now been taken over by Welsh Water on a very long-term lease, and I praise both Welsh Water and Celsa for signing the deal. The nub of the question, however, is how we can
recognise community groups such as the Reservoir Action Group, which has been campaigning for more than two decades with MPs and councillors. The honours system could, of course, give awards to some of its members, but how can we honour such community groups more broadly? The RAG, for instance, has made a huge contribution to Cardiff and to the reservoirs.

Chris Grayling: I should like to praise the volunteers in my hon. Friend’s constituency for the work that they have done. Last week I suggested to the Backbench Business Committee that it might wish to hold a day-long debate at some point this year so that Members could praise and reflect the work done by voluntary groups in their constituencies. As my hon. Friend says, the honours system can be used to reflect the exceptionally good work done by individuals in all our constituencies, and I am sure that many of us have used the system in that way, appropriately, in the past, but the Prime Minister runs the Points of Light awards on a daily basis, and my hon. Friend might like to consider that option as well.

Louise Haigh (Sheffield, Heeley) (Lab): I am sorry to say that Sheffield remains extremely vulnerable to flooding, as it has few and inadequate flood defences. So far the Department for Environment, Food and Rural Affairs has allocated only £23 million of the £43 million that Sheffield needs to protect existing homes, businesses and prime development land, to enable new homes to be built, and to promote job creation and growth. May we have a debate in Government time on DEFRA’s grant in aid programme, so that we can ensure that it recognises the substantial economic benefits of our flood defences?

Chris Grayling: The hon. Lady has made an important point. In all the areas that have been either directly affected by or threatened by flooding, there is now a real determination among local communities—as well as at Government level—to focus on doing all the sensible things that can be done to prevent flooding. I will ensure that the hon. Lady’s concerns are passed to my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs. She will be back in the House shortly, and the point could be put to her directly then.

Jason McCartney (Colne Valley) (Con): Huddersfield Royal Infirmary, which is in my constituency, serves our growing university town. Yesterday the clinical commissioning group announced a 12-week consultation on closing our accident and emergency department and moving it to Halifax. The backdrop to that is a ruinous private finance initiative deal under which we will pay £774 million for a hospital that cost £64 million to build. May we have an urgent debate on this appalling situation?

Chris Grayling: I well understand my hon. Friend’s concern about A&E services in his constituency. No doubt he will make strong representations locally, to the CCG, general practitioners and local decision-makers, but the appalling structures of PFI are, of course, a legacy that was passed to us by the last Labour Government. We look back and ask, “How on earth did they ever think those deals were a good idea?”

Tom Brake (Carshalton and Wallington) (LD): Last week I described the Leader of the House as a Brexit mini-beast, but this week I should like to extend the kind of friendship to him, and invite him to join me on a Southern train. I will buy the lattes. I hope that, at the end of the journey, he will want to make time available for a debate in the House to discuss my proposal that passengers should be entitled to compensation when their trains are delayed by 15 minutes, rather than the 30 minutes that currently apply.

Chris Grayling: The right hon. Gentleman makes an important point. He does not need to invite me on Southern rail; I was on Southern last night—indeed, I am a regular traveller on Southern and on South West Trains. He makes an important point and one of the things I find frustrating is that I personally believe we should be tighter on the statistics around delays to services as well, because they can get away with being a few minutes late and that will not show up in the statistics. So the right hon. Gentleman makes an important point, and he and I will continue to argue for better services on behalf of our constituents. I am sure his comments will be listened to.

Philip Davies (Shipley) (Con): May we have a debate on the Prime Minister’s very sensible proposals this week about the importance of immigrants learning English, which is certainly an issue in Bradford among many Muslim women, in order for them to integrate into British society? In such a debate, perhaps we could discuss who should pay for these English lessons, because many of my constituents think it should not be the taxpayer who foots the bill; it should be the people themselves. If I decide to go and live in Spain, I would not expect the Spanish Government to teach me Spanish.

Chris Grayling: My hon. Friend makes his point eloquently, but the key to this is that it is absolutely essential that people who come to live and work in this country speak English, and our communities have ended up more divided than they should be because of the fact that so many people who come here cannot speak English. That really has to change.

Matthew Pennycook (Greenwich and Woolwich) (Lab): We learned from the Evening Standard just over an hour ago that the Government intend to devolve local metro train services in London from the Department for Transport to Transport for London, something that was dismissed by the Leader of the House as renationalisation when I pressed him on it last year. In the light of that welcome decision, can we now find time for a debate on the details of the Government’s proposals, and in particular what can be done to compel operators like Southeastern, which will lose their franchises as a result, to improve their services in the interim?

Chris Grayling: Changes of this kind would be a matter for detailed discussion in this House. I have not seen what is in the Evening Standard so I cannot tell whether it is a rumour or otherwise. What I would say is if this Government are going to bring forward changes that affect Members of this House, we will set out details to them and listen to them.

Mr Philip Hollobone (Kettering) (Con): Weetabix is a delicious and nutritious breakfast cereal the wheat for which is sourced from farms within a 50 mile radius of
the Weetabix factory at Burton Latimer in the borough of Kettering. The agriculture Secretary is there this morning to launch the new great British food unit to promote the export of British foodstuffs around the world. Will the Leader of the House make sure that at all his breakfast meetings, and at all the breakfast meetings arranged by the House authorities, Weetabix is made available?

Chris Grayling: Mr Speaker, I am sure that you and I, as members of the Commission that ultimately looks at catering matters, will give careful consideration to that representation. However, we may have to have a two-course breakfast as my hon. Friend will have heard from both sides of the House the call to have a cooked breakfast with black pudding afterwards.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I hope the Leader of the House is in good health and has been enjoying some of that superfood that is Stornoway black pudding as recommended in my early-day motion 936, and which is easily ordered on the internet.

[That this House welcomes the recognition of black pudding, Marag Dhubh in Gaelic, as a superfood; notes that its calcium, iron, magnesium, potassium and protein-rich nature make the black pudding an excellent addition to a healthy, balanced diet; expresses pleasure at the economic benefits to Stornoway butchers of its EU Protected Geographical Indication, one of the many great benefits of EU membership; and encourages everyone to discover the great taste of Scottish food.]

With his health suitably fortified, will the Leader of the House look to have a debate on the suggestion of a new Act of Union in the UK by Peter Hain and other ennobled gentlemen, and maybe the Government and these gentlemen could get behind my ten-minute rule Bill on Scots votes for Scots laws and engage with Scotland's democratic representatives?

Chris Grayling: Hopefully the Stornoway superfood will provide an appropriate counterbalance to the glass of the other product that comes from the hon. Gentleman's constituency, which I suspect will be drunk in copious quantities next week on Burns night. What I would say to him is if the Scottish National party is now calling for a new Act of Union, that is definitely a new departure for a new Act of Union, that is definitely a new departure and one we should perhaps consider very carefully.

Mr David Nuttall (Bury North) (Con): May we have a debate on the export value and potential of Bury black pudding, which was raised with me when I visited the Bury Black Pudding Company last week? This will enable me to dispel the suggestion raised by some hon. Members that the black pudding made in their constituencies is in the same league as Bury black pudding. This is clearly a scurrilous suggestion that needs to be dealt with as quickly as possible.

Chris Grayling: We are clearly going to have to hold a black pudding tasting contest in this House. We will not be inviting the shadow Leader of the House to take part, because we know that he does not like black pudding—

Chris Bryant: No you don’t!

Chris Grayling: But as we know, the shadow Deputy Leader of the House, the hon. Member for Great Grimsby (Melanie Onn), does like black pudding, so she can take part.

Valerie Vaz (Walsall South) (Lab): Following the point made by the hon. Member for Shipley (Philip Davies), may we have an urgent debate on cuts to funding for English for speakers of other languages? Walsall Adult Community College has had £380,000 cut from its budget for doing what the Prime Minister asked it to do. The Prime Minister has now allocated £20 million, so please can the college have its money back?

Chris Grayling: The hon. Lady makes a strong representation on behalf of her local college, and I am sure that the appropriate Minister will take that into account as he looks at how we use this money to the best possible effect.

Bob Blackman (Harrow East) (Con): Last weekend saw the celebrations of Thai Pongal and Lohri, with thousands of British citizens celebrating the winter harvest in the Indian subcontinent. Does my right hon. Friend agree that that is a great cause for congratulation and that we should have a debate in this House on the variety of different community festivals that are held in this country, given that they are never debated in this Chamber?

Chris Grayling: I congratulate my hon. Friend on the work he does with the different minority groups in his constituency. He raised the issue of groups in Kashmir, a part of the world in which we would all like to see a peace settlement and a lasting solution. In the meantime, he has made an important point about the different community festivals that add richness to this country and provide a fantastic means of spreading community understanding between different parts of our society.

Justin Madders (Ellesmere Port and Neston) (Lab): I was disappointed to hear the Prime Minister’s triumphalism on the question of employment yesterday, because unemployment has once again gone up in my constituency, as it has in many others. Of the 75 constituencies in which unemployment has risen the most, just seven are in the south of England. May we please have a debate on the continuing north-south divide, before the northern powerhouse goes the way of the big society and hugs a hoodie?

Chris Grayling: I am sorry; I simply do not agree with the hon. Gentleman. Over the past five and a half years, we have seen a steady fall in unemployment and a steady rise in employment in this country, and the economy of the north is growing faster than the economy of the south. I am proud of this Government’s achievement in turning around the situation: when we came into office, unemployment was forecast to rise to 3 million, but it is now around half that level.

Martin Vickers (Cleethorpes) (Con): The Government invested £15 million of regional growth fund money to establish the largest enterprise zone in the country in order to further their ambition to make the Humber the
energy estuary, which is vital to the economy of my constituency. Progress on this seems to be rather too slow, however. May we have an urgent statement on how we might pursue this matter?

Chris Grayling: We all want to see continued economic growth in Humberside. The enterprise zone that my hon. Friend talks about is one part of our strategy for continued improvement and a continued fall in unemployment. I will ensure that the Secretary of State is made aware of his concerns and look into how we might possibly help my hon. Friend to achieve what he is trying to achieve.

Angela Rayner ( Ashton-under-Lyne) (Lab): Last night, I met the mum and dad of Matthew Bass, who had a 15-year career in cabin crew before his sudden death in January 2014. Matthew, aged 34, was found to have died from chronic exposure to organophosphates. It is believed that that was caused by contaminated cabin air. Will a Minister come to the House to make a statement to ensure that air passengers are made aware of the situation and of the steps the Government are taking to ensure that air passengers are safe?

Chris Grayling: The hon. Lady raises an issue that has been brought up in the House on a number of occasions over the years. It has also been debated on occasions, but she might like to consider bringing forward a further debate on it. I will ensure that her concerns about this tragic death are passed on to the Secretary of State for Transport, who will be back in the House next week. She might like to put this point to him as well.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): In 2014, the railway line at Dawlish was cut off for six weeks because of severe storms. The Secretary of State for Transport asked the taskforce and his own Department to report in the summer on resilience in the south-west, so that we should never again be cut off. May we have a statement on how that is proceeding?

Chris Grayling: I am aware of the huge disruption that the damage at Dawlish caused. I hope that my hon. Friend believes that the Government and Network Rail responded as quickly as possible to restore the existing route, and I assure him that work is ongoing to find alternatives and to provide a contingency plan for any such event in the future. The Secretary of State for Transport will be here in the next few days, and my hon. Friend will certainly be able to raise that point with him then, but I will also ensure that his concerns are passed on and that we get that statement soon.

Stewart Malcolm McDonald (Glasgow South) (SNP): Earlier this week, the Prime Minister appeared to back a ban on the Muslim veil in some circumstances but not in others, and seemed to stop short of an outright ban on occasions, but she might like to consider bringing forward a further debate on it. I will ensure that her concerns about this tragic death are passed on to the Secretary of State for Transport, who will be back in the House next week. She might like to put this point to him as well.

Chris Grayling: Of course the Prime Minister will be back here next week to take questions, but it is the case that there are places in our society where it is not appropriate to wear a face veil, for example, when somebody is giving evidence in court. That issue has appeared before the courts in recent years. It would be completely wrong to have somebody giving evidence in court while wearing a full face veil. That is just one example of where it is not appropriate in our society and where it is sensible to have a balance.

Paula Sherriff (Dewsbury) (Lab): May we have a debate about the provision of in vitro fertilisation? The National Institute for Health and Care Excellence’s 2013 guidelines recommend that three full cycles be provided, but many clinical commissioning groups still impose restrictions. Two of my constituents have had to raise £10,000 to fund a second and third cycle. Will the Leader of the House raise with Health Ministers the need to ensure that the NICE guidance is followed?

Chris Grayling: I am happy to raise that point, but I would say that we have taken a conscious decision that the provision of services should be taken by local doctors, rather than by officials in Whitehall. That was a very conscious policy decision. It does mean that different decisions may be taken in different areas. I think that is the right thing, but I will make sure the hon. Lady’s concerns are raised.

Simon Danczuk (Rochdale) (Ind): Dozens of Rochdale businesses have been without phone lines since the floods. BT Openreach is dragging its feet with the problem, so may we have a debate on whether BT is capable of delivering this essential service?

Chris Grayling: If BT has still not been able to restore phone lines to businesses, that is a matter of serious concern for all of us. I will make sure that that concern is passed on to the Department for Business, Innovation and Skills and to the Department for Culture, Media and Sport this morning, as both have responsibilities in this area and this needs to be rectified pretty quickly.

Jim Shannon (Strangford) (DUP): The prosecution of kids who post indecent images continues to cause great concern. In Northern Ireland last week, investigations into dozens of youngsters considered for prosecution over indecent images of children have been halted because of the sensitivity of the issue and the need, I believe, for decriminalisation. Children will come forward to get help, and fewer will self-harm and commit suicide, if we look at decriminalising this. Will the Leader of the House agree to a statement on this very important issue?

Chris Grayling: One very much hopes that the prosecuting authorities, both in Northern Ireland and elsewhere, apply a degree of common sense. We have rules that are designed to protect young people from inappropriate exploitation and from revenge porn, but I think we would all take the view that if a teenager does something stupid, we would not wish to see them criminalised without good reason.

Mr Jim Cunningham (Coventry South) (Lab): May we have a statement from a Department for Work and Pensions Minister, because over the Christmas period a number of families in my constituency could not get any benefits or tax credits? The procedure seems to be very slow and delayed. This is a serious issue and we should have either a statement or a debate on it.
Chris Grayling: Of course tax credits are normally paid directly, through a different route from the benefits system. This will therefore depend entirely on the individual cases, but if the hon. Gentleman wishes to write to me with some more detailed examples, I will make sure that I pass his comments on to the Secretary of State so that he gets a response.

Jeff Smith (Manchester, Withington) (Lab): My constituent Naheed Kausar Ali was tragically killed during the crushing incident at the Hajj in September. The Saudi authorities committed to an investigation, on which they have yet to report back. May we have a statement on what pressure can be applied and what assistance can be given to the Saudi authorities to ensure that they report back rapidly and publicly, so that lessons are learned and British pilgrims can travel to the Hajj in safety?

Chris Grayling: This was, of course, a great tragedy, and the hon. Gentleman makes an important point. By coincidence, a Minister of State at the Foreign Office, my right hon. Friend the Member for Aylesbury (Mr Lidington), has just arrived in the Chamber. Although he is not directly responsible for relations with Saudi Arabia, I will ask him to pass on that concern to his colleague in the Foreign Office so that the issue can be addressed. This was a tragedy for the families involved and they will want to see answers.

Christian Matheson (City of Chester) (Lab): Pursuant to the answer given to the hon. Member for The Wrekin (Mark Pritchard), may we have a debate on local government finance, as that might give Ministers a chance to explain why cautious, prudent, Labour-run Cheshire West and Chester Council, having achieved a £2 million underspend this year, has seen that wiped out by incompetent Ministers applying a formula error that has lost our local council £2.3 million?

Chris Grayling: If there is a formula error, the Department will look at it. The hon. Gentleman will undoubtedly have made representations already, as will other Members from the Cheshire West area. I will ensure that the Department responds appropriately to him and to them.

Jim McMahon (Oldham West and Royton) (Lab): Greater Manchester’s bid for enterprise zones in its town centres was refused by the Government. May we have a debate about the importance of town centres to our economies?

Chris Grayling: May I start by congratulating the hon. Gentleman on his election to this House? I am sorry that he was caught up in the glitch on Tuesday, but, as I said earlier, it was a human error and one that I am certain will not be repeated. Again, I congratulate him on his arrival in this House and say to him that he makes an important point about the town and city centres of the north-west. I am pleased to have seen the way in which the centres of Manchester and Liverpool in particular—but not just Manchester and Liverpool—have been transformed in recent years. I take his point, and I will ask the Treasury to respond to him accordingly.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): The steel crisis rumbles on. Government policy is very much pro China’s market economy status, irrespective of whether or not this country remains in the European Union. May we have a statement on the Government’s argument for China’s MES, or are we to believe that the Chinese communist red flag flies above No. 10?

Chris Grayling: The hon. Gentleman knows, as this issue was addressed in this House a couple of days ago, that the steel industry internationally faces enormous challenges. The problems that we are experiencing are not unique to this country; they are a factor of change around the world. We believe strongly that this country benefits economically from having proper and solid economic ties with China, which does not mean that we are not putting serious effort into trying to address the problems that the steel industry faces, but he will understand that it is an international challenge that is not easy to resolve.

Chris Law (Dundee West) (SNP): Within the past week, the Secretary of State for Scotland has made a departmental statement and then a U-turn counter-statement on post-study work visas while being fully aware that there was an ongoing investigation into this matter by the Scottish Affairs Committee. That has enraged both the Scottish media and the people of Scotland. Will the Leader of the House issue a statement saying that such behaviour undermines the cross-party work of the parliamentary Committee, the evidence submitted from the many who come before the Committee, and subsequent reports that are published? Will he also assure us that this UK Government made an abject error and will not undermine parliamentary democracy in the future?

Chris Grayling: This is an area that was not in the Smith commission report. It is also one on which we seek to do the right thing and to provide the right balance. We think the system that has been put in place provides that right balance, even though the hon. Gentleman and his party do not agree.

Mrs Madeleine Moon (Bridgend) (Lab): May we have a debate, or even one of those nice little statutory instruments, advising local authorities of the sense of installing a small shelf in disabled toilets so that people who have ileostomies or colostomies can effectively install a shelf in disabled toilets so that people who have ileostomies or colostomies can effectively change their bags without having to scab on dirty floors?

Chris Grayling: The hon. Lady makes an important and sensible point. The Under-Secretary of State for Disabled People will be here on Monday week when she can put that point to him. It is something that I will also ensure is passed on to the Department, as she makes an interesting and valuable point.

Andrew Gwynne (Denton and Reddish) (Lab): May we have a debate on the Government’s decision to cut public health in-year budgets by £200 million, given that Simon Stevens’ “Five Year Forward View” predicates that in year 5 £5 billion will be freed up from prevention? Is it not short-sighted of this Government to cut the very budgets that will allow that to happen in the future?

Chris Grayling: We face different challenges in the health world, but we continue to increase the amount of money that we spend on health in this country, and will continue to do so.
Diana Johnson (Kingston upon Hull North) (Lab): In Prime Minister’s questions on 4 November, the Prime Minister agreed to meet my constituents, Tina and Mike Trowhill, to discuss the very sad case of the baby ashes scandal. The Prime Minister said: “I am happy to arrange that meeting.”—[Official Report, 4 November 2015; Vol. 601, c. 964.]

Subsequently, Downing Street has transferred that meeting to a junior Minister whom the Trowhills have already met. On 11 November, I wrote to the Prime Minister expressing my concern, but to no avail. It does the reputation of this House no good when commitments given in this House and reported in good faith by the media are not kept. Will the Leader of the House see what he can do to arrange that meeting?

Chris Grayling: I will take a look at the point the hon. Lady has raised.

Rachael Maskell (York Central) (Lab/Co-op): Further to the question of my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner), may I impress on the Leader of the House the urgency of the matter? May we have an urgent statement on aerotoxic syndrome, as there were 251 incidents of toxic gas escapes into cabins last year?

Chris Grayling: I absolutely accept the hon. Lady’s point. We heard earlier from the Chairman of the Backbench Business Committee, who controls a large block of the time we have in this House for debates on such subjects, that he is short of topics for the coming weeks. I urge both the hon. Lady and the hon. Member for Ashton-under-Lyne (Angela Rayner) to put that request to the Backbench Business Committee, as that would bring a Minister to the House to discuss the serious issues that they raise.

Alan Brown (Kilmarnock and Loudoun) (SNP): This week, the Leader of the House made comments that again insinuated that the SNP over-predicted the price of oil. Before the referendum, the Department of Energy and Climate Change had predicted an upper forecast of $135 a barrel for oil for this year alone. Low oil prices affect workers all over the UK and I have a constituent who at Christmas did not know whether his son would get back on to the rigs. Will the right hon. Gentleman make a statement apologising for gloating while people lose their jobs?

Chris Grayling: The SNP cannot understand is that it is precisely because we are one United Kingdom that we can provide support to parts of our economy that are affected by such unexpected changes. If Scotland had become independent, a new Scottish Administration would right now be facing a massive financial gap because of the falling oil price. That is why Scotland was and is better off as part of the United Kingdom.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Is the Leader of the House aware that 11 March marks the centenary of the birth of Harold Wilson, one of our great Prime Ministers? Will he join me in ensuring that the House recognises the life of that great Yorkshireman, who was born in my constituency of Huddersfield, and will he try to persuade the Speaker’s Art Fund and perhaps even Mr Speaker that it is about time we had a proper statue of Harold Wilson on the Westminster estate? I have been in touch with every Member of Parliament, and across all parties there is an overwhelming majority in favour.

Chris Grayling: Mr Speaker will have heard the hon. Gentleman’s comments, which are important. Harold Wilson, although not of my political persuasion, was one of the major figures of 20th-century politics. I think that everyone in this House, from all parties, would wish to extend to Harold Wilson’s widow our congratulations on the milestone that she has just celebrated of her 100th birthday.

Steven Paterson (Stirling) (SNP): I am sure that the Leader of the House will wish to be consistent and fair—he is a reasonable guy, after all. So, when will he introduce measures to implement Scottish votes for Scottish laws to address the democratic deficit that he has created with EVEL?

Chris Grayling: I can give the hon. Gentleman an absolute assurance that we will see new developments in Scottish votes for Scottish laws this May, when we have elections to the Scottish Parliament, which delivers those Scottish votes for Scottish laws. I am confident that our strong Conservative team in Scotland will be working to make real progress and I am equally confident that the Labour party will have a difficult night in Scotland.

Mr Barry Sheerman: I am grateful to the Leader of the House for his comments, but I wish he would stick to the point. I do not need to be told about Harold Wilson, who was born in my constituency. What I need to be told is: when will he introduce measures to implement Scottish votes for Scottish laws?
Litvinenko Inquiry

11.32 am

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement about the death of Alexander Litvinenko on 23 November 2006 and the statutory inquiry into that death, which published its findings this morning.

Mr Litvinenko’s death was a deeply shocking event. Despite the ongoing police investigation and the efforts of the Crown Prosecution Service, those responsible have still not been brought to justice. In July 2014, I established a statutory inquiry to investigate the circumstances surrounding Mr Litvinenko’s death, to determine responsibility for his death and to make recommendations. It was chaired by Sir Robert Owen, a retired senior High Court judge, and it had the Government’s full support and access to any relevant material regardless of its sensitivity.

I welcome the inquiry’s report today and would like to put on record my thanks to Sir Robert Owen for his detailed, thorough and impartial investigation into this complex and serious matter. Although the inquiry cannot assign civil or criminal liability, I hope that these findings will provide some clarity for Alexander Litvinenko’s family and friends and all those affected by his death. I would particularly like to pay tribute to Mrs Marina Litvinenko and her tireless efforts to get to the truth.

The independent inquiry has found that Mr Litvinenko died on 23 November 2006, having suffered a cardiac arrest as a result of acute radiation syndrome, caused by his ingesting polonium-210 on 1 November 2006. He ingested the fatal dose of polonium-210 while drinking tea at the Pine bar of the Millennium hotel on the afternoon of 1 November 2006. The inquiry, which in the course of its investigations considered “an abundance of evidence”, has found that Mr Litvinenko was deliberately poisoned by Andrey Lugovoy and Dmitry Kovtun, whom he had met at the Millennium hotel on the afternoon of that day.

The inquiry has also found that Lugovoy and Kovtun were acting on behalf of others when they poisoned Mr Litvinenko. There is a strong probability that they were acting under the direction of the Russian domestic security service, the Federal Security Service or FSB. The inquiry has found that the FSB operation to kill Mr Litvinenko was probably approved by Mr Patrushev, the then head of the FSB, and by President Putin.

The Government take these findings extremely seriously, as I am sure does every Member of this House. We are carefully considering the report’s findings in detail, and their implications. In particular, the conclusion that the Russian state was probably involved in the murder of Mr Litvinenko is deeply disturbing. It goes without saying that this was a blatant and unacceptable breach of the most fundamental tenets of international law and of civilised behaviour, but it is every bit as important to the long-term security and prosperity of the United Kingdom.

The threat posed by hostile states is one of the most sensitive issues that I deal with as Home Secretary. Although not often discussed in public, our security and intelligence agencies have always, dating back to their roots in the first and second world wars, had the protection of the UK from state threats at the heart of their mission. This means countering those threats in all their guises, whether from assassinations, cyber-attacks, or more traditional espionage. By its nature this work is both less visible and necessarily more secret than the police and the agencies’ work against the terrorist threat, but it is every bit as important to the long-term security and prosperity of the United Kingdom.

The House will appreciate that I cannot go into detail about how we seek to protect ourselves from hostile state acts, but we make full use of the measures at our disposal, from investigatory powers right through to the visa system. The case of Mr Litvinenko demonstrates once again why it is so vital that the intelligence agencies maintain their ability to detect and disrupt such threats.

The environment in which espionage and hostile state intelligence activities take place is changing. Evolving foreign state interests and rapid technological advances mean it is imperative that we respond. Last November the Chancellor announced that we will make new funding available to the security and intelligence agencies to
provide for an additional 1,900 officers. In the same month, I published the draft Investigatory Powers Bill so that we can ensure that the intelligence agencies’ capabilities keep pace with the threat and technology, while at the same time improving the oversight of, and safeguards for, the use of investigatory powers.

In the Government’s recently published national security strategy and the strategic defence and security review, we set out the range of threats to the UK and our allies, including from Russia, and our comprehensive approach to countering these threats. Since publication of the previous SDSR in 2010, Russia has become more authoritarian, aggressive and nationalist. Russia’s illegal annexation of Crimea and its destabilising actions in Ukraine have directly challenged security in the region. These actions have also served as a sobering demonstration of Russia’s intent to try to undermine European security and the rules-based international order. In response, the UK, in conjunction with international partners, has imposed a package of robust measures against Russia. This includes sanctions against key Russian individuals, including Mr Patrushev, who is currently the Secretary to the Russian Security Council.

The Government are clear that we must protect the UK and her interests from Russia-based threats, working closely with our allies in the EU and NATO. This morning I have written to my counterparts in EU, NATO and “Five Eyes” countries, drawing their attention to both the report and the need to take steps to prevent such a murder being committed in their streets.

We will continue to call on President Putin for Russia, as one of the five permanent members of the United Nations Security Council, to engage responsibly and make a positive contribution to global security and stability. It can, for example, play an important role in defeating Daesh and, together with the wider international community, help Syria work towards a stable future. We face some of the same challenges, from serious crime to aviation security. We will continue to engage, guardedly, with Russia where it is strictly necessary to do so to support the UK’s national interest.

Sir Robert Owen’s report contains one recommendation that is within the closed section. Right hon. and hon. Members will appreciate that I cannot reveal details of that recommendation in this House, but I can assure them that the Government will respond to the inquiry’s chair on that recommendation in due course.

Finally, I would like to reiterate the Government’s determination to continue to seek justice for the murder of Mr Litvinenko. I would like to repeat my thanks to Sir Robert Owen and, in particular, Marina Litvinenko. As Sir Robert states in his report, she has shown “dignity and composure” and “has demonstrated a quiet determination to establish the true facts of her husband’s death that is greatly to be commended.”

Mr Litvinenko’s murder was a truly terrible act. I sincerely hope that for the sake of Marina and Anatoly Litvinenko, for the sake of Mr Litvinenko’s wider family and friends, and for the sake of justice, those responsible can be brought to trial. I commend this statement to the House.

11.43 am

**Andy Burnham (Leigh) (Lab):** As the Home Secretary said, this is one of the most shocking and disturbing reports ever presented to Parliament. It confirms that the Russian state, at its highest level, sanctioned the killing of a British citizen on the streets of our capital city and, in so doing, exposed thousands of Londoners to unacceptable levels of risk—an unparalleled act of state-sponsored terrorism that must meet with a commensurate response. So far-reaching are the implications of the report that it is important not to rush to judgment today. Time must be taken to digest its findings and consider our response. There are difficult questions that need to be asked in formulating that response, and I intend to focus on those.

First, however, I echo the Home Secretary’s words of praise for Sir Robert Owen and his inquiry team, without whose painstaking work this important truth would not be known. I also extend the gratitude of Labour Members to the Metropolitan Police Service for what the report calls an “exemplary investigation” and to the Litvinenko family’s legal team, particularly Ben Emmerson, who supported them on a pro bono basis, and probably without whom we would not be here today.

More importantly, I am sure the whole House will join me in sending a message of admiration, sympathy and solidarity to Marina and Anatoly Litvinenko, who have fought so courageously to make this day a reality. People will of course leap to the international and diplomatic issues that arise, but it must be remembered, first and foremost, that this was a family tragedy, and their wishes surely matter most. With that in mind, would the Home Secretary be prepared to meet Marina and Anatoly to discuss this report, its findings, and the British Government’s response? I have spoken to Marina, and I know that she would welcome that.

Let me now turn to that Government response. I welcome what the Home Secretary said about renewing efforts to bring the murderers to justice, and her new approach to NATO and EU allies. However, given that these two individuals are reported to be travelling, will she go further and directly approach all EU, NATO and Commonwealth allies individually to ask for their immediate co-operation on extradition?

There may be other individuals who are British citizens and who are facing similar dangers. Will the Home Secretary provide assurances that there will be a review of the security of those most at risk? Has she reviewed the level of security that was provided to Mr Litvinenko by the British security services, and can any lessons be drawn from this in better protecting others? That is important, because there is a real possibility that this was not an isolated incident. The House may be aware of an ongoing inquest into the death of Alexander Perepilichnyy, a prominent Russian lawyer who dropped dead in Surrey after going for run. While there is a limit on what we can say about an ongoing inquest, does the Home Secretary believe that there is a case for it to be upgraded and provided with extra support, possibly from Sir Robert himself?

I will now turn to potential action against the wider network of Russian interests linked to the perpetrators. Of course, no individuals commit these crimes alone, and today’s report confirms that there is a network of people who will have known about and facilitated this crime. I gather that Mrs Litvinenko has prepared a list of names, to be submitted today to the Government, of people who have aided and abetted the perpetrators, and against whom she believes sanctions should be taken. This could include the freezing of UK assets and
property and travel restrictions. Will the Home Secretary give an in-principle commitment to look seriously at that list and those requests? Further, can she say whether, going forward, action of this kind would be facilitated by new legislation along the lines of the Magnitsky law in the US, and whether the Government are giving any consideration to that?

Finally, let me turn to our wider relationship with Russia. The Home Secretary indicated that there will be new diplomatic pressure, and I welcome that, but I have to say, having listened carefully to her, that I am not sure that it goes anywhere near far enough in answering the seriousness of the findings in this report. Indeed, it could send a dangerous signal to Russia that our response is too weak. What has been announced today cannot be the end of what the British Government are prepared to do.

Given what we know about the way the Russian state operates, is there not a case for a wide-ranging review of the nature and extent of this country’s relations with it—diplomatic, political, economic, and cultural? Given the proven FSB involvement, will the Government consider expelling all FSB officers from Britain immediately? More broadly, can the Home Secretary say whether the Prime Minister has ever raised this case directly with Vladimir Putin, and whether he is seeking an urgent conversation with him today to discuss the findings of this report?

On parliamentary matters, it beggars belief that one of the suspected murderers is today a leading Member of the Duma and even second in command of its Security Committee. Given that fact—this may be a question for you, Mr Speaker—what is the correct relationship for this Parliament to have with its Russian counterpart?

On cultural collaboration, given what the report reveals about the Russian Government and their links to organised crime, and given what we know about corruption in FIFA, is there not a growing case for this country to engage with others in a debate about whether the 2018 World cup should go ahead in Russia? On the economy, are the Government satisfied that the current EU sanctions against Russia are adequate, and is there a case to strengthen them?

I ask those questions not because I have come to a conclusion about them, but because I believe they are the difficult but right questions that fall out of the report and that this country now needs to debate them in the light of its findings, if we are to do justice to the Litvinenko family.

There is a question about how the Government go about formulating their response and the considerations that will guide them. Although the Home Secretary ordered this review, it is important to note that she originally refused to do so, citing international issues. She has mentioned them again today, but should not it be considerations of justice, not diplomacy, that lead the Government’s response? Will she give a categorical assurance to that effect? There can be no sense of the Government pulling their punches because of wider diplomatic considerations. If we were to do that, would it not send a terrible message to the world that Britain is prepared to tolerate outrageous acts of state violence on its soil and appease those who sanctioned them?

Once all those considerations are complete, will the Home Secretary commit to coming back to this House and updating it on the final package of steps that the Government will take? The Litvinenko family deserve nothing less after their courageous fight.

I wish to finish by recalling Alexander Litvinenko’s last words to his son, Anatoly, who was then 12 years old. He said:

“Defend Britain to your last drop, because it has saved your family.”

He believed in Britain and its tradition of justice and fairness, standing up to the mighty and for what is right. Should not we now find the courage to show his son and the world that his father’s faith in us was not misplaced?

Mrs May: First, may I echo the comments made by the right hon. Member for Leigh (Andy Burnham) about the investigation by the Metropolitan police? As he said, it was identified by Sir Robert Owen as exemplary and, as I indicated in my statement, the investigation remains open. The right hon. Gentleman also said right at the very beginning of his comments that time needs to be taken to look at the report. It is very thorough and detailed, and he is right to say that we need to look at it carefully.

The right hon. Gentleman asked whether I would be willing to meet Marina and Anatoly Litvinenko. I wrote a private letter to Marina Litvinenko yesterday and I would be very happy to meet them to discuss these and other issues that I understand she has raised today in response to the report.

The right hon. Gentleman asked a number of other questions, including about a potential Magnitsky Act. I know that the shadow Leader of the House, the hon. Member for Rhondda (Chris Bryant), who is sitting next to the right hon. Gentleman, has raised that issue in the Chamber on many occasions. There are a number of actions we can take in preventing individuals from coming to the United Kingdom, but in this case, of course, we actually want Lugovoy and Kovynt to be in the United Kingdom to be able to face justice. The right hon. Gentleman said that there were reports of them travelling. There are Interpol red notices and European arrest warrants in place, which will lead to their being arrested if they travel outside Russia.

Of course, we take the security of individuals in the United Kingdom very seriously and look at and review those issues regularly. The right hon. Gentleman said that we need to review our relationship with Russia. We have just been through the exercise of the national security strategy and the strategic defence and security review. I referred to that in my statement, and that makes very clear the issues in relation to Russia. I assure him that the Prime Minister will raise the matter with President Putin at the next available opportunity. EU sanctions are of course agreed across the European Union, and the UK has actually been leading on EU sanctions and encouraging such action to be taken.

Finally, the right hon. Gentleman commented on the importance of justice. We agree on this issue. Everybody in the House recognises the significance of this report’s findings, and the significance of the fact that this act of murder took place on the streets of London and was state-sponsored. We want to see justice for the family;
Dr Liam Fox (North Somerset) (Con): I thank my right hon. Friend for her comprehensive response to the report. Sir Robert points out not only that Lugovoy has not been extradited to the UK, but that he “has been lionised in Russia. He has become a member of the Duma, and indeed was awarded an honour by President Putin during the course of the Inquiry’s hearings.”

This calculated snub adds insult to injury. Is it not clear that, while such a position is maintained and the suspects are not extradited, the Putin Government can never and should never be treated as an equal and full partner in global political affairs?

Mrs May: My right hon. Friend is absolutely right in his description of what has happened in relation to Lugovoy in Russia. That tells us all we need to know about Russia’s attitude to the action that took place on the streets of London. Russia does of course participate in such a way—it is a permanent member of the United Nations Security Council—and, as I said in my statement, there will be national interests that require the British Government to engage guardedly with Russia. For example, there are issues relating to Syria and the resolution of the conflict there. However, I assure my right hon. Friend that we are very clear about such issues in relation to Russia. We were clear about those issues in the SDSR. That is why, when we engage with Russia, we will, as I say, do so guardedly.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): I, too, thank the Home Secretary for her statement. I pay tribute to Sir Robert Owen and his inquiry team for their work, and indeed to all those who have contributed to getting to the truth. All Members will share a sense of outrage at this cowardly and awful murder, and we again express our condolences to Mr Litvinenko’s family. As the Secretary of State has said, the apparent involvement of the Russian state at the very highest level makes this murder doubly shocking.

It will clearly take some time fully to digest all the findings and recommendations of the report and to think through its implications, but some initial questions arise. Most immediately, we need to know what more, if anything, can be done to bring Mr Litvinenko’s killers to justice. We welcome the action against Mr Kovtun and Mr Lugovoy announced today, and the request made to the Director of Public Prosecutions. However, what, if any, further options are being considered? Will we hear from the Secretary of State for Foreign Affairs about what he believes to be the appropriate response?

To look back at the circumstances of the murder, will the Home Secretary say what, if any, information our security and intelligence services had about Mr Kovtun and Mr Lugovoy prior to their meeting with Mr Litvinenko? Were they aware that the meeting was taking place, and had they assessed whether it represented a risk to his life? Most importantly, what do we know about how the killers were able to acquire such a significant dose of radioactive polonium and use it in this country as a weapon? Finally, what more can be done to prevent any such awful event from happening again in future? Has any assessment been made of the risk to those who have fled regimes and sought shelter in the UK, so that we can prevent such attacks from happening again?

Mrs May: As I have said, we all share the hon. Gentleman’s desire to bring these individuals to justice. That is why I have written to the DPP this morning to ask her to explore whether there are any other options that she can look at in relation not just to the extradition of the two individuals, but to criminal asset freezes.

The hon. Gentleman asked whether my right hon. Friend the Secretary of State for Foreign Affairs should make a statement on this issue. As the hon. Gentleman can see, my right hon. Friend is present. The statement I made is obviously the view of the Government, and we have discussed the approach we are taking on these matters.

The hon. Gentleman asked about access to polonium-210. As I said earlier, this is a very detailed report, and sections of Sir Robert Owen’s report cover that particular issue. We are grateful to Sir Robert for the thoroughness with which he has conducted his inquiry.

Mr David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for the tenor and thrust of her statement. The magisterial report written by Sir Robert Owen says in paragraph 10.16: “The FSB operation to kill Mr Litvinenko was probably approved by Mr Patrushev and also by President Putin.”

Given the secrecy of the Russian state, I do not think we need to worry too much about the word “probably”. This is way beyond the normal civil legal requirements and what is needed to take economic, political and diplomatic action. What is certain is that the Russian state under President Putin has killed over 100 opponents—lawyers, accountants, journalists and politicians. It is a kleptocratic state that uses assassination as a policy weapon.

May I ask the Home Secretary what we intend to do about Patrushev and Putin? We cannot tolerate their ordering assassinations on the streets of our country. Will she take targeted economic sanctions against them and, where possible, travel sanctions, although obviously those are not possible with a Head of State? Will there be an expulsion of intelligence officers—both FSB and others—from the Russian embassy, which would be entirely appropriate? It has been asked whether we should encourage our allies to help us. Of course we should, but we should also tell countries such as the Bahamas, Switzerland and Cyprus—all the Russian financial boltholes—that there is no hiding place for the money of these people.

Mr Speaker: We are extremely grateful to the right hon. Gentleman for what has to be described as a comprehensive question.

Mrs May: First, on the results of the inquiry, what Sir Robert Owen has found in relation to the individuals responsible for the murder of Alexander Litvinenko and, indeed, the responsibility of the Russian state will come as no surprise, as I said in my statement, because successive Governments have made the assessment that there was state involvement in this act. That is why the Government at the time took a number of measures,
some of which remain in place today, in relation to our relationship with the Russian state. I assure my right hon. Friend that it is in no sense business as usual and that there is not the sort of relationship that we would have with most states.

As I indicated, action has already been taken against Mr Patrushev in his current role in the form of sanctions. As my right hon. Friend himself indicated in his question, relationships with a Head of State are a different matter. As I indicated earlier, the Prime Minister will raise this matter with President Putin.

Mr Ben Bradshaw (Exeter) (Lab): Is this not proof, were any further evidence needed, that what we are dealing with in Putin’s Russia is a rogue state? The British public will be aghast that two murderers have only today had their assets frozen by the Treasury. Does that not point to the complete complacency on the part of this Government? When will they take meaningful action against the dirty Russian money and property here in London that sustain the Putin kleptocracy? When will the Government implement the will of this House, which in 2012 voted overwhelmingly in favour of passing Magnitsky Act-type legislation?

Mrs May: I have answered the last point that the right hon. Gentleman made about the Magnitsky Act that exists in the United States. We have measures that we can take to prevent people from coming into the United Kingdom. In respect of the two individuals whom the inquiry found committed this murder on the streets of London, it is important that we take every step to bring them to the UK, rather than stop them coming here, because we wish to see them brought to justice. He talked about the position of Russia. As I indicated, we have seen recent examples of the increasing nationalism, authoritarianism and aggression in Russia.

The right hon. Gentleman asked why the asset freeze has been put in place only today. Obviously, I looked into what further action could be taken following the results of the inquiry by Sir Robert Owen. Of course, action was first taken in relation to this matter in 2007 as a result of the initial investigations and the initial assessments that were made by the Government and others. Asset freezes were not put in place at that time. We have looked at that and decided to do so today.

Mr Christopher Chope (Christchurch) (Con): Why was my right hon. Friend’s case put to the High Court in January 2014 in the following terms: “There was no clear public interest in the immediate establishment of a statutory inquiry to investigate the Russian state responsibility issue.”?

Does she regret that that was put on her behalf?

Mrs May: Successive Governments, including this one, have wanted to try to get to the truth behind this issue, but it was not until 2011 that the coroner decided that the trial was unlikely to take place, so that an inquest could go ahead. That inquest was started, and at the time we felt that the most appropriate form in which these matters should be assessed was through that inquest. It then became clear through a decision of the divisional court that certain evidence was necessary and not available to the inquest. At that stage, in order to ensure that all evidence was available and that all matters could be considered, I decided to turn the inquest into a statutory inquiry.

Ian Austin (Dudley North) (Lab): Well, they’ll be quaking in their boots in the Kremlin today, won’t they? Putin is an unreconstructed KGB thug and gangster who murders his opponents in Russia and, as we know, on the streets of London, and nothing announced today will make the blindest bit of difference—nothing at all. We need much tougher measures to target Putin and the people around him, and those calling for a US-style Magnitsky Act are completely right. We need to target the crooks and murderers who have been involved in murders and corruption, and prevent them from coming to the UK, from keeping their money in British banks, and from buying property here in London.

Mrs May: I say once again to those who think that the creation of a Magnitsky Act and a list of people who are excluded will, in some sense, add to the strength of measures that we already have that it is already possible for us to exclude people from the United Kingdom. I repeat: we want those individuals who came to London and committed this act on its streets to be brought to the UK to face trial, so that justice can be done.

Mr Jonathan Djanogly (Huntingdon) (Con): We are constantly reminded of Russia’s human rights abuses against its own citizens, and we have initiated sanctions against Russia for its abuse of human rights against citizens of other countries such as Ukraine. Surely it is now imperative that we initiate sanctions against Russia, as well as against those individuals responsible for killing a British citizen on British soil.

Mrs May: My hon. Friend’s portrayal of the Russian state is right, but a number of sanctions have already been implemented in relation to this matter. As I indicated, in 2007 the then Government took a number of measures, including the expulsion of certain officials from the Russian embassy and visa sanctions, and some of those measures remain in place. Sanctions have been implemented, and further sanctions have been taken against individuals in relation to Russia’s actions in the Crimea and Ukraine. We are very clear about the nature of Russia, which is why we have continued to consider steps that can be taken. Anybody who thinks that sanctions are not in place is wrong—sanctions are in place.

Mary Creagh (Wakefield) (Lab): The Home Secretary and Parliament have before them a report that sets out that the Russian state probably sponsored and sanctioned the murder by nuclear material of a UK citizen, just a couple of miles from this building. Does the Secretary of State agree that her refusal to act strongly in response to that, including taking the matter to the United Nations Security Council, will be seen as a sign of British Government weakness by Putin?

Mrs May: I am not sure what action the hon. Lady thinks the United Nations Security Council, of which Russia is a permanent member, would take in relation to this matter. I have drawn the issue to the attention of a wide variety of colleagues in the European Union, the “Five Eyes” countries and NATO, to ensure that they are aware of the findings of this inquiry and its potential implications for them.
Crispin Blunt (Reigate) (Con): The public inquiry has been a triumph for Marina Litvinenko and the British justice system. It has established in the open what the Government have either known or certainly assumed for the past decade about the nature of the current Russian state. Will the Home Secretary confirm that the current state of relations with Russia is already heavily conditioned by that understanding? The challenge remains, with this as the background, to advance our remaining common interests, not least in the fight against violent Islamic extremism and in bringing to an end a bloody civil war in Syria. That challenge, answering the difficult questions posed by the shadow Home Secretary, is at the core of the Foreign Affairs Committee’s current inquiry into the British-Russian relationship.

Mrs May: I am grateful to my hon. Friend for the fact that his Committee is undertaking that important review into the British-Russian relationship. He is absolutely right. Our relationship with Russia is already heavily conditioned. As I indicated earlier, shortly after the murder took place sanctions of various sorts were put in place, including visa sanctions. Those have remained. Our relationship with Russia is, as he said, heavily conditioned. As I said earlier, it is also the case—he is absolutely right—that there are issues in the British national interest on which a guarded engagement with Russia may be important. Of course, the future of Syria and resolving the conflict in Syria is just one of those issues.

Tom Brake (Carshalton and Wallington) (LD): A slap on the wrist for Russia won’t do it. President Putin’s heart will not miss a beat if the UK cancels a trade mission here or a cultural visit there, but it will if we expand the scope of the sanctions already in force because of Russia’s illegal activities in Ukraine. Will the UK Government now ban any other Russians implicated in the murder, however senior, from travelling to the UK and freeze their assets? An assault on our sovereignty, which saw a British citizen murdered on British soil in a nuclear attack, requires nothing less.

Mrs May: As we have said, it is of course right that we take extremely seriously the nature of the attack that took place and the findings of the inquiry. As I indicated, this is not something that comes as a surprise. An assessment has been made by successive Governments of the responsibility and involvement of the Russian state in the act, as well as of the two individuals who have been named as undertaking the act here in the United Kingdom. We have a series of sanctions in place.

The right hon. Gentleman mentioned the reaction to Ukraine. I indicated earlier that it is in fact the United Kingdom that has been leading the European Union effort in placing sanctions on individuals in Russia.

Mark Pritchard (The Wrekin) (Con): Russia’s incremental bilateral relations are improving on the issues of Syria, Iran and global counter-terrorism. Is it not the case that, while that is welcome, the diplomatic relations between the United Kingdom and Russia can never be fully re-set until there has been justice over what the Home Secretary has rightly said is state-sponsored murder on the streets of London?

Mrs May: We are very clear that it is not business as usual with the Russian state. Our relationship with Russia is heavily conditioned. As I have indicated, there may be some issues on which it is necessary to engage with Russia very carefully, but it is not the case that we are lifting or changing the relationship. Successive Governments have been clear since 2007 that it was necessary to take action. That action has remained.

Peter Grant (Glenrothes) (SNP): What are we looking at here is an act of terrorism sponsored and carried out by the Russian Government. The report leads only to one possible conclusion: we now have to regard the Russian state as an organisation actively involved in commissioning, funding, supporting and directing acts of terrorism against UK citizens within the United Kingdom.

I appreciate that the Home Secretary cannot go into detail about everything that is happening in response to that, but may we have an assurance that, in the pursuit of justice, the Russian terrorist organisation and those involved in directing it will be pursued with exactly the same vigour as anyone else who directs acts of terrorism against United Kingdom citizens?

Mrs May: We are very clear that we want to ensure that those responsible for the murder are brought to justice. That is why, as I have indicated, every effort is being made in relation to the two individuals named in the report as having conducted the act here in London. The investigation is ongoing and every effort is being made to ensure that they can be arrested and brought to justice here in the UK.

Robert Jenrick (Newark) (Con): I, too, was struck by the reported final words of Mr Litvinenko to his son, Anatoly. What an assured and articulate man he has grown into, as we saw on the TV recently. To repay the confidence of Mr Litvinenko in this country, may I ask the Home Secretary to go further? In particular, will she respond in detail to Mrs Litvinenko’s request regarding the additional names she has prepared with Ben Emmerson, and whether those individuals should be banned and sanctions taken against them?

Mrs May: I echo my hon. Friend’s comments about Anatoly Litvinenko. His demeanour in the interview on television last night showed a fine young man who has grown up in this country against a background of very difficult circumstances, given what happened to his father. As I indicated earlier to the shadow Home Secretary, I would be happy to meet Marina and Anatoly Litvinenko. Obviously, that would provide an opportunity to discuss the matters my hon. Friend raises.

Mrs Madeleine Moon (Bridgend) (Lab): Bill Browder, a British citizen, wrote his book “Red Notice” explaining how he took the Magnitsky Act to the United States, because he could get no interest in it here in the UK. Is it not now time for the Home Secretary to meet Bill Browder, look at how the Magnitsky Act has made such a huge difference and consider what the United Kingdom can do to introduce the Act here in the UK?

Mrs May: I apologise, Mr Deputy Speaker, because I...

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the powers in the Magnitsky Act. It is on that basis that I think we have the powers we need to exclude people. I repeat the point I made earlier: if people think that introducing the Magnitsky Act will mean that those who perpetrated this heinous crime will be brought to justice, they are very wrong.

Clive Efford (Eltham) (Lab): A unilateral boycott of any sporting event in Russia by this country would be futile. There is no denying that delivering the world athletics championships, the winter Olympics and the 2020 World cup, while behaving like an international pariah, is a major propaganda coup for Putin. What does the Home Secretary think we can do to work with sympathetic nations to ensure that Putin cannot deliver these sorts of propaganda coups in future?

Mrs May: I recognise that a number of Members have indicated their desire for the Government to intervene in decisions taken by various sporting authorities. I have set out that a number of decisions have been taken by the Government. Sanctions have been put in place over a period of time in a number of different ways against the Russian Government. We are very clear that we maintain measures started under the Labour Government in 2007. As I have indicated, we are looking to see what further action can be taken against Lugovoy and Kovtun as a result of the report.

Julie Elliott (Sunderland Central) (Lab): I welcome the Home Secretary’s report and I look forward to seeing what extra measures and actions she takes as a result of it. I am very concerned about people currently living in this country who have spoken out against the Putin regime. We already knew they were in a dangerous position, but clearly it has now been proven that they are in a dangerous position. Will she look at their security arrangements? Will she review how the polonium-210 came in, and how secure we are living in a city with the threat of it just wandering around our streets?

Mrs May: We look very carefully at the measures taken on our borders in relation to goods and individuals coming into the United Kingdom. On sanctions or other actions taken against individuals and the Russian state, I have answered that question on a number of occasions already.

Valerie Vaz (Walsall South) (Lab): The House should pay tribute to the great British scientists without whose dedication and expertise it is widely accepted we would not have come to the truth. Will the Home Secretary join me in thanking them?

Mrs May: I thank the hon. Lady for giving me the opportunity to do just that. The work of the Atomic Weapons Establishment played an important part. The scientists who helped to investigate and get to the truth of the matter did a very important job.

Angela Rayner (Ashton-under-Lyne) (Lab): I am sure I speak on behalf of my constituents and the whole nation when I say that my thoughts are with the Litvinenko family and that everything must and should be done to ensure they have justice. My constituents will be extremely concerned that a foreign nation could have come to our country—to our heartland of London—and, bearing in mind how it killed Litvinenko, put our citizens at risk. Based on what my right hon. Friend the Member for Leigh (Andy Burnham) and others have said, can the Home Secretary honestly say she is doing everything she can to keep our citizens safe?

Mrs May: I can assure the hon. Lady that the Government take extremely seriously their prime responsibility for maintaining the safety and security of British citizens. We have, for example, introduced legislative proposals, and continue to do so, to ensure that our security and intelligence and law enforcement agencies have the powers they need to keep us safe.

Mr Deputy Speaker (Mr Lindsay Hoyle): Last but certainly not least, I call Jim Shannon.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for her statement. Given the revelation that President Putin most likely signed off on the assassination of Alexander Litvinenko and the fact that decency and moral correctness mean nothing to the Russian authorities, does she agree about the importance of sanctions? That said, many people inside and outside the House, and perhaps she herself, are frustrated that sanctions do not seem to be biting in the way they should. Will she outline what new and unique sanctions are in place to make these people more accountable?

Mrs May: The hon. Gentleman invites me to comment again on the sanctions put in place against the Russian state and individuals. I repeat that we continue with the visa sanctions introduced in 2007. As I indicated, the UK led the economic sanctions that resulted from the EU discussions that followed Russia’s action in Ukraine, and of course any sanctions applied at EU level require agreement throughout the EU.
Infected Blood

12.22 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): In the urgent question on 16 December, I committed to publishing the consultation on infected blood scheme reform in January. I am pleased, therefore, to announce the launch of that consultation. I recognise that for some this will come too late. I cannot right the pain and distress of 30 years, and the truth is that no amount of money could ever make up for the impact that this tragedy has had on people’s lives. As I have said before, for legal reasons, in the majority of cases, it is not appropriate to talk about compensation payments, but I would like to echo what has been said before in the House and say sorry on behalf of the Government to every person affected by this tragedy.

Scheme reform is a priority for me and the Government, and for that reason I can announce that the Department of Health has identified £100 million from its budget for the proposals in the consultation. This is in addition to the current spend and the £25 million announced in March 2015, and it will more than double our annual spend on the scheme over the next five years. This is significantly more than any previous Government have been able to provide for those affected by this tragedy.

I know all too well of the ill health and other impacts on many of those affected by the tragedy of infected blood. I have corresponded with many of those affected and their MPs—they each have their own story to tell—and I have reflected carefully on all this in developing the principles on which the consultation will be based. These are: that we focus on those infected; that we can respond to new advances in medicine; that we provide choice where possible; and that we maintain annual payments to everyone currently receiving them. The consultation is an opportunity for all those affected to have their say, and it is important that it extends to the quieter voices from whom we hear less often.

It is not appropriate, and I do not have time, to go through the whole consultation document today, but I would like to highlight some of its key components. A large population within the infected blood community currently does not receive any regular financial support. These are the people with hepatitis C. I believe it is important that everybody receives support from the new scheme and that it be linked to the impact infection has on their health. I therefore propose that all those registered with the schemes with hepatitis C at current stage 1 be offered an individual health-based assessment, completion of which would determine the level of annual payment received. This would also apply to anyone who newly joins the scheme.

The consultation document outlines our proposal that those currently receiving annual support should have their payments uplifted to £15,000 a year. Those who are co-infected and currently receive double payments would continue to do so. I often hear that people are unhappy about applying for discretionary charitable payments. I hope that the introduction of new regular annual payments will remove this requirement. I am keen that those who respond to the consultation take the opportunity to answer all the questions about the support proposed so that I can make informed final decisions on the shape of any new scheme once all the responses have been collected and analysed.

During the urgent question, I said I was interested in the opportunities offered by the advent of simpler and more effective treatments that can cure some people of hepatitis C. The NHS is at the start of its programme to roll out the new hepatitis C treatments previously approved by the National Institute for Health and Care Excellence. As Members will know, the NHS must prioritise treatment on clinical need and not on route of infection, which means that, although some in the infected blood community will be eligible for treatment right away, others might have to wait.

More than anything, I want, if we can, to give the chance to limit the impact of hepatitis C on the infected community by making an offer of treatment. Over recent months, I have received many letters from people expressing a wish to halt the progress of their infection—one of the many letters that particularly struck me asked simply: “Please make me well”—so my intention is that the new scheme will provide an opportunity to enhance access to treatment, especially for those who fall just short of the current NHS criteria. I hope that we can treat more people if finances allow. That is why the consultation is seeking views on offering treatment to those with hepatitis C in the infected blood community not yet receiving treatment on the NHS.

In keeping with the principle of offering choice where possible, I am pleased to announce that we are consulting on a choice of options for the bereaved. Currently, bereaved partners or spouses are eligible to apply for means-tested support from the charities. As I have said, I have heard concerns from many people who do not like having to apply for charity. With that in mind, the consultation offers the choice of continued access to discretionary support or a one-off lump-sum payment for the bereaved based on a multiple of their current discretionary support. There are questions on this in the consultation document, and I am keen to hear from those affected so that I can understand their preference.

Having listened to concerns about the complex nature of the five schemes, the consultation proposes that, following reform, there will be one scheme run by a single body with access to expert advice, including from National Institute for Health and Care Excellence, so that we can keep pace with any new advances in treatment for hepatitis C and HIV that emerge.

On the next steps, the consultation will be published today on gov.uk and will run until 15 April. This is a 12-week consultation to ensure that all those who wish to respond have time to do so. The consultation document contains questions about the proposals on which I would welcome views. I recognise that there has been disappointment that we have not consulted sooner, but the outcome of the consultation will be crucial to informing our final decisions about how to proceed, and I give the House, and those affected, my commitment that we will proceed as rapidly as possible to implementation thereafter.

We need, as a priority, to make progress in rolling out the health assessments as quickly as possible to ensure that people get access to the support and clinical advice they need. I should be clear, however, that my intention is that annual payments for the current stage 1 cohort should be backdated to April 2016, regardless of when each individual’s assessment takes place.

This is the first time that the Government are consulting fully and widely with the entire affected community and all those who might have an interest on the future
My final question is about the status of hepatitis C sufferers who have not developed liver cirrhosis. We welcome the possibility of ongoing payments, but can the Minister say how the assessments will work? In particular, it is important that these assessments take account of the longer-term health impacts of living with hepatitis C. Does the Minister have any figures on how many of these individuals will not have access to the new hepatitis C treatments? Given that the NHS made these people ill, and the NHS has the drugs available to help these patients, it does seem wrong that we are denying some of these people treatment—the treatment that they both need and, frankly, deserve. Will the Minister say a bit more about how the Government intend to improve access to treatment specifically for these individuals?

I hope that everyone affected will be able to take part in this consultation and have their say on the future reform of the scheme. The Minister will have our full support in implementing that new scheme and doing what we can to provide relief for the victims of this terrible injustice.

Jane Ellison: I thank the shadow Minister for responding in those terms. It is much appreciated. As he says, we all want to try to move forward with a consensus in support of the people affected by this tragedy, I will try to respond to his questions, although I might have to write to him on one of them because my on-the-spot maths is not quite good enough.

On funding, as I have made clear several times before, the money will come from the Department of Health budget, and we have identified an additional £100 million over this spending review period, which allows us to double the current spend on the existing schemes. This is in addition to the £25 million announced in March 2015. Spend to date is £390 million and the projected future spend is £570 million, so together with the £100 million and the £25 million, that amounts to more than £1 billion over the lifetime of the scheme. I hope that provides the hon. Gentleman with some clarity on funding.

The hon. Gentleman asked about lump sums. It can be seen in the consultation documents that we are consulting on options for both those already bereaved and those who will be bereaved in the future, and we are asking people how they feel about continuing with a discretionary approach or taking a one-off payment that would be based on a multiple of the discretionary payment they get in the current financial year—or indeed a hybrid of the two. We are trying to be as open as possible, so people can give us their views on how they see the way forward.

I have seen the Scottish proposals and I had a conversation with my opposite number in Scotland this morning before I came to the House. Because one of the options for bereaved people is an ongoing payment, albeit a discretionary one, I would not compare it with what I understand the reference group in Scotland has put forward as a pension. Obviously, we are talking about access to ongoing but discretionary payments. Again, I look forward to hearing the views expressed during the consultation on that issue.

It might be helpful for Members to know that 160,000 people in England have hepatitis C. Those affected by this tragedy make up fewer than 2% of the hepatitis C population in England. The NHS has to treat people on
the basis of clinical need. The treatments are in the region of £40,000 each—quite expensive treatments. However, we believe more treatments are in the pipeline, which is one reason why I am so keen to ensure that clinical expertise is embedded within the new scheme. We are particularly keen to understand, in respect of the people who do not quite reach the current NICE guidelines for rolling out treatment in the NHS, whether, by recognising the unique circumstances of the people affected by this tragedy, we can do something within the scheme to support them. We need to understand how many people will be interested. Members might find it helpful to know that while not every genome type of hepatitis C is susceptible to the new treatment, the majority, thankfully, are. For some people, none of the new treatments is clinically appropriate.

I think I have dealt with the key questions that the hon. Gentleman asked me. I would be happy to carry on working in the spirit in which he responded to my statement and come back to him with any further clarity that he seeks subsequent to this debate.

Maggie Throup (Erewash) (Con): I thank the Minister for her statement and for the measures she has outlined today, as well as for her continuing commitment to seek justice for the victims of contaminated blood, including some in my constituency. When it comes to looking at drugs for the future, will the Minister commit to continuing investment in molecular diagnostics as the way forward for victims in the future?

Jane Ellison: The Government and the NHS have made it very clear that we greatly welcome what we see as a rapidly changing landscape. There is huge commitment on this issue. I am joined on the Government Front Bench by the Under-Secretary of State for Life Sciences, my hon. Friend the Member for Mid Norfolk (George Freeman), who is doing a great deal to accelerate some of the newest treatments and their adoption within the NHS. I can absolutely give that commitment that we always want to stay at the cutting edge of medicine. One reason for delaying this consultation, perhaps to the frustration of some, is that we now have a fuller picture of the current state of the available treatments. The last three treatments that are to be rolled out in the NHS were not approved by NICE until 25 November. I want to ensure that we are always up to date with the treatment landscape as it evolves, as we hope it will continue to do.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): We understand the terrible situation of those who have been affected by the infected blood tragedy, and empathise greatly with them. It is imperative that we take every possible action to compensate where we can, although no amount of money can truly compensate the individuals whose lives have been affected.

It appears from the Minister’s statement that what is being proposed is a step in the right direction, but we must focus on the needs of those affected, offer choice, and ensure that there is medical advancement and evidence-based practice. I understand that payments are made through a United Kingdom scheme, but there is clearly considerable involvement on the part of Health Departments in devolved Administrations.

Let me end by reiterating our support for those affected, and by asking the Minister what discussions she has had with devolved Administrations about consultation arrangements, scheme reform, payments including those recommended for widows or widowers, and other support that is urgently required.

Jane Ellison: The consultation is being undertaken by the Department of Health in England, but anyone in the United Kingdom can respond, and we continue to work with all the UK Health Departments. My officials have been working closely for months with officials in devolved Administrations. I offered to speak to my ministerial counterparts on the phone this morning, and had a helpful conversation with both Shona Robison and the Welsh deputy chief medical officer. I note that the chief medical officer for England also contacted her opposite numbers.

As I have said, we are in touch with all the devolved Administrations. Because health is now a devolved matter, they are responsible for providing financial support for those affected in each country, and I know that Scotland is consulting on scheme reform in its own right. However, all the devolved Administrations will have the option of joining our new scheme in the future, and an assessment will be made of the financial contribution that is necessary. I had a useful conversation with Shona Robison about some of the transitional arrangements, and about how we can work together. I said that we would try to be as helpful and supportive as possible, and I have every confidence that we will continue in that spirit.

Chris Heaton-Harris (Daventry) (Con): I welcome the statement, I welcome the consultation, and I certainly welcome, on behalf of my constituents, the extra money that seems to be available.

The Minister has said that she wants the widest-ranging consultation. Every Member will have received letters from their constituents about this issue, and those letters have been have passed on to the Department. My constituent Matthew Harris, for instance, has been campaigning actively for a very long time. Will the Department be able to contact those constituents, and ensure that those who are directly affected, and with whom the Minister has already been in contact, can take part in the consultation?

Jane Ellison: I assure my hon. Friend that we will make every effort to reach people. My officials have already put in place extensive plans to publicise the consultation—they have met the heads of the charities and those running the current schemes, and will be writing to those who are registered with those schemes—and we will make it as easy as possible for people to get involved. One of our reasons for organising a 12-week consultation is that we recognise that some people may not be online, and we want to make sure that everyone has a chance to comment.

I will reflect on what my hon. Friend has said about direct contact. That may already be being pursued through some of our plans, but, as I have said, we have extensive plans to publicise the consultation, and it goes live today. Of course I shall welcome Members’ contributions on behalf of their constituents.

Diana Johnson (Kingston upon Hull North) (Lab): I thank the Minister for her statement. I am sure that the all-party parliamentary group on haemophilia and contaminated blood will want to study the details in the coming weeks, and to take part in the consultation.
At first glance it appears that the Minister’s proposals are not as generous as those that are being discussed in Scotland, although I accept that as yet the Scottish Government have not accepted those proposals. However, I want to raise the specific issue of health assessments of those who are in stage 1 of hepatitis C. A number of those people have been living with the condition for a great many years, and even if their viral load is now cleared, they will not be able to resume their lives as if they had never been infected. Will the Minister assure me that that will be taken into account in any health assessments and in any subsequent financial arrangements?

**Jane Ellison:** Let me first thank the hon. Lady for all the campaigning work that she has done, for which she has rightly been recognised by others. Although we have not always been able to agree on everything, I have been greatly informed by what she has brought to our discussions, and I take on board many of the reports that the all-party group has produced over the years.

The recommendations that are being discussed in Scotland were made by a reference group and not by the Scottish Government, who have yet to respond to them. Shona Robison indicated that they would respond in due course, but that, obviously, is a matter for them.

It is a little too early to specify exactly how the individual health assessments will be carried out, but we will be asking an expert advisory group to advise on the criteria and the evidence. As I said in my statement, it is a question of recognising the impact of ill health, and also the fact that some people’s health fluctuates. I think that we can be assured that everyone will be included in the scheme, and that everyone will receive an annual payment. I should add that we expect people’s own clinicians to be involved in the individual assessments.

**Chloe Smith** (Norwich North) (Con): I welcome the Minister’s personal determination to see this through, and the progress that she has already achieved. I know we all agree that it has long been needed. I welcome the Government’s apology, the level of funding that has been secured, the format of the annual payments, and, in particular, the backdating offer. However, may I also urge the Minister to focus on fulfilling her promise of treatment for hepatitis C at every level of the NHS? A great deal of bureaucracy lies ahead, and our constituents have no appetite for putting up with it.

**Jane Ellison:** I thank my hon. Friend for what she has said. I am glad that she feels that we are making progress.

The NHS is just beginning to roll out many of the new hepatitis C drugs, although some people have already been treated, and obviously many more will be treated in the future. One of the benefits of individual health assessments for everyone in stage 1 of the scheme is that we shall be able to understand not just clinical need, but problems such as those described by my hon. Friend. The consultation may help us to establish whether help with navigating the health system is one of the non-financial aspects of support that people might seek.

**Norman Lamb** (North Norfolk) (LD): I thank the Minister for her statement, and welcome the consultation. It is an important step forward.

The individual health assessment clearly marks quite an important moment for people with hepatitis C—a condition that other Members have raised—because the Minister has talked about linking it to payments. Does she envisage an entirely discretionary payment linked to the assessment, or a system involving payment bands? How will the scheme work, and will there be a right of challenge? What does the Minister mean by “enhanced” access to treatment? Is there still a risk that some people will not have immediate access to it?

**Jane Ellison:** As have I said, we will ask an expert advisory group to consider what the criteria for the health assessments should be, and we expect people’s own clinicians to be involved. Broadly speaking, we probably envisage payment bands, but that too will be subject to the consultation. We want to be able to combine speed and fairness.

People with hepatitis C are receiving NHS treatment based on NICE guidelines, but we understand that there will always be people who fall outside those at any one time, and we hope to be able to offer treatment to them within the scheme. Within the overall envelope of funding, however, we will not know exactly what the balance is until after the consultation. I do not know what affected individuals’ views are about the balance between treatment and some of the other options in the consultation. I genuinely want to see what they think, and how attractive the treatment offer is to them, before we reach our final conclusions.

**Mr Geoffrey Cox** (Torridge and West Devon) (Con): I thank the Minister for the work she has been doing on this issue. I also thank her and her ministerial colleague my right hon. Friend the Minister for Community and Social Care for the impressive way this is being handled. We should never forget that this is a simple matter of justice, and it is time, after all the apologies, that those affected should feel we are doing justice to that injustice. I hope that my hon. Friend will agree with me that one of the important needs is that any scheme should be simple, comprehensive, predictable and consistent, and that it is absolutely essential that the bewildering variety of current provision is resolved into that single clear scheme. Will she give me the undertaking that, whatever emerges at the outcome of this process, that will be the Government’s abiding priority?

**Jane Ellison:** I certainly think I can give my hon. and learned Friend some comfort in that regard. The area on which there was the greatest consensus right across the infected blood community and this House is on precisely what he describes: the complexity of the schemes and the fact that they are a mixture of regular payments and discretionary means-tested payments. Obviously we need to wait for the end of the consultation to see exactly what everyone’s views are, but we will not waste time. We will begin a scoping exercise on scheme reform while the consultation is under way in anticipation of finalising plans at the end of the consultation. I agree that we need a scheme that is straightforward, simple and sustainable, both giving regular support to those infected and allowing this Government and future Governments to be able to plan and sustain the support.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): Like many other hon. Members, I have met constituents who have been affected by this tragedy,
and it is a simple matter of justice that needs to be righted, so I welcome much of what has been said from both Front Benches today. Has the Minister met or spoken to the Welsh Health Minister over the past few days to discuss the matter and how it will operate in Wales, specifically with regard to financing and the availability of the drugs? Will Welsh sufferers have to travel to England to take part in the assessments or will arrangements be made for them to take place in Wales?

**Jane Ellison:** One or two of those questions are probably a little too detailed to comment on now, but it is worth reiterating what I said about the devolved Administrations. I have not been able to speak to the Welsh Health Minister; we offered the opportunity of a call with other Ministers, including the Scottish Minister, but the Welsh Minister knows that he can get in touch. One of his officials was on the call this morning, and our offices have been talking to each other. I am happy to pick this up with the Welsh Health Minister if he wants to do so.

This consultation is for the scheme in England, but we have been working with counterparts in the devolved Administrations. While everyone in the UK is welcome to respond to the consultation and say what they think, health is now a devolved matter—that is different from when the first schemes were set up—so the devolved Administrations are responsible for providing financial support for those affected from each country. Treatment within the NHS is obviously a matter for the NHS in Wales, and I will look at some of the other points the hon. Gentleman made. We are happy to talk to him about the devolved aspects and write to him afterwards.

**Andy Slaughter** (Hammersmith) (Lab): I thank the Minister for the consultation, the additional money, the scheme consolidation and the work that both she and the Minister for Community and Social Care have undertaken. I also thank, of course, the all-party group and my hon. Friend the Member for Kingston upon Hull North (Diana Johnson). Will the Minister concede that, for those of us who have worked closely with individual victims for a number of years, the resolution has to be, as far as possible, to put them in the financial position they would have been in but for the grievous harm done to them, and that that may in some cases mean a bespoke solution for individual victims—we are not dealing with unlimited numbers of people here?

**Jane Ellison:** That is clearly the hon. Gentleman’s view and I invite him to submit it to the consultation. This is exactly why we are consulting. We have made some proposals, but some of the questions are very open, and we will look at what comes back from the consultation. I urge him and other Members to take part in the consultation.

**Mark Durkan** (Foyle) (SDLP): I welcome the statement and commend the shadow Minister’s tone. Victims in Northern Ireland share the compound frustration that we have heard from other Members on behalf of their constituents, but maybe feel more pointedly the contrast with their friends in the south of Ireland, who have had a path of justice available to them over many years. I know the Minister is absolutely sincere in her commitment to the issue of treatment, but will she give assurances that the effort she is putting into making sure people can be made well will not detract or distract from the obligation we still have to make good this travesty that people have suffered?

**Jane Ellison:** I thank the hon. Gentleman for that question and his sustained interest over such a long time, speaking on behalf of people from his area. Based on our previous conversations, I recognise there might be aspects of the proposals that the hon. Gentleman does not feel meet his own aspirations, so again I invite him to respond to the consultation. I will take note of his—and all other Members’—views. These are our proposals. Some of the questions are very open and people can give us their views. I recognise that something different happened in the Republic of Ireland, and it is down to another Government to make those decisions. The circumstances were different for reasons I have gone into previously from this Dispatch Box.

**Valerie Vaz** (Walsall South) (Lab): The Minister will know that some of the cases go back many years and the medical records may have been destroyed. Can she say in a little more detail what evidence is required both at the assessment stage and for those applying to the discretionary fund?

**Jane Ellison:** In truth, it is a little too early for me to give that level of detail. We want to ask for expert advice on that in order to get it right and, as I said in the statement, we are looking at the impact on people’s health now. We do not want this to be an invasive or onerous process for the people, who have gone through so much already, so we envisage involving people’s own clinicians as well as gathering other evidence. This is something we will ask experts to advise us on and we will come back at the end of the consultation.

**Jim Shannon** (Strangford) (DUP): I commend the Minister for her work on this and thank her for her statement today. We know her as a compassionate person totally committed to this case; I do not think that anyone in the House has any doubts about what she is trying to deliver, and we thank her for that.

Some 7,500 people have been contaminated by blood. Last year, the Prime Minister gave a commitment of £25 million and this morning the Minister has given a commitment of a further £100 million, which is good news. Some 10 people have passed away. The European Commissioner for Human Rights has recently ruled that Italy must pay compensation immediately to all those who received contaminated blood. I know there is a consultation process, but when will we see the money actually getting to the victims? Is there a timescale? There has not been any commitment, as I understand it, with the Northern Ireland Assembly and the Minister, Simon Hamilton. What, if any, discussions have taken place?

**Jane Ellison:** As I set out earlier, we offered a phone call this morning with the Minister in Northern Ireland, but I am more than happy to pick up on that. Our officials have been working quite closely together for some time on this, so I am more than happy should my opposite number want to have a conversation. The circumstances in Italy are different and, as I said in answer to the last question, other Governments must make decisions for themselves. I am aware of that case, but I think some of the circumstances are quite different.
On timescale, our priority is to move forward the individual health assessments, and at the same time we will do some scoping work around reform of the schemes themselves. I cannot yet say how long that will take, but I obviously want to do it as quickly as possible. As I mentioned in my statement, I want to reassure Members that whenever we undertake those assessments, people will not miss out just because they are towards the end of the process. We will backdate all those annual payments, once they are awarded, to April 2016.

Matthew Pennycook (Greenwich and Woolwich) (Lab): On a point of order, Mr Deputy Speaker. At business questions earlier today, I pressed the Leader of the House for a full debate on the Government’s proposal to allow Transport for London to run all the local metro train services in our capital, including those operated by Southeastern in my constituency. However, I and many other hon. Members representing London constituencies were amazed to learn of this announcement and of the Secretary of State for Transport’s supporting statement, not in this House but in an online article that appeared this morning on the website of the Evening Standard. The hon. Member for Richmond Park (Zac Goldsmith) was obviously aware of it, because he was at a press event with the Secretary of State, but the Leader of the House did not seem to be aware of what had taken place. Can you assure me, Mr Deputy Speaker, that the Secretary of State has at least had the courtesy to inform the House through your good offices of this welcome proposal, which will have serious implications, not least financial ones, for London?

Mr Deputy Speaker (Mr Lindsay Hoyle): I can tell the hon. Gentleman that there has been no written statement, and that I was not aware of this. He has certainly got his point on the record, however. As he knows, the Chair frowns upon statements being made outside the House before they have been made in the House. I hope that the Government will take on board the fact that this House is the place where statements should be made first.
1 pm

Dr Sarah Wollaston (Totnes) (Con): I beg to move.

That this House calls on the Government to bring forward a bold and effective strategy to tackle childhood obesity.

I want to thank the Backbench Business Committee for granting time for this debate. I also want to thank all my colleagues from across the House who are members of the Health Select Committee—and the staff of the Committee, particularly Laura Daniels—for their work on the report on childhood obesity that was published recently. Outside this House, there are also many organisations and individuals who have campaigned tirelessly to improve children’s health.

Perhaps we can start by looking at the example of Team GB and their success in the Olympics. On the morning of their track cycling victory, the architect of the team’s success, Sir David Brailsford, put their success down to the principle of marginal gains and their relentless pursuit of identifying every efficiency in the rider, the bike, the environment around them and their training regime. All those marginal gains were added together to win gold for Team GB in the Olympics. I think we need to adopt the same principle when it comes to tackling childhood obesity.

Too often, I hear people saying that it is all about education, or about getting children to move more in PE at school, but I would say that there is no single measure. We all know that this is an extremely complex problem that requires action at every level. I therefore call on the Minister to look at every single aspect of tackling childhood obesity. If we were running a cycling team hoping to win the Olympics, we would realise that we could not achieve success if we left any of the factors out, so let us apply that principle here.

Let me set the scene by telling the House why this subject matters so much. We know from the child measurement programme in our schools that around one in five of our children who enter reception class are either obese or overweight. However, by the time they leave in year 6, a third of our children are either obese or overweight. Perhaps even more worrying are the stark data on the health inequality of obesity. A quarter of the children from the most disadvantaged groups in our society are leaving school not just overweight but obese, which is now more than twice the rate among children from the most advantaged families. My first question for the Minister is this: will the childhood obesity strategy not only tackle the overall levels of obesity but seek to narrow that yawning and growing gap in our society between the least and most advantaged children? Any strategy that fails to narrow that gap will have failed our children.

Geraint Davies (Swansea West) (Lab/Co-op): Does the hon. Lady agree that some of the overall problem can be explained by the fact that people do not know how much sugar is in their food? She will know that women are supposed to have no more than six spoonfuls a day, and men no more than nine. Only today, when I was in Portcullis House, I bought three items: a Snickers bar, which has five spoonfuls of sugar; a yoghurt with seven spoonfuls; and a Coke with nine. She will be glad to hear that I did not eat any of them; perhaps I was just removing them from other people. Does she agree that an awareness of how much sugar we are eating is very important if we are to manage our diets?

Dr Wollaston: Indeed. I completely agree with the hon. Gentleman, and I shall come on to that subject later. I am relieved to hear that he is not on a sugar high for the debate.

I want to set out not only the scale of the problem but its consequences. It has consequences for the whole lifetime of our children, in relation to their physical and emotional health. They also suffer the impact of bullying at school, as they are too often stigmatised in the classroom because of their weight. There is increasing evidence that obesity is a factor in causing many preventable cancers, and it also has an impact on conditions such as diabetes and heart disease. This has a cost not only to individuals but to wider society and to the NHS.

The Minister will know how essential it is that, as part of the “Five Year Forward View”, we tackle the issue of prevention. We cannot do that without tackling obesity, particularly among children, given the lifetime impact and consequences of the condition. She will know that 9p in every £1 we spend in the NHS is spent on diabetes. We estimate from the evidence that the Health Committee took during our hearings that the overall cost of obesity to the NHS is now £5.1 billion a year, and the wider costs to society have been estimated to be as high as £27 billion, although the estimates vary. We simply cannot afford to take no action.

Physical activity is of course extraordinarily important and I am confident that it will feature strongly in the Government’s strategy, but it is no good focusing solely on that. Physical activity is good for children, whatever their weight. Indeed, it is good for all of us, whatever our age. However, any strategy that assumes that we can tackle childhood obesity solely through physical activity will simply be ignoring the overwhelming evidence that most of the gain will be in reducing calories. That is not just about sugar, however. It is easy to be accused of demonising sugar. The fact is that children have more than three times the recommended amount of sugar in their diet, but that is perhaps the easiest aspect of the problem to tackle. The Minister will recognise the fact that we are talking about overall calories, which also include fats.

Sir Paul Beresford (Mole Valley) (Con): I need to declare an interest here; it is a fairly well-known one. My union has been pressing me to remind my hon. Friend that sugar intake has a disastrous effect on the teeth and causes tooth decay. Is she aware that the most common cause of hospital admissions among five to nine-year-olds is tooth decay? Every week, almost 900 children in this country require hospital treatment for tooth decay, and the biggest single factor is sugar.

Dr Wollaston: I thank my hon. Friend for mentioning that. I was going to come on to that point and he has saved me from doing so. I completely agree that we must not forget the impact of sugar on children’s teeth. He will recognise that there are great health inequalities relating to that issue as well.
So how should we tackle this? I have spoken many times about a sugary drinks tax, but I recognise that that is not where the greatest gain lies when it comes to tackling childhood obesity. As the Minister will recognise from the evidence presented by Public Health England, price promotions will need to form an extraordinarily important part of the childhood obesity strategy if it is to be effective. It is a staggering fact that around 40% of what we spend on our consumption of food and drink at home is spent on price promotions. Unfortunately, however, they do not save us as much money as we assume. They encourage us to consume more. In British supermarkets, a huge number of those promotions relate to sugary and other unhealthy products. I call on the Government to tackle that as part of their strategy. We need a level playing field as we seek to rebalance price promotions with that has to be done in a way that does not simply drive us towards promoting other products such as alcohol. We need to take a careful, evidence-based look at all this.

Dr Wollaston: I thank the right hon. Gentleman for his point, which prompts me to address the issue of a sugary drinks tax. We looked at examples of where taxation can be applied across sugar more broadly, perhaps to incentivise reductions within reformulation, as some countries have done. However, we wanted to address the single biggest component of sugar in children’s diets, which is sugary drinks. The Committee recommended a sugary drinks tax rather than a wider sugar tax, and there are several reasons for doing that. First, we know that it works. Secondly, it addresses that point about health inequality.

Mexico introduced a 1 peso per litre tax on sugary drinks and by the end of the year the greatest reduction in use—17% by the end of the year—was among the highest consumers of sugary drinks. The tax drove a change in behaviour. The whole point of this sugary drinks tax is that nobody should have to pay it at all. To those who say it is regressive, I say no it is not; the regressive situation is the current one, where the greatest harms fall on the least advantaged in society. As we have seen with the plastic bag tax, the fact that the levy is going to good causes increases its public support. That levy has been extraordinarily effective, as plastic bag usage has dropped by 78%. That is partly because we all knew we needed to change but we just needed that final nudge. That is what this is about: that final nudge to change people to a different pattern of buying. It has a halo effect, because it adds a health education message and that is part of its effectiveness.

Dr Wollaston: I thank the right hon. Gentleman for that and welcome what he describes. That movement is not just happening in City Hall, because it is being recommended within the NHS by Simon Stevens. I also congratulate Jamie Oliver and the many other outlets that are introducing such an approach. The other point to make is about public acceptability, because all the money raised goes towards good causes. As we have seen with the plastic bag tax, the fact that the levy is going to good causes increases its public support. That levy has been extraordinarily effective, as plastic bag usage has dropped by 78%. That is partly because we all knew we needed to change but we just needed that final nudge. That is what this is about: that final nudge to change people to a different pattern of buying. It has a halo effect, because it adds a health education message and that is part of its effectiveness.

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Keith Vaz (Leicester East) (Lab): I congratulate the hon. Lady on securing this debate and on her work in this area. We do not really have to wait for a tax; we can take what the Mayor of London has done in City Hall as an example. He has made sugary drinks more expensive, and therefore people have that choice immediately. In the presence of the Chairman of the Administration Committee, the House’s greatest living dentist, who is participating in this debate, may I say that it is possible for this House to put up the price of sugary drinks so that those who go to the Tea Room will then have that choice?
about marginal gains and say let us do all of the above. I know that the Minister is looking closely at reformulation and understands how powerful it will be. The evidence we heard was that it could take 6% of the sugar out of children's diets. Reformulation, alongside other programmes, will play a part, but it will not work on its own and, unfortunately, it will take longer.

We also need to examine the pervasive effect of marketing and promotion. Do I want to have a kilogram of chocolate for almost nothing when I buy my newspaper? Of course I do, but please do not offer it to me. Please do not make me walk past the chicanes of sugar at the checkout or when I am queuing to pay for petrol. We know that 37% of all the confectionary we buy is bought on impulse. It does not matter how much we are intending not to buy it, if it is presented to us on impulse, we buy it, as impulse is an extraordinarily powerful driver. I therefore hope that any strategy will tackle that part of consumption, along with portion sizing. The supersizing of our society is in part down to the supersizing of portions and offers. All of this needs to be included in our approach, as does dealing with advertising. This advertising is pervasive and it is hitting our children everywhere they go, on television, online and through the influence of “advergames”. We know that this is very powerful in driving choices for children, so I hope the Minister will look carefully at that. She will have seen our recommendation of a watershed of 9 pm.

Time is running short, so I shall close my remarks, as I know other Members will want to cover many other aspects, such as exercise, the effect of what local authorities do, how much more powerful they could be in their roles if we gave them greater planning powers, and so on. Early intervention, research, education, teaspoonlabelling—please do it all. We need a bold, brave and effective strategy, and we need to learn from British cycling and the law of marginal gains.

Several hon. Members rose—

Mr Deputy Speaker: Order. With an eight-minute limit, I call Sharon Hodgson.

1.18 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I congratulate the hon. Member for Totnes (Dr Wollaston) on proposing and securing this important debate, and she will be pleased to hear that I agreed with almost everything she said. Many here in the Chamber will be aware of my strongly held passion to address the obesity crisis facing our children today. Although we do not always think about obesity in this way, it is a form of malnourishment. What we are seeing today is very similar to what we saw more than 100 years ago, with children lacking the right nutrients to see them living a healthy childhood and growing into healthy adults. That is especially concerning given that today more than one third of children are leaving school overweight or obese.

School food has played a role in public policy for more than 100 years. It was first discussed in this place in 1906 when Fred Jowett, former Member of Parliament for Bradford West, used his maiden speech in the Chamber to launch his campaign to introduce free school meals when compulsory education was being rolled out. That led to the passing of the Education ( Provision of Meals) Act 1906, which was originally Jowett's private Member’s Bill.

Jowett’s campaign was driven by his experience as a member of the Bradford school board, where he witnessed the malnourishment of children who then fell behind their more affluent peers. Here we are, more than 100 years later, and those arguments are still being made today.

Andrew Gwynne (Denton and Reddish) (Lab): I was just thinking the same as my hon. Friend about how far we have come in some respects but not in others. She will be aware of the private Member’s Bill of my right hon. Friend the Member for Birkenhead (Frank Field). Does she support it?

Mrs Hodgson: Yes, that private Member’s Bill is an excellent initiative, and should be adopted by the Government and local authorities. It is very simple to share the data that we already have on families who are entitled to benefits, to ensure that the entitlement of their children to the pupil premium is not lost when universal free school meals are rolled out. That is a very important point.

Although we do not always think about obesity in this way, it is a form of malnourishment. What we are seeing today is very similar to what we saw more than 100 years ago, with children lacking the right nutrients to see them living a healthy childhood and growing into healthy adults. That is especially concerning given that today more than one third of children are leaving school overweight or obese.

The school setting is one of the most important interventions in a child’s life; it is where we nurture and educate future generations. Why should we not feed these children so that they are fuelled to receive the best education and life chances possible? That notion was strongly supported by the previous Labour Government, who introduced a raft of measures that addressed the food eaten by children in our schools. They included nutrition-based school food standards that provide children with the proper nutrition to learn, fully costed plans to extend our universal free school meal pilots, and the introduction of healthy, practical cooking on the national curriculum.

Although much, or all, of those measures were scrapped when the coalition Government were formed in 2010, it was very welcome when, in 2013, the school food plan was published, calling for the reinstatement of lots of those measures as well as new and improved measures in our schools to address the health of our children. Those included introducing food-based standards for all schools, training head teachers in the benefits of food and nutrition, improving Ofsted inspections on school food, and the roll-out of universal free school meals for primary school children, when funding was found.
[Mrs Hodgson]

As we know, that funding was found, thanks to David Laws and the right hon. Member for Sheffield, Hallam (Mr Clegg). Fortunately, universal infant free school meals were secured by the Chancellor in the comprehensive spending review. All those measures came out of concerns for the health of our children and the growing obesity crisis, especially given that 57% of children were not eating school lunches. Some were opting to take in packed lunches, only 1% of which met the nutritional standards of a hot lunch, while others were opting to go off site to eat junk food at local takeaways.

As research has found, health problems associated with being overweight or obese cost the NHS more than £5 billion a year, and, with obesity rates continuing to rise for 11 to 15-year-olds, especially in deprived areas, it is now clearer than ever that we need seriously to address childhood obesity.

Giving children a healthy and balanced diet during the school day can only be a positive intervention in helping to address obesity. I cannot stress how strongly I believe that one of the most important interventions to help address health issues in childhood is universal free school meals.

Helen Whately (Faversham and Mid Kent) (Con): The hon. Lady mentioned that children are consuming junk food from outlets near schools. Does she believe that councils should have powers, as part of planning guidance, to take action on junk food outlets being so close to schools?

Mrs Hodgson: Yes, I do. I really welcome that intervention, because it not only makes the point, but stresses it very strongly. Some councils are very good and introduce byelaws to ensure that burger vans cannot pull up outside a school, and that, if there is already a number of takeaway shops nearby, no more can open. Matters such as that need to be addressed by councils.

The pilots introduced by the previous Labour Government in Durham and Newham to look into the benefits of universal free school meals found many benefits to a child’s health, and research continues now that we have universal infant school meals. The pilots in Durham and Newham found a 23% uptake in vegetable consumption at lunchtime and a steep decline in the typical unhealthy packed lunch foods. For example, there was a 16% decline in soft drinks and an 18% decline in crisps. Those are all-important figures that the Government should remember, and both the Department of Health and Department for Education should look further into how best they can use the vehicle of universal free school meals to help improve children’s health.

Although universal free school meals are protected in the Government’s comprehensive spending review—this followed a concerted campaign by school food campaigners, myself and others in the House—there is another area that the Government must consider when looking to improve the health of our children: holiday hunger. Children are in school for just 190 days of the year, and the rest—a total of 170 days—is totally down to their parents. Some may say that that is how it should be and that when we lock the school gates for the holidays it is none of our business what children eat, whether they eat or what they get up to. None the less, with the growing use of food banks in school holidays and the reports that children return from the longer school holidays noticeably thinner and unhealthier, the issue is one that we can no longer ignore.

If there is a push for better food provision in our schools, then we need to be doing much more during the holidays so as not to undo the hard work that goes into improving the life chances of children during term time. That is why the school food all-party group, which I chair, has established a holiday hunger task group which last year launched its “Filling the Holiday Gap” guidelines to provide organisations and local authorities wishing to provide food during holidays with the resources to offer healthy and nutritious food. Late last year, it published its update report, which called for action to be taken by the Government.

When the Government’s childhood obesity strategy is published, I hope that there will be significant mention of the benefits that school food, especially universal free school meals, can have on a child’s health, and of how it can be used to address the growing childhood obesity crisis. There is evidence out there to support using universal free school meal provision to its fullest, instead of squandering its potential, to improve the health of our children.

This is a moment when the Government can really make a difference to children’s lives and I hope that all options and avenues will be pursued so that children are given the healthy food that they need to fuel their education and to make them as healthy a version of themselves as possible so that they grow into fit and healthy adults.

1.27 pm

Will Quince (Colchester) (Con): It is a pleasure to follow the hon. Member for Washington and Sunderland West (Mrs Hodgson). I thank my hon. Friend the Member for Totnes (Dr Wollaston) for calling this important debate. I am sure that Members can all see that I am a man who likes his food, and that I am not particularly in a position to lecture others on obesity. At the same time, I cannot ignore the fact that too many children in this country are obese, that poor children are more likely to be obese than rich children—boys and girls in the lowest quintile are three times more likely to be obese as those in the highest quintile—and that those living in towns are more likely to be obese than those living in rural areas. Those are unpalatable facts. It is right and proper that we investigate, and, where we have clear evidence, take the appropriate action.

However, the evidence does not suggest that childhood obesity is a problem that is getting significantly worse. The proportion of obese children in year 6 is higher than it was in 2006-07, but for reception children the proportion has fallen over the same period. Moreover, there has been a significant decrease in the proportion of British children, aged two to 10, who are obese.

Dr Wollaston: Will my hon. Friend go back and look at those figures in more detail? What he will see is that, although those figures are falling for the wealthiest children, they are rising for the most disadvantaged children. We are seeing a widening of the gap, which masks the underlying problem.
Will Quince: My hon. Friend makes a very good point, and I will come on to that in a bit more detail. The important element is that any approach we take must be evidence-based. I absolutely agree with her that we need to look at all the evidence.

I stated that the proportion of those aged two to 10 who were obese had gone from 17% in 2005 to 13% in 2013. The evidence suggests that childhood obesity rose quickly in the mid-2000s and has slightly fallen ever since. That is an important fact for two reasons. First, it suggests that our education programmes in our schools and the Government-backed campaigns on obesity within the last decade have had a positive impact in halting the increase in childhood obesity. Secondly, it undermines the scaremongering that suggests that childhood obesity is rocketing year on year. It simply is not; the reality is much more complex.

As my hon. Friend the Member for Totnes has already mentioned, there is a growing clamour for a sugar tax on soft drinks to combat childhood obesity. She has called in a recent article for a 20% tax on sugary drinks as part of that overall solution. Her calls have been echoed by the British Medical Association and other public health campaigners. I have huge respect for my hon. Friend, but I think that a sugar tax is completely illiberal and patronising —in my view, nanny statism at its worst.

Given how sugar tax campaigners argue, one might think that consumption of sugar in the UK is at a record high. It is not. Consumption of sugar per head in the UK is falling from a high of more than 50 kg a year in the 1980s to less than 40 kg a year now. What is more, soft drink consumption in the UK is falling. The latest household food survey from the Department for Environment, Food and Rural Affairs shows that household soft drink consumption purchases have fallen by 5.2% since 2011 and by 19% for high-calorie soft drinks in the same period. Regular soft drink purchases are now at their lowest level since 1992.

Geraint Davies: Does not the hon. Gentleman agree, though, that a sugar tax would be eminently fiscally responsible? It would gather revenue, increase life chances, increase life expectancy and reduce health costs. From the point of view of the Exchequer, it would be very sensible. Can he not come up with other sensible ideas like that?

Will Quince: The hon. Gentleman makes a very good point and, of course, that would make sense if the evidence suggested that a soft drink tax implemented anywhere else in the world had actually worked and had the effect that he suggests. He is right to suggest that there are a lot of other measures that we as a Government and that businesses and organisations can take to address this issue; I do not believe that the sugar tax is the right one.

Sugar tax advocates have pointed out the introduction of a sugar tax in Mexico and the corresponding 6% decline in soft drink sales since the tax was introduced. However, research in The BMJ does not show evidence of a link between the introduction of the tax and the small decline in soft drinks consumption. Further taxes on non-energy dense foods were also introduced at the same time as the sugar tax, and they accounted for a higher proportion of Mexicans’ daily caloric intake. As the authors of the research admitted, “we cannot determine the independent role of each” of the taxes. The research even acknowledges that there is a lack of information on nutritional data for packaged drinks in Mexico, which means that researchers cannot see what the fall in soft drink consumption meant for a decline in sugar intake.

As many Members may know, Mexico does not have safe drinking water. As a high-profile advocate of the sugar tax in Mexico, Alejandro Calvillo, stated:

“We know that there are people who drink a lot of sodas and they don’t have access to drinking water.”

How can we possibly compare the results in a developing country that has unclean, unsafe drinking water with how a tax might operate here in the United Kingdom? Instead, let us compare like with like. When sugar taxes have been tried in developed nations such as France, Denmark scrapped its sugar tax on soft drinks in 2014 and labelled it an expensive failure. The Danish Ministry of Taxation labelled food and drink taxes as “misguided at best and may be counter-productive at worst”.

They even described it as an expensive liability for business, and, as we all know, a sugar tax would be a very bitter pill for British businesses to swallow.

Study after study on soft drinks taxes in the USA also shows that they have a negligible impact on sugary drink intake and calorie consumption. What is more, the small decline in sugary drinks is almost entirely offset by consumption of other sugary products.

Dr Wollaston: My hon. Friend is very generous to give way again. I wonder whether he has had an opportunity to look again in detail at the article in The BMJ to which he refers. He is citing the figure of 6%, but the article makes it clear that by the end of the year the decline was 12% overall, and—more importantly, if we are to address the issue of health inequality—17% among the heaviest users. He might wish to update himself. I am happy to share the paper with him.

Will Quince: I thank my hon. Friend and I would be delighted to take another look at that piece of research.

My hon. Friend has made a case for the sugar tax to protect the poorest, and I think that that was the point that she was just making. As I have mentioned, and this is a good point, the poorest children are the most likely to be obese. However, the statistics show that, in low-income households in Britain, soft drink purchases dropped by 14% between 2007 and 2013. Perhaps a 20% sugar tax on soft drinks is not very much to celebrity chefs such as Jamie Oliver and some of those who are pushing the idea of a sugar tax, but for those on the lowest incomes— who we know, proportionally, buy these products—about 12p a can or 37p per 2 litre bottle is a massive amount of money.

Maggie Throup: I think that the point is that we are talking about a tax on sugary drinks and there are alternatives, such as drinks with artificial sweeteners. We are not making it so that these people do not have a choice. There are two different sides of the argument.

Will Quince: I thank my hon. Friend for that intervention. As someone who spent five years working in the soft drinks industry, I think she makes a valuable point. We need to question what we want our children—and adults
...to drink. Do we want them drinking sugar or sodium benzoate, ascesulfame and aspartame? That is a whole separate debate that we can have. I tend to choose to drink diet variants myself, but those options are there and the industry is driving people towards those lower calorie drinks. Let us take Britvic Soft Drinks as an example. Members will notice that they can buy a 600 ml bottle of diet Pepsi or Tango for the same price as a 500 ml full-sugar variant. The industry is already encouraging behavioural change.

To return to the Mexican experiment, 63% of sugar tax receipts have been collected from low-income households and 37.5% of receipts came from those in poverty. As I mentioned before, particularly with soft drinks but across the board, labelling has never been better, nor has the choice for consumers. The industry is doing a huge amount of work to encourage behavioural change and do the right thing.

I am conscious of the time and that lots of Members would like to speak, so I will conclude. I welcome a debate on childhood obesity and a clear strategy to reduce it. There are a huge number of measures that we as a Government could take ourselves and that we could encourage businesses and organisations to take, but let us ensure that the strategy is based on solid evidence. I strongly believe that a sugar tax is not the answer.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next, very experienced, Member to speak, let me remind less experienced Members that the clock continues. I just want to ensure that no one speaks, let me remind less experienced Members that the clock continues. I just want to ensure that no one gets a horrible fright.

1.38 pm

Keith Vaz (Leicester East) (Lab): I will stick to my eight minutes, Madam Deputy Speaker, and I will not give way, if that helps—[Interruption.] All right, I will give way.

It is a pleasure to follow the hon. Member for Colchester (Will Quince). He is hard on himself; he is not obese, just very well built. I know that his enthusiasm for curry is known throughout Colchester, so that might be a contributing factor. It is a pleasure to speak in the debate and I congratulate the hon. Member for Totnes (Dr Wollaston) not just on how she chairs the Select Committee on Health but on how she brings issues to the House, especially this critical issue of childhood obesity. I am delighted to see the Minister at the Dispatch Box, as she gets it. She is the Minister responsible for diabetes and whenever we in the all-party group on diabetes ask her to deal with these issues, she has always been very open and transparent. I think that she is on the same page as the rest of us.

That helps me put aside at least half of my speech because I do not need to repeat the statistics that Members who are experienced in these matters know all about—the cost of diabetes to the national health service, the worry that over half a million people have type 2 diabetes and are not aware of it, the need for prevention and awareness, and the importance of protecting our children. The figures given by the hon. Member for Totnes are clear. The problem gets worse as children get older and the figures are so worrying that if we just stand still, the crisis of childhood obesity will continue.

David Rutley (Macclesfield) (Con): With reference to standing still, the debate today has largely focused on sugar and our intake of it. One of the key things we need to do to tackle the challenge of childhood obesity is to focus on activity—getting people to be physically active, through sport or, as I increasingly believe, outdoor recreation. The Department for Culture, Media and Sport sports strategy, which focuses more on outcomes and includes outdoor recreation, could help to tackle the crisis that we are facing. Does the right hon. Gentleman agree?

Keith Vaz: Absolutely. The hon. Gentleman is looking at someone who constantly tells people to move more, but prefers to go by car rather than walk. It is a wonderful thing to say, but it is a different matter to get us on to those bicycles, on to our feet and involved in physical activities. My physical activity extends to table tennis, which is not the best way of losing weight and ensuring that my type 2 diabetes is under control. The hon. Gentleman is right—those lifestyle changes are necessary and they need to happen at a very young age. Schools, teachers, kids and parents need to be involved in ensuring that there is more activity because that will help in the long run.

We should be pretty dramatic in the way we deal with the problem. As you know, Madam Deputy Speaker—as you have no doubt shown the film to your children at some stage—Mary Poppins thought that a spoonful of sugar helped the medicine go down, but a spoonful of sugar, or nine teaspoons of sugar in a can of Coca-Cola, does not help the medicine go down—it makes matters worse.

In the short time available, I shall concentrate on the need to ensure that retailers do their bit to bring down the sugar content in sugary drinks. I am full of praise for the Mayor of London, the hon. Member for Uxbridge and South Ruislip (Boris Johnson), for going one step further than waiting for a sugar tax, which I understand is still on the agenda. There was a feeling that the Government had rejected that, but there were newspaper reports that the Prime Minister was still considering the matter. Perhaps the Minister can tell us when she winds up.

The retailers, having been invited by the previous Secretary of State for Health to be part of a voluntary arrangement, did not keep their side of the bargain. Despite the great declarations that were made by the previous Secretary of State, which I am sure were well intentioned, it is difficult to control global empires to ensure that they reduce the amount of sugar in drinks. We therefore have to take drastic measures. That is why I support a sugar tax, as enunciated by the Chair and other members of the Health Committee. We need to do that. We also need to do what the Mayor has done. Putting up the price of sugary drinks in City Hall is an extremely important way of sending out a clear message. Simon Stevens has said that he would do the same thing at NHS hospitals. How many of us turn up at local hospitals and see vending machines openly trying to sell us sugary drinks such as Coca-Cola?

I recently returned from a holiday in India. Whenever I asked for water or Diet Pepsi or Diet Coke, I was told it was not available. There is an interesting read-across.
to other Government Departments. The big retailers may be more conscious of the fact that the British House of Commons is interested in the issue, but in countries outside western Europe and the United States, they may feel that they can dump their sugary products without offering an alternative. Before we get to the issue of the sugar tax, which, as I said, I support, there is much that retailers can do.

I recently visited a branch of Waitrose in West Bromwich. I was interested to see that all the sugar-free products had been put in one kiosk in the middle of the store, so when people walked in they were not overwhelmed by the promotion of two-litre bottles of Coca-Cola for the price of one—they looked at the kiosk, where there were only no-sugar products. That is a way of encouraging those who purchase—I am not saying dads do not do it, but in most cases mums—to go to the kiosk and try to think positively about buying products that are free of sugar.

As I said in an intervention, there are things we can do. If we go to the Tea Room to have our lunch after this great debate, what is on offer? Club biscuits, Jaffa cakes, the most fantastic Victoria sponge—marvellous stuff that the Administration Committee offers us. The fruit is at the side, between the refrigerated drinks and the till. By the time I get there, even I, with my type 2 diabetes, am sometimes tempted to go for the sugary products and the chocolate. Why do we not promote the food and drinks that are healthy?

That is why, like others, I commend what Jamie Oliver has done. We need people like that, who have captured the imagination of the British people, to ensure that the public and the press help in the efforts to reduce sugar. Finally, I lavish praise on my hon. Friend the Member for Swansea West (Geraint Davies), who has introduced a Bill to provide for better labelling. We still do not have effective product labelling. It is important that we see such information because it will enable us to make informed choices.

If we do nothing, the obesity crisis will get much worse. We are not drinking at the last-chance saloon. That is now closed. We are outside and we are ready for firm Government action. That is our request to the Minister. Because of her own commitment to these issues, I know she will react positively.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am afraid I have to lower the time limit on speeches to seven minutes now.

1.47 pm

Steve Double (St Austell and Newquay) (Con): I am delighted to take part in this important debate and congratulate my hon. Friend the Member for Totnes (Dr Wollaston) on securing it.

As we have been hearing all afternoon, we are facing a crisis of obesity among our children. That is storing up trouble for the future for our nation, as it has implications for the personal health of those individuals, and will create wider social problems and economic challenges—loss of productivity because of ill health and the cost to the NHS, as we have heard. It is therefore right that the Government take the issue seriously and develop a comprehensive plan to address it.

We need to be realistic. The issue is complex and there is no silver bullet that will solve the problem of childhood obesity in one hit. There needs to be a comprehensive plan and a combination of measures to encourage greater activity and participation in sport and to address aspects such as diet, labelling and lifestyle. Parents must be at the heart of any strategy. We cannot replace their role and responsibility in raising their children and deciding what is best for their children’s welfare and future. We must never lose sight of that. Many parents feel that they are fighting a losing battle. The greatest influence on many children growing up today is no longer the parents and the household, but the media and the marketing budgets of multinational companies. Even the simple fact that in most shops a bottle of water is more expensive than an equivalent-sized can of fizzy, sugary drink—I think that is the case even in this place, so perhaps we should address that here—is evidence of the losing battle that many parents feel they are fighting in teaching and enabling their children to make the best choices.

In the time remaining I want to address the sugar tax. I am privileged to have one of Jamie Oliver’s Fifteen restaurants in my constituency. Only a few days after my election, the restaurant got in contact and asked me to lead a campaign for the introduction of a sugar tax. I have to say that my first response was to say no, because I am at heart a low-tax, small-state Conservative; my natural inclination is never to raise taxes. In fact, I want to cut taxes and have fewer taxes, so I did not particularly warm to the idea of introducing a new tax. Also, I do not want to see the state interfering in people’s lives, and particularly family life, any more than is absolutely necessary. Members will also be able to tell from my physique that I am not renowned for being a diet fanatic. In fact, I have been on only one diet in my life, and that was when my wife persuaded me to try the Atkins diet, with the bribe that I could eat as much bacon as I liked.

However, having looked at the evidence, I have come around and now believe that the Government should seriously consider introducing a sugar tax, because it would send a clear message about what is right and help people to make the right choices. In this country we have many taxes that are designed not only to raise revenue, but to educate and to influence people in the choices they make. I think that a sugar tax would be another step towards helping people, and particularly helping parents to help their children, to make the right choices. It would send a clear message that sugary drinks are not good for us. The Government would also be seen to be providing leadership on the issue, making a very clear and bold statement.

A tax on sugary drinks is not a silver bullet. It needs to be part of an overall package and a comprehensive strategy that includes better labelling, as we have heard, better education and encouraging physical activity. But I have been convinced that it needs to be seriously considered as part of the strategy to send that clear message and help parents make the right choice. I welcome the fact that, as the right hon. Member for Leicester East (Keith Vaz) suggested, there might have been a little movement in the Government’s position. I encourage the Minister to take back the clear message that the Government should seriously consider introducing a
tax on sugary drinks as part of the overall strategy. It is something we need to see move forward, and a clear message needs to be sent.

1.53 pm

Jim Shannon (Strangford) (DUP): I am pleased to be called to speak in this debate. I thank the hon. Member for Totnes (Dr Wollaston) for setting the scene so comprehensively, and for speaking along the lines that I and I hope most Members in the Chamber agree with. I declare an interest, because I am a type 2 diabetic, as is my friend and colleague the right hon. Member for Leicester East (Keith Vaz). He and I have many things in common. We are both type 2 diabetics and we both support Leicester City football club—who would have believed that Leicester City would be top of the league? They are equal with Arsenal now, so there we are. I am very pleased to share that as well.

Obesity is at epidemic levels across the nation. Although strategies and responses have been developed, achieving results and driving down levels of obesity appear to be very difficult, which is disappointing. I am not here to argue or fall out with anyone—that is not my form—but I do not agree with some of the things that have been said today. For example, I am in favour of a sugar tax. My colleague, Simon Hamilton, who is the Health Minister in Northern Ireland, is against a sugar tax. I am in favour of it because I think that it would be the best thing. I think that sometimes we have to make decisions for people and that we have to do what is right. We have the power in this House to bring in legislation that hopefully can be used for the benefit of all.

Northern Ireland has the worst levels of obesity in the United Kingdom. Just over 24% of the 1,300 children from Northern Ireland who were surveyed by researchers at the Institute of Education in London were found to be not just overweight, but obese. We all know that the Ulsterman and the Ulsterwoman are fond of an Ulster fry. I used to be, but now I am allowed a fry only once a week because I am a diabetic. Believe it or not, as a diabetic I used to weigh 17 stone, but now I weigh 13 stone, so we can address the issue if we put our minds to it. Had I known what diabetes was about before I became a diabetic, I think I would have taken steps to change. I did not know it then because I was not interested. I did not know it because I did not realise there was anything wrong, but things were wrong. Sometimes we have to educate ourselves and take important steps and move forward by legislative means.

Members have referred to a balanced meal. Some people who carry a bit of weight think that a balanced meal means one hamburger in each hand. We have to think about this seriously. A balanced meal is not two hamburgers and a big bottle of Coke; it is much less than that.

Obesity levels for 11-year-olds are higher in Northern Ireland than they are in other parts of the United Kingdom; in Wales the figure is 23%, in England it is 20%, and in Scotland it is 19%. It was reported in the news the week before last that every child in the United Kingdom will eat their body weight in sugar each year. Just think about what that means, four or five stones of sugar. Adults probably eat their body weight in sugar as well—not me, though, because I am a diabetic.

Will Quince: I am interested to know why sugary soft drinks, in particular, are being targeted. Why are we not looking at cereals, biscuits and cakes as well? Why is it just sugary drinks?

Jim Shannon: I am happy to look at sugary drinks because we have to start somewhere, but I will happily look at cornflakes and other foods as well, so they should not think that we are going to let them off. The issue is that there are nine teaspoons of sugar in a can of fizzy drink, so we need to address the issue where it starts.

We cannot ignore the statistics, because they are very clear. The fact that by age 11 a quarter of children in Northern Ireland are not just overweight, but obese is an alarming statistic. I think that a comprehensive and robust approach will be required if we are to address that. One way to doing that is through education in schools. I think that we need to bring that education in at an early stage. I think that the Minister will probably respond along those lines.

I fully support having a tax on sugar, which I think would be a step in the right direction. If we do that, we can move things forward and address the issue of obesity and people being overweight very early. Without addressing this serious health issue at the earliest stage possible, it will lead to problems for the health of the person in question, and for public health and society as a whole. I found some statistics on obesity the other day. The obesity epidemic in Northern Ireland has led to a doubling in just three years in the number of callouts for firefighters to help obese people. Those are startling figures. We can sit and ignore those and say, “No, we’re not going to tax sugar,” or we can address the issue early on. I say that we should do it early on. Let us do it now.

Dr Hilary Cass, president of the Royal College of Paediatrics and Child Health, has said that if the problem is not tackled now, it will rapidly get worse. She said:

“We should be worried because if we do not fix this problem now, we will see unhealthy kids turning into unhealthy adults with diabetes, heart disease and kidney problems.”

Why is it that it tends to be those on low incomes who are overweight or obese? It is quite clear to me, but perhaps it is not clear to others. I think that it is because their income dictates what they buy. If they do not have much money, they will buy the cheapest food they can, even if it is not the healthiest food, and more often than not cheap food contains levels of fat and sugar that are far too high. The issue of low incomes is therefore something we have to address as well, for those whose food choices are dictated by what is in their pockets.

We should be tackling these issues now not only because that is the right thing to do morally, but because it makes economic sense. The right hon. Member for Leicester East referred to the supermarket that had all the chocolate and sugary foods in one aisle in the middle of the shop. That is where they should be. They should not be at the checkout, where kids will see them, and want their chocolate bar or their bottle of Coke. We have to address that issue as well.

Despite greater education on food and nutrition, there is still an obesity epidemic. Children are getting too many of their calories from sugars—on average, three times the Government’s recommended amount. That only contributes to an overall overconsumption of calories. One in three children are overweight or obese
by the time they start secondary school, and that is a very clear problem that needs to be addressed. Childhood obesity is associated with conditions such as insulin resistance, hypertension, asthma, sleep problems, poor mental health—we cannot ignore that in children; we cannot think that they do not have it, because they do—early signs of heart disease, and an increased risk of developing cancer. The hon. Member for Colchester (Will Quince) referred to the need to have more physical activity in schools, and that issue could be addressed. Ministers mentioned it during this morning’s Culture, Media and Sport questions, so they recognise it as well. I have mentioned just a small number of the health costs of not acting to address this epidemic.

It is not just health that suffers because of inaction on this epidemic. Health problems associated with being overweight or obese cost the NHS more than £5 billion annually. Poor dental hygiene costs the NHS £3.4 billion a year, of which £30 million alone is spent on hospital-based extractions of children’s teeth. The total societal cost of obesity in the UK in 2012, including lost productivity, was £47 billion. The evidence is clear.

There can be no one solution to this complex issue. We need to enhance our nutritional education strategy, tackle poor diets through legislation, and encourage greater physical activity among our children. Given the shocking statistics that we have all spoken about, it is clear that despite health being a devolved issue, obesity, and obesity in our children, is truly a national problem. As such, it will require a national solution and a comprehensive approach.

2.1 pm

Nigel Huddleston (Mid Worcestershire) (Con): I, too, pay tribute to the Health Committee for its great work. I pay tribute particularly to the Chairman of that Committee, my hon. Friend the Member for Totnes (Dr Wollaston), and to my hon. Friend the Member for Erewash (Maggie Throup) for her work in the all-party obesity group.

This is a very important topic. It is also a very emotive one, as we have heard, especially for those of us who are generally instinctively against Government interference and taxation, and want small government. I have wrestled with that, like my hon. Friend the Member for St Austell and Newquay (Steve Double), but I have come round to the idea that when it is necessary to interfere, and when we have to balance out these freedoms with doing the right thing by our children, then we do need to consider all options. I have been slowly persuaded, but am now comfortably persuaded, on issues such as the sugar tax. So unfortunately, probably for the first time ever, I disagree with my hon. Friend the Member for Colchester (Will Quince). However, I am sure that it will be the first of many such times over coming years.

The evidence is overwhelming. Like the hon. Member for Strangford (Jim Shannon), in researching this topic I found that the numbers are astounding. The figures are overwhelming, and very alarming. I will not repeat them, but the report contains many such figures, and it is well worth a read.

One of the issues that comes up again and again is food marketing. Research tells us that children as young as 18 months can be influenced and are capable of recognising brands, which is a truly astounding fact. The House will be aware that current regulations on TV advertising mean that foods high in fat, saturated fat, salt and sugar are banned from being advertised during children’s programming. But many organisations, as well as the report, have suggested that that should extend up to the 9 pm watershed, and with considerable reason, given the evidence. The latest Ofcom figures show that two thirds of children watch television during what is considered adult airtime, with peak viewing for children between 7 pm and 8 pm. The British Heart Foundation found last year that during just one episode of “The X Factor”, a programme that is quite popular with children, there were no fewer than 13 junk food adverts. The issue is even more acute with online advertising, where adverts are often attached to videos, including music videos. That is probably worthy of a debate in itself.

Let me turn to food standards in schools, where there has been a tremendous breakthrough over the past few years. Those of us who visit schools look on with envy at the school meals now compared with the ones that many of us had to suffer years ago. Yet in many schools up and down the country, we have the farcical situation where lunches provided by schools are generally very healthy, but the food children themselves bring into schools, or is provided by their parents, is often not healthy. We can only imagine how frustrating it is for teachers, and indeed everybody who works in schools, including my wife, to see children filling themselves up with junk food at school and knowing there is little they can do about it. We need more co-operation between schools, and between parents and teachers. I back the Committee’s proposal that nutritional guidelines should be published for packed lunches and that, where necessary, teachers should be able to have, perhaps robust, conversations with parents so that these guidelines are followed.

Of course, diet is very important, but so is physical activity, as has been mentioned many times. I back up the supportive comments about the DCMS’s sports strategy. In The Times on Monday we saw a snack guide that included information on how long it would take to burn off the calories of various foods. It is easy to laugh at things like this, but it showed that a chocolate bar, bag of crisps and a bottle of Coke would require almost one hour of running or more than two hours of walking to burn off. How many children, or indeed parents, know that? Given that a child could consume all those things on top of, or instead of, a healthy meal, while doing no exercise, it is a really alarming picture. We must do more to encourage and enable exercise.

I am blessed to represent a primarily rural constituency. It is very easy for me and my family to get outdoors, to go on bike rides, and to go on public pathways. I am well aware that not everybody in the country has those privileges. Councils and local government need to do much more to enable access to healthy outdoor living and sports facilities. Planning plays a part in this too. When I see planning proposals for housing developments, I find it remarkable how little provision there is for recreational facilities, or indeed access to countryside. Cities fare far worse than the countryside in this regard.

Helen Whately: My hon. Friend is making an important speech covering a wide range of actions that need to be taken to tackle the obesity problem. Does he agree that
this is not just about the sugar tax or product placement? The scale of the problem is such that we need a whole range of steps where the Government take a lead in showing how serious the problem is, and a whole range of actions to make sure that a difference is made quickly.

Nigel Huddleston: I thank my hon. Friend for that intervention; I could not agree more. Indeed, she has stolen my conclusion. It is absolutely the case that this is a very complex matter that covers so many areas that it is difficult to fine tune it. I hope that we can avoid focusing purely on the sugar tax, as important as it is.

We must recognise and praise the fact that up and down the country there are some great experiments going on, with schools practising innovative ways to encourage physical activity. For example, Commando Joe’s goes into schools and encourages team building and physical activity. I give credit to Bengeworth academy in Evesham in my constituency where we have our own Commando Joe—a gentleman called Chris Parry who works alongside staff and children having previously done four tours of Afghanistan with the Marines. He is doing great work, and long may that continue.

As my hon. Friend the Member for Faversham and Mid Kent (Helen Whately) said, this is not just about healthy eating. It is also about planning, education, labelling, and information, and the cost in healthcare if we do not do anything—we need to cover so many areas. If the aim of this debate was to give the Government ideas about what they could do to help in this area, then I am sure that by the end of it that will have been achieved.

2.7 pm

Geraint Davies (Swansea West) (Lab/Co-op): It is a pleasure to follow the hon. Member for Mid Worcestershire (Nigel Huddleston). I agreed with everything he said, including his disagreement with the hon. Member for Colchester (Will Quince). I also agree with the points made by the hon. Member for St Austell and Newquay (Steve Double). We are both members of the SAS—Surfers Against Sewage, that is, before people get the wrong idea.

I congratulate the Chair of the Health Committee, the hon. Member for Totnes (Dr Wollaston), on introducing this debate. As she will know, I have been active in this area, not least in the Sugar in Food and Drinks (Targets, Labelling and Advertising) Bill, which has its Second Reading tomorrow. The Bill basically asks for sugar labelling because people do not realise how much sugar they are eating. As I said earlier, this morning I bought three products from Portcullis House: a can of Coke, which has nine spoonfuls of sugar, the daily limit for a man; a container of yoghurt, which has seven spoonfuls, more than a woman is allowed; and a Snickers bar, which has five spoonfuls.

The reason for a focus on fizzy drinks, other than the reasons set by the Chair of the Health Committee, is that they represent a very large proportion of the overall sugar intake of children, and so they represent an easy big hit, early on. There was a trading of statistics about the efficacy of sugar taxes, but we need only look at the elasticity of demand for fizzy drinks. Part of my background is in marketing products in multinational companies—not these products. I was the marketing manager for Colgate, for example. People have talked about the impact on teeth. When I was at Colgate, we thought that with the advent of fluoride we were going to see the end of tooth decay. However, there has been such a big increase in the consumption of fizzy drinks through focused marketing, that we have turned the corner and gone into reverse, and people’s teeth are dropping out. The point about marketing aimed at children highlights some of the demographic differences in the impact of sugar, because high consumers of television tend to be less well-off people who pick up brand awareness from watching it and then follow those brands.

I am in favour of labels noting the number of spoonfuls of sugar. I know that the Minister will say that there are issues with packaging in Europe, but my understanding is that, while there is a European competence, we have a national opportunity to do our own thing, and that is what we should do. Jamie Oliver and the Health Committee are following up on that. Retailers could put pressure on manufacturers to take voluntary action, but, sadly, even though retailers claim they are doing so, they are not taking proper responsibility, certainly not on cola drinks, which is a massive problem.

At one point in my distant past, I promoted the School Meals and Nutrition Bill. Its suggestions that Ofsted should be required to audit nutrition in schools and to get rid of unhealthy vending were agreed. I also still stand by its suggestion to gate children in schools so that they could not run to McDonald’s or elsewhere at lunchtime.

Obesity is costing the economy about £47 billion a year. This is not just about diabetes and the cost to the NHS, which is terribly important; the overall economy is suffering. Members have mentioned bullying in school, but obesity also has an effect on people’s quality of life. It is uncomfortable and those who are obese live shorter lives. If people know that one jar of pasta sauce has six teaspoonfuls of sugar and another has three, they will be able to make a rational choice; otherwise they will pick the one that is sweeter. The mechanisms available are simple. Members have also mentioned the need to encourage exercise, which is clearly very important.

On the main thrust of the debate, I agree with a fizzy drinks tax, but I want us to move towards an ingredient tax, which would mesh into the reformulation. Professor Graham MacGregor, who is now working with Action on Sugar, has been instrumental in getting the salt content down through reformulation. As I have said, if a 10% tax is put on a Hobnob, for example, the producer could reduce the amount of sugar and the price would not go up.

There are concerns about regressive taxation. The sad fact is that poorer people find it more difficult to afford fresh foods. People pooh-pooh that argument, but if various products are mashed up with sugar, salt and fat and then frozen, they will stay on the shelf for months on end. However, if produce has to be sold within a week because it is going to decay, it will be more expensive, which has an effect on people’s quality of life. There is still to be made for taking the revenues from the tax and hypothecating it to provide easier access to fresh foods for people with less money. As well as putting up the
prices of sugar-rich products, we need to provide information. We have a battery of opportunity to confront this difficult task.

It has been suggested that multinationals have been helping. Such companies are rational, focused and see the lie of the land. They know that people have cottoned on to the fact that sugar consumption is costing the country an arm and a leg, sometimes literally. Productivity is down and costs are up, and they know that the Government will ultimately take action, so they are following a rational trajectory. We need to encourage them to do so.

We have heard stories about elasticity of demand before. As every economist knows, when the price is put up, demand goes down. That is not a point of argument. Certain manufacturers used to say that there was nothing wrong with smoking. We know there is a problem with sugar. The emerging science suggests that if, for example, I and the hon. Member for Colchester both consumed 2,000 calories a day but I took in more sugar than him, over time I would develop a predisposition that meant that more of the calories I consumed would settle as fat. I would then feel hungry and listless and become obese. There are, therefore, other issues associated with sugar consumption.

The World Health Organisation has said that the sugar calorie intake should be 5%. Those of us here know that that means six spoonfuls for women and nine spoonfuls for men, but people out there do not realise how much sugar they are supposed to have, and even if they did they are not able to calculate it. Public Health England has produced an app that enables people to scan products with their phone to find out how many cubes of sugar they are consuming. It is difficult to calculate how much sugar is in one chunk of chocolate and in the bar as a whole. It would be better if it was all clearly labelled, without having to go through that process. The app is helpful and I welcome it, but it is not a serious solution.

**Dr Tania Mathias** (Twickenham) (Con): I concur with the hon. Gentleman on labelling. Does he agree that, whether we label a chocolate bar or fruit, we need information on sucrose, glucose and fructose? We need to know how many of those chemicals are in everything we consume, including fruit.

**Geraint Davies**: I agree that people should be aware of that. My big beef, as it were, is that people do not know how much added sugar they are consuming. For instance, they do not know if there is twice as much sugar in one jar of pasta sauce than another. People need to know how much sugar they are taking in. To a certain extent, people prefer naturally occurring sugar in bananas and similar products, but I agree with the hon. Lady that people should know what they are eating.

The manufacturers argue that they have done everything they can. The back of a packet of Frosties has all the information, so long as people have a PhD and a lens through which to read the data. Products are packaged in such a way as to give the impression that they are healthy. The Bill that I am promoting tomorrow argues that products should not be allowed to be promoted as low fat when they are in fact high in sugar, because people infer from that that they are healthy. It also proposes an overall, aggregate sugar target—similar to a carbon target—so that the Government can see how much sugar we are consuming overall and gradually manage strategies to get it down.

2.16 pm

**Dr Tania Mathias** (Twickenham) (Con): May I join other Members in applauding my hon. Friend the Member for Totnes (Dr Wollaston) for securing this important debate? I did not come across paediatric type 2 diabetes when I was a medical student. Perhaps her experience was similar to mine. Like many people, I was shocked to find at the turn of the century that there were instances in this country of childhood type 2 diabetes. There are now more than 100 cases a year in this country of that incredibly serious condition. Just a few months ago, a three-year-old in America was diagnosed with type 2 diabetes. The treatment involved decreasing the weight of the child, who was obese.

I believe that the Minister’s strategy should be cultural. The papers show that more evidence is emerging and it is prescient. It involves not just genetics, but nurture. Studies of children who have been adopted by obese parents show that there is a risk that they will have childhood obesity.

On culture, I, like others, have seen many households with a TV room but no dining room. Families do not eat at a dining table in the same way as previous generations did. Members have talked in depth about the cultural change relating to exercise. I applaud the head of St Ninians in Stirling, who introduced a 1-mile-a-day idea for the primary schoolchildren. Interestingly, obesity levels on entry to the school are not as high as those in other schools; the figure a few years ago was one in 10. There is now an association—we are not talking about causation—between the 1 mile a day and pupils leaving St Ninians without being obese. That lady has rightly been given Pride of Britain awards. I want that culture change to continue and for the House to applaud it.

At the moment, I am not in favour of new taxation. In our culture, we can access such information. I absolutely agree with what everybody has said about better labelling, and we need more of it. However, as I said to the hon. Member for Swansea West (Geraint Davies), we need information about all the foods we eat—about fruit and vegetables, as well as about fast food. There is a debate about using sucrose as opposed to fructose, but we need to be aware of all such chemicals. In our culture today, we can give people that information. I would like to have such information myself.

As we get more evidence, the treatment and management of, as well as education about, childhood obesity will rise to the levels available for adult obesity. For many people, the concern is not about the obesity itself, but about its medical consequences. An obese adult who goes to their GP can look at the algorithm or the chart, and discuss the five or 10-year risk of their developing cardiovascular problems. If we give parents such information about their child, they will, in time, change their family habits. They do not want their child to have an increased five or 10-year risk of cardiovascular complications.

**Geraint Davies**: On that basis, does the hon. Lady advocate removing the tax on cigarettes?
Dr Mathias: The hon. Gentleman is testing me. I would say yes if I followed the argument all the way through, but I would not now go back on the tax on cigarettes. In my experience, education and information are the most powerful factors. Sadly, all GPs have treated people who later died from lung cancer. In my limited experience, it is information, not the effect on their pocket, that will change such people’s behaviour. I want an obesity strategy that will provide such information, because I trust the patient to make an informed choice. For me, the facts and the evidence are key.

We need to hold up a mirror to our culture at the moment. We have a culture of fast food and little exercise. I want that to flip to become a culture of slow food and more exercise. I encourage the Minister to look at such a culture, rather than at taxation.

2.22 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): Before I begin, I want to add my voice to those of other Members in thanking the hon. Member for Totnes (Dr Wollaston) for securing this debate.

Childhood obesity is a problem across the UK, and the devolved legislatures as well as the UK Government must do all they can to tackle the problem, both in the short and the long term, for the benefit of our children and tomorrow’s citizens, to relieve the health problems obesity all too often creates, and for our long-term economic sustainability, as has been outlined this afternoon. All corners of the UK can learn from each other, and I hope they will. The Scottish Government have been working hard on this concern by taking forward a number of initiatives to enable people more easily to become active, to eat more healthily and generally to find ways of feeling better through an improved lifestyle.

There is no silver bullet, as we all know. We all agree that there is a significant problem. We must take into account the clear socioeconomic considerations that have a direct effect on the health of our children in general and on obesity in particular. The SNP Scottish Government are implementing several measures both to combat and to prevent childhood, and indeed adult, obesity. However, there are far too many to mention in the limited time available.

It is worth remembering that fruit and vegetable consumption among the poorest 20% has fallen by 20% since the recession began, with children’s diets being hit hard. On a number of national indicators of obesity and childhood obesity in Scotland, performance is improving or being maintained. In particular, physical activity performance has improved. The SNP Scottish Government are working well with schools and local authorities to ensure that children are more physically active. My local authority, North Ayrshire Council, has developed its own outdoor access strategy.

Much has been made today about imposing a sugar tax. The food we consume all too often contains significant quantities of sugar, of which many of us are seldom aware. I know that both the UK and the Scottish Government are considering a sugar tax. It is certainly an option that we are quite right to consider, but we must be careful about a tax that may, disproportionately, hit the poorest hardest. We all know that eating healthily is not always affordable for families on a tight budget, and a sugar tax must not be held up as a panacea for a very complex problem. If it is introduced, we must be certain that it has a positive impact on our health, without the unintended consequence of increasing inequalities.

We pay the price for our poor choices. We pay the price with our health and with our life expectancy, due to the development of serious health problems such as heart disease, type 2 diabetes and cancer. This puts more demands on our health services, and those demands will become greater unless we tackle this problem. The Health Committee has recently heard that the cost to society of this problem is £27 billion.

Beyond the cost in pounds, shillings and pence, overweight children face other problems, such as bullying, social exclusion, lack of self-confidence, unfulfilled potential and underachievement in school, which plague them long into adulthood and feed into their job prospects for many years afterwards. In Scotland, about 31% of children were at risk of becoming overweight in 2014, and 17% were at risk of obesity. Although those figures have stabilised in recent years, they are still worryingly high.

Research in Scotland shows that factors associated with children being overweight or obese include snacking on crisps or sweets between meals, skipping breakfast, not eating in a dining room at home and a lack of parental supervision, not enough physical activity and greater social deprivation. A higher proportion of children are at risk of obesity in Scotland’s most deprived areas—22% in 2014, compared with 13% for the least deprived. Any action to tackle this problem must be sensitive to that fact. Any debate about how to make our children healthier must avoid wagging fingers at parents, who, often in very difficult circumstances, are doing the very best they can. It is important to support people to make healthy choices where possible, not to shake our heads at them in righteous condemnation.

I end by making an important point for us all. Food labelling must be part of the solution. Although labels telling us what is in our food have improved over the years, in my view they are still too complex. One should not need to be a pseudo-scientist to understand what is in the food one buys. Labels must be clearer for shoppers so that parents are fully informed about what is in the food they eat and in the food they feed to their children.

There is no doubt that there are challenges ahead, but we must take people with us in this debate. How and what people feed their children can be a sensitive matter. Parents of course want the best for their children, and we must support and enable all parents to make the best choices for their children. Otherwise, regardless of what we say in this place, they just will not swallow it.

2.28 pm

Maggie Throup (Erewash) (Con): I am pleased to contribute to this debate as chair of the newly reformed all-party group on adult and childhood obesity. The group has been set up to bring together Members of both Houses and parliamentarians of all parties who want to explore the best ways to lower the obesity rate. There is no doubt that such a group is needed. It barely needs repeating, but two thirds of adults are obese or overweight, as are more than a third of children. Such a pressing public policy issue demands the constructive involvement of parliamentarians, and I welcome today’s debate as a means of highlighting the need for action. My vision is for the all-party group to become a forum...
for lively discussion of practical ways in which we can support people both to live healthier lives themselves and to help their children grow up healthy.

I understand why the role of the Government is a tricky one when it comes to tackling obesity. Some Government involvement is vital, but a Government cannot simply pass a law to make people eat healthier food and give healthier food to their children or legislate for a certain amount of exercise each day. What the Government can do is produce strategies, ideally for both children and adults, that lay out a longer-term solution for what is a long-term problem.

The worst thing that a Government could do would be to publish such proposals and then forget about them. Fortunately, the APPG will be there to keep an eye on the progress that is made, or not, and to work with the Government to promote what works and point out what does not work. I hope that Members on both sides of the House this afternoon, including my hon. Friend the Member for Colchester (Will Quince), with whom I usually agree, are interested in getting involved in the group, because all are welcome.

Let us focus specifically on childhood obesity, not forgetting that adults are role models. Our children are our future and it would be irresponsible as legislators not to take the future health of our nation extremely seriously. We must take whatever action is needed to address this issue. We can see the impact of obesity on the lives of adults in an increased risk of heart disease, diabetes and the life-changing complications that go with it, and cancer. All those medical conditions are life-limiting. Why would obesity have a different effect on children from the one it has on adults? It does not.

As my hon. Friend the Member for Totnes (Dr Wollaston) said, the Health Committee report on childhood obesity called for “brave and bold action”. That brave and bold action is needed from Government, the food and drinks industry, food outlets, educators and healthcare professionals. But let us not forget that all that will be wasted unless people take personal responsibility. This is a huge issue and fiddling at the edges will not work.

Today, there has been a lot of focus on the proposal for a sugary drinks tax. I was originally against it, but when I saw the compelling evidence, I changed my opinion, like my hon. Friend the Member for St Austell and Newquay (Steve Double). A sugary drinks tax should be just one of a range of measures. I believe that the food and drink industry can and should implement many of the measures that are needed without the need for legislation. The industry can make changes without legislation, given the will, and that is already happening.

In the run-up to this debate, I received many emails from organisations on both sides of the argument. I had one email from a leading supermarket, outlining the measures that it is taking. Those include reducing sugar in its range of breakfast cereals, chilled juices, fizzy drinks and yoghurts. I know that reformulations do not happen overnight, but I would like to think that the extra focus on obesity over recent months, including in Jamie Oliver’s campaign, has embarrassed manufacturers into making changes to their formulations in their own way, rather than as a result of legislation.

There is still more to be done. I am sure that we have all bought a newspaper from a well-known high street newsagent and been offered a mega-sized bar of chocolate at a special price. I do not know about my fellow Members, but if I want a bar of chocolate to eat while reading my newspaper, I will buy one without being asked—not that I do that, of course! What I am saying is that some manufacturers and retailers are taking the current and future health of our nation seriously and acting responsibly, but sadly others are not.

The causes of obesity are extremely complex and numerous, so it would be wrong of me just to focus on sugar. Fats, saturated fats and salt all have an impact on our weight, as does exercise. For adults—not for children, I hasten to add—alcohol also has an effect. It is because of this complexity that we cannot rely on just one measure. The Health Committee has made a range of recommendations, as has been outlined.

Regular exercise has a role to play. One of my local primary schools, Ladywood in Kirk Hallam, makes exercise fun. It is a member of the Erewash school sports partnership, it has active dinner playtimes and it links up with the secondary school, Kirk Hallam Community Academy, to take part in “This Girl Can”. We need to inspire young people at an early stage to make exercise a part of their way of life.

We must not forget that we need to consider cure as well as prevention. I have spoken to a number of healthcare professionals about this matter. Although it is important to recognise that people need to take personal responsibility for their own lifestyle, it is important not to stigmatise people who are obese. We must ensure that people recognise it as a condition, as they would with any other medical condition.

Obesity is a ticking time bomb. As politicians, we have a responsibility for the current and future health of our nation. I am ready to address it straight on.

2.35 pm

Alison Thewliss (Glasgow Central) (SNP): I am glad to be able to speak in this debate and hope that what I say will provide a different kind of insight into the debate on childhood obesity.

I am a great enthusiast for breastfeeding. Breast milk has many exceptional qualities, the most obvious being that it is exactly the right thing for infants to be eating. In the beginning, there is the double cream of breast milk, colostrum, which appears before a baby is even born in preparation for those first feeds. The milk that comes thereafter changes and adapts over time as the baby’s needs change. Breast milk has everything that a baby needs and, taken directly from source, it has the advantage of being at the correct temperature. It is easily absorbed by the infant gut. It is a miracle of nature.

What breastfeeding contributes to this debate is the impact that it can have on reducing childhood obesity. An excellent study was pulled together by UNICEF a few years ago called, “Preventing disease and saving resources: the potential contribution of increasing breastfeeding rates in the UK”. The report analysed data from many studies to ensure that there was a sound scientific basis for the claims that it made. Although I accept that giving precise figures and modelling on this is difficult, the UNICEF report estimates that:

“A modest increase in breastfeeding rates could result in a reduction in childhood obesity by circa 5%. If this was the case, the number of obese young children would fall by approximately 16,300, and annual health-care expenditures would reduce by circa £1.63 million.”
That would be no mean contribution. Breastfeeding starts babies off on the right track and, with the accompanying health benefits, such an increase could result in a generation of healthier babies and young people.

The Government should bear that in mind and ensure that services to promote, protect and support breastfeeding are well maintained. This is too important to be left to the good will of the wonderful network of voluntary organisations across the country. It needs to be an identified priority of this Government. The newly formed all-party parliamentary group on infant feeding and inequalities, which I established this week with colleagues from across the House, aims to examine the matter further. We will consider the issues of inequality, because there are multiple deprivation issues, with lower rates of breastfeeding in deprived communities.

What is less well known about infant formula is the specific contents of that product. It takes a complex chemical process to produce formula that involves either dry blending or wet mixing and spray drying, in which cow’s milk is treated with added lactose or other carbohydrates, vegetable and other oils, vitamins and minerals. According to the First Steps Nutrition Trust, the formula-fed babies require infant formula and follow-on formula to have an energy content of between 60 kcal and 70 kcal per 100 ml. Those figures are based on the energy content of breast milk, but, as I mentioned earlier, breast milk composition changes in response to the baby as it grows. Breast milk also has more unsaturated fats than cow’s milk and the fats in infant formula tend to come from the vegetable oil. If anyone has an interest in finding out more about this, I recommend that they seek out the “Infant milks in the UK” report that is produced by the First Steps Nutrition Trust. The level of detail is fascinating.

There are differences between the growth curves of breastfed and formula-fed babies, with the formula-fed babies gaining more weight in the first year. Some studies suggest that that may, in part, contribute to childhood obesity. Pressure is also put on mothers to ensure that their baby is gaining the correct amount of weight. We should consider how formula milk is delivered. I have heard many people describe how many millilitres of formula their baby has drunk at any given time, comparing and contrasting this with others. There is an expectation of how much is normal.

There is a risk in the making up of formula milk, because one must ensure that the correct dosage of powder is dissolved in the water. If this is not done accurately, there is a risk of babies being overfed or, indeed, underfed. The risk of that is far lower for breastfed babies, although I admit that I could only really tell how much breast milk my babies had by the amount that they both threw up all over me. There is not really any other way of telling.

Mrs Hodgson: I agree with everything the hon. Lady has said so far. As she knows, I took part in the debate that she led in Westminster Hall on this issue. The point that she is making is very important. I was an evangelical breastfeeder myself and still encourage everyone to do it in every which way they can. She makes the point that breastfed babies feed on demand, so they take as much or as little as they need, whereas when babies are bottle fed, there is an obsession with whether they have taken half a bottle, 8 ml or whatever. Parents inadvertently force-feed their baby the amount they think they should have, rather than what the baby needs, so babies get used to being full. As we all know, that is not necessarily good and can lead to the bad habits in adulthood that I spoke about earlier.

Alison Thewliss: I absolutely agree with what my good friend says. Bottle feeding tends to be at a set time—“Is it time for the baby’s feed yet?”—rather than when the baby actually needs to be fed, whereas breastfed babies are fed little and often on demand, which is a slightly better habit to get into.

There is also a beneficial effect on breastfeeding mothers. As well as reducing the risk of cancer and diabetes, breastfeeding burns calories and helps to get mothers back to their pre-maternity weight—for me the prospect of burning an extra 400 to 500 calories just by breastfeeding my baby was very attractive, and it certainly helped me to fit back into the clothes that I wore before I had my children, both of whom were breastfed for two years.

I was interested in the findings of the Select Committee report, and I particularly note the points about marketing and sugar content in foods. I was a wee bit disappointed that it does not contain much discussion on baby foods and toddler milks, as there are significant issues in that area regarding the advertising and the content of the products. In evidence to the Committee, Dr Colin Michie of the Royal College of Paediatrics and Child Health stated:

“Follow-on formulas are not necessary for human beings, but it would not seem so if you watch television. The problem is we are all very convinced by the stories. There are other issues that have parallels for what was said earlier in that the milk companies sponsor education, training, events and an awful lot of professional activities, which again does exactly, to our minds, what we heard it does to infants’ minds: when we see brand names, we equate certain things with them. It is an insidious business that we know enough of to be very wary of.”

The artificial creation of a market for follow-on or toddler milks is of some concern, because those products are not subject to the same level of scrutiny as formulas for very young babies. Research gathered by the First Steps Nutrition Trust suggests that growing-up milks and toddler milks contain almost twice as much sugar per 100 ml as cow’s milk, and some Aptamil and Cow & Gate growing-up milks and all SMA growing-up milks contain vanilla flavouring. It is unclear whether repeated exposure to sweet drinks in infancy and toddlerhood might contribute to the development of a preference for sweet drinks in later life.” It is important to take cognisance of that and consider the issue as part of the obesity strategy.

Dr Wollaston: I thank the hon. Lady for her powerful contribution, and I completely agree with what she says. I also agree that the advertising of follow-on milks is a covert form of advertising infant formula. Does she feel that that should be completely banned?

Alison Thewliss: Absolutely, and a lot of the advertising is very—I supposed we could say cunning. Products are made to look the same on the shelves and to match the adverts for follow-on milks, rather than those for the younger infant formulas, and more needs to be done about that.

The sugars in follow-on milks are not always made clear on the packaging, and that should certainly be of concern to us in this House. Establishing a sugar habit at such an early age should be discouraged, and as was said earlier, that also has an impact on the teeth of a...
growing child. Baby Milk Action has campaigned tirelessly on the marketing of formula, and it has been involved in challenging those issues in the European Parliament. There are related issues concerning the marketing and composition of baby food, and about the jars and packets found in supermarkets, which are often marketed to babies under six months, contrary to World Health Organisation advice.

Pressure from groups such as Baby Milk Action, and actions by MEPs such as the Green MEP Keith Taylor, led yesterday to the European Parliament rejecting draft EU rules on baby food. If they had been approved, they would have allowed baby foods to contain high levels of sugar, and products to be labelled for use from four months of age, rather than from six months, which is the advice. As a result, the Commission has been forced back to the drawing board to bring the regulations in line with recommendations of the WHO and the World Health Assembly, and to fit better with the international code on such issues. I would like further debate on the composition of baby foods, how they are marketed, where they are placed in supermarkets, and what advice is given to parents. Again, the sugar content and the rationale behind waiting until six months before bringing babies on solid foods is not always made clear to parents.

Advice on such matters has changed over the years and has sometimes been conflicting, and well-meaning advice from family members can cause doubt in the minds of new parents. People need to have the best advice on feeding. All agencies should be clear about the advice that they give out, and we must guard the most vulnerable babies in our society against the vested interests of wealthy baby food and formula companies that seek to exert influence on professionals and groups giving out that advice. I hope that these issues will be given due consideration in the debate on obesity, and that thought will be given to the contribution that breastfeeding can make to improving infant and maternal health.

2.45 pm

Mrs Flick Drummond (Portsmouth South) (Con): I am delighted to follow the hon. Member for Glasgow Central (Alison Thewliss), who has established the fantastic all-party group on infant feeding and inequalities. I am looking forward to being part of that as it progresses, and I thank her for setting it up.

The chief executive of NHS England describes obesity as “the new smoking”, and in many ways he is right. Obesity leads to a multitude of health complications, ranging from lack of mobility to cancer. There are also many hidden health risks for people who are obese or severely overweight. Obesity can lead to a lack of self-worth or depression, and it can affect relationships and careers. Because of the growing obesity problem, and the very serious threat to our children’s futures, I am happy that this debate is taking place, and I congratulate my hon. Friend the Member for Totnes (Dr Wollaston) on securing it.

In my constituency of Portsmouth South, 20% of children and 25% of adults are obese, which is above the average for England. In other ways, obesity is unlike smoking. There is no “vaping” technology for people who struggle to maintain a healthy diet. We know that fast food is an immediate satisfaction, whereas healthy food can take longer to prepare. I am concerned, however, that some studies suggest that healthy food is more expensive than the fast and unhealthy food that we see on offer every day, or positioned conveniently at supermarket checkouts.

I am particularly concerned by a fairly recent report by the University of Cambridge, which found that healthy food was three times more expensive than unhealthy food. I would dispute that. It is perfectly possible to eat healthily on a low budget. As Baroness Jenkin from the other place has shown, someone can live healthily on £1 a day, and I know from my own busy household that it is possible to live healthily on a very small budget. At the local food bank where I volunteered before the election we handed out healthy recipes for the food that was provided, which should have lasted people for three days. I am sure that I do not need to repeat what that issue means for those living in deprived areas, except to say that in my constituency of Portsmouth South, where deprivation is higher than the English average, the challenge to encourage people to eat healthy food is even greater.

The whole House will agree that today our nation’s children are more susceptible and at risk of becoming obese. Children do not control their diets—it is the parents who do the weekly shop—and we would never blame a child for their poor dietary choices. Children who develop obesity at a young age are at risk of developing lifelong conditions, some of which are also life-limiting; as we have heard, cases of diabetes are increasing. During childhood, people develop habits that can last the rest of their lives. A lot of facts have been flying around in this debate, and although I understand the financial burden that a growing obesity problem poses for our NHS, the human cost cannot be quantified.

The solution to this problem is not simply more money. As other Members have said, it requires the energy and commitment of central and local government, health organisations, and our local charities, to educate the population on how to live on a low wage. I am really pleased that the Roberts Centre in my constituency is a family-focused charity. It offers a range of services offering support and assistance, including making healthier lifestyle choices, to some of the most disadvantaged families in the city.

Mrs Hodgson: On the hon. Lady’s point about living healthily on a low wage, I take on board that it is very possible to make healthy food very cheaply, but people need the skills and knowledge to be able to do that. I wonder whether she will say a bit more about that. The School Food Plan says that education should start with children learning the skills they need to be able to look after themselves as adults.

Mrs Drummond: That is exactly what I was going to come on to, so I thank the hon. Lady very much indeed.

Last week, I met Home Start, a national family charity with a strong presence in Portsmouth. It has an army of volunteers who offer unconditional help and support to all families who need help in getting it right, and show them how to cook healthily. There is, however, a major role for our schools in tackling obesity. The school where I am a governor, Milton Park primary, is taking the lead locally in educating children about healthier choices. The cooks at the school have won awards and I can recommend their so-called “chocolate muffins,” which in fact are made of beetroot.
I would like to see cooking classes become mandatory in schools. I know it would be difficult to re-establish kitchens, but the rewards would be worth it. I see that as the only way to prevent future generations from continuing poor eating habits. The only way to do that is by teaching them how to cook healthily and how to budget. Like some of my colleagues, I was against a sugar tax to start with. If we can use the sugar tax to fund cooking classes in schools, however, then I am all for it.

In Portsmouth, there are a number of charitable organisations actively engaging with the community to help to tackle obesity through a more active lifestyle. Affiliated with Portsmouth football club, Pompey in the Community provides education and opportunities for children in the city.

Geraint Davies: The hon. Lady makes some interesting points about the relationship between nutrition and poverty. Does she agree that it is a good idea to provide free school breakfasts in school? They help poorer children in particular to achieve and to know what good food tastes like.

Mrs Drummond: I totally agree. I also back the attempt by the right hon. Member for Birkenhead (Frank Field) to get free school meals for everybody receiving the pupil premium. That is a very good point; I am thinking particularly of a healthy breakfast with porridge, not necessarily sugar-laden cereals.

Not only does Pompey in the Community provide a lot of the physical education curriculum in local schools, but it runs a number of out-of-school and holiday clubs. There are plenty of sports clubs in Portsmouth. I would like to see a lot more outreach from sports clubs to children from low-income families. The Portsmouth Sail Training Trust does this with sailing, focusing solely on children from low-income backgrounds. More sports clubs need to get out and do this, too. Perhaps we could use the sugar tax to help to fund some of those sports activities. I would also like to see more sport in the curriculum, with the possibility of at least one hour of activity every day. We heard about a school doing one mile a day. Every school should be doing that. I would like the Department for Education and the Department of Health to lead on more sport in school, perhaps with extended days to fit it in.

Often the simplest changes are the most effective. By encouraging our children to walk to school, and by continuing to develop nutritional education, I am sure we will see more positive results. Members on both sides of the House talk a lot about tackling deprivation in our communities. It is crystal clear that the House must now turn its energy towards fighting the terrible problem of obesity, through education and providing more opportunities for an active lifestyle.

2.52 pm

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the hon. Member for Totnes (Dr Wollaston) for securing this extremely important debate. It is not listed in my entry in the Register of Members’ Financial Interests, but I must declare a terrible sweet tooth, which gives me great experience from which to speak in this debate.

Over preceding decades, there have been profound changes in the UK in the relationship we have with food. Historically, the public health challenges we faced tended to relate to under-nutrition and unsafe food and water. However, in modern society, those issues have largely been replaced by the risks of poor diet. Food is now more readily available and there have been significant changes in how we eat, the type of foods we consume, and how they are produced and marketed. Busy lifestyles and easy access to convenience and processed foods have helped them to become a staple part of many families’ diets.

In general, we over-consume foods high in fat, sugar and salt, and we do not eat enough fruit, vegetables, fibre and oily fish. Our type of diet underlies many of the chronic diseases that cause considerable suffering, ill health and premature death. It is also a major factor in the issue of childhood obesity, heart disease and type 2 diabetes. The recently published findings from the Health Committee’s investigation into childhood obesity highlighted that one in five children is overweight or obese when they begin school. That figure was found to rise to one in three by the end of primary school. There was also evidence of inequality between different sectors of society, with those from deprived backgrounds found to fare significantly worse and to be twice as likely as their more affluent counterparts to be overweight or obese.

These figures are extremely concerning. Obesity is a serious problem that has significant implications, both on the long-term wellbeing of the individual child and on society as a whole. Many of the most serious and potentially life-shortening physical health risks that accompany obesity are well publicised and have been raised already in the Chamber today. I will not, therefore, go into them again.

Instead, I will highlight the detrimental social effects that can impact on individuals’ overall wellbeing and life chances. Research indicates that childhood obesity is associated with mental health issues in both children and adults, such as depression, low self-esteem, social isolation, self-harm and behavioural problems. It is also associated with stigma and bullying. In addition to obesity, a poor diet that includes too much sugar and acidic food substances can lead to oral health issues, which can impact on an individual’s ability to eat and socialise, and this again can adversely affect their mental health and contribute to their social isolation.

Addressing these issues will require a concerted effort to alter health choices, to address cultural and lifestyle issues and to improve our relationship with exercise and sport. It will require a multifaceted response; no single measure will do the trick. We need a response from private enterprise to improve choices and healthy options that are appealing and, importantly, cheap, as was highlighted by my hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson). We need to address the effect that marketing can have on children and parents and make sure it is done responsibly, as was mentioned by my hon. Friend the Member for Glasgow Central (Alison Thewliss). We need to enhance skills gained at school and home in cooking healthy meals, and this must be role-modelled at school, with fruit bars, water and other healthy choices that are low in fat, salt and sugar, as was discussed in detail by the hon. Member for Washington and Sunderland West (Mrs Hodgson).
Childhood obesity must also be addressed by local commissioning in areas where fast-food outlets are placed near to schools. In one of my local areas, refuse staff are in place at school lunch times to clear up fast-food packages left by school children in shopping squares. This must be addressed and must not be encouraged. Wider Government initiatives are also required to improve food labelling. We need labelling that is understandable to families and ordinary people and which does not look like gobbledegook.

As debated today, taxation should be considered as part of an evidence-based approach. We also require an increased focus on sports, exercise and healthy pursuits as being integral to our lifestyle; increased funding; and an emphasis on engaging children and young adults in these activities and making them affordable to people from all walks of life. We know from psychological research that education, in itself, does little to change behaviour. We therefore require a Government strategy to reinforce healthy choices. This would be cost-effective in the long term for our health service and quality of life.

Geraint Davies: The hon. Lady is making a powerful and excellent speech. She might know that in Mexico the average consumption of Coca-Cola is 0.5 litres a day per person and that children are being fed Coke in baby bottles. Does she agree that the Government need to take action not just on pricing but on marketing? We cannot have this situation where people can buy two litres for 5% more, so that we have these huge stocks of Coke that people feel they have to get rid of before it loses its fizz, and everybody’s teeth fall out.

Dr Cameron: The hon. Gentleman makes a good point. I have pinpointed the need to address the effect of marketing on children and parents’ healthy choices.

A clear strategy would benefit our children, society as a whole and future generations. That is surely Parliament’s job. We should not shy away from a bold and effective obesity strategy.

2.58 pm

Andrew Gwynne (Denton and Reddish) (Lab): I pay tribute to the Backbench Business Committee for allocating time for such an important debate and to the hon. Member for Totnes (Dr Wollaston) for her eloquent opening speech. I also extend my thanks to the entire Health Select Committee for producing such a comprehensive report on childhood obesity. She was dead right to entitle it, “Childhood obesity—brave and bold action”, because that is precisely what is needed. I would also like to thank for their contributions my hon. Friend the Member for Washington and Sunderland West, who has long been a champion of better standards of food in our schools.

Returning to the Select Committee report, the starting point has to be the scale and the consequences of the problem, and this requires looking at doing things differently. Failure to act will make the problem worse—not just for the individuals concerned, but for the public purse, which will, frankly, struggle to cope with the health inequalities that we are exacerbating.

The statistics are clear. Childhood obesity is strongly linked to deprivation, almost reversing the trend of the entire history of the human race whereby malnourishment, not obesity, was the key indicator of poverty. As we know from the statistics of Public Health England, the most deprived children are twice as likely to be obese at reception and at year 6 than the least deprived children—and that gap is widening, as the hon. Member for Totnes set out.

We often get into the habit of praising the fact that a debate is even taking place here, but in this instance, the timeliness of the debate really cannot be overstated. It is no understatement to say that the Government’s strategy has been a long time coming. Although we are debating obesity today, I hope that this is not a sign that the document is being slimmed down. Today’s debate has suffered from the slight disadvantage of addressing the contents of a document that does not yet exist. Perhaps the Minister will give some certainty—perhaps even a date—on when we can expect publication of the strategy. This also presents a rare opportunity, hopefully, to influence what will eventually be published in that strategy. It is important to remember that Government can do immense good when it comes to public health.

If we think about some of the great strides in public health that we have taken in recent years—from the banning of smoking in public places to reducing the rates of teenage pregnancy—we realise that these moves came about, in part, as a result of Members putting difficult issues on to the political agenda. With that in mind, I shall focus my remarks today around the key issue of obesity and diet.

I believe that we need action to tackle the problem at the supply side on the part of food and drink companies, and also action to tackle it on the demand side, with a need for far better education on how we could be looking after ourselves, as well as give people the means to eat healthier food. We believe a comprehensive and broad approach is necessary to help families, schools and children to make the right decisions. I commend the work of my hon. Friend the Minister for Washington and Sunderland West, who has long been a champion of better standards of food in our schools.

In November, the Health and Social Care Information Centre released data showing that one in every five children leaving primary school are classified as obese, and one in every three children are either obese or overweight. Frankly, those figures should shame each and every one of us. Although there has been a shift in providing healthier, more nutritious meals at schools, so many of the problems start before school or at least outside of school hours.

Between April and September 2015, Trussell Trust food banks in Greater Manchester, which includes my constituency, gave 22,739 three-day emergency food supplies to people in crisis. Some 8,666 of those three-day emergency food supplies were given to children. When so many families are having to rely on food banks to feed their children, they may be limited in their ability...
to provide fresh and healthy meals. In these upsetting circumstances, feeding their child something is better than seeing them go hungry. Wider problems of poverty must be addressed to ensure that people have access to good diets. How does the Minister plan to help families who are having to rely on food banks to improve their diets?

Funding is a crucial side issue. Following the removal of protected status from all Department of Health budgets that are not controlled by NHS England, the pot of money that pays for public health will be subjected to huge cuts in the coming years. That will have a significant impact on Public Health England, and could put at risk our ability to tackle obesity to the necessary extent. It could also put at risk the future of public awareness campaigns, many of which have been a great success. The cuts in the public health grant to local authorities could drastically reduce the amount of support that is available locally to those who want to lose weight or have a healthier lifestyle. I should be interested to hear from the Minister how the public health cuts in the coming years are consistent with the emphasis on prevention in the “Five Year Forward View”, and, in particular, whether the crucial issue of funding will be addressed in the forthcoming strategy.

Geraint Davies: Obviously funds are tight, but does my hon. Friend agree that if we introduce a sugar tax, it will ease the burden and enable us to focus our fire on reducing obesity in other ways?

Andrew Gwynne: That may well be the case, but we must of course ensure that any income raised by such a tax is reinvested in public health.

It is also important to increase levels of physical activity among adults and children throughout the United Kingdom. Inactivity is a key factor in ill health, and it is important that we encourage children to maintain active lifestyles from an early age. I believe that increasing the opportunities for young people to get involved in physical activity is just as important as improving diets. Treating obesity and its consequences alone currently costs the NHS £5.1 billion every year. Given that nearly 25% of adults, 10% of four to five-year-olds and 19% of 10 to 11-year-olds in England are classified as obese, the human and financial cost of inaction is significant. We must do much more to ingrain physical activity in our daily lives, whether that means walking instead of driving or taking the stairs instead of the lift. Every little helps.

A number of Members have touched on a point that is crucial to the debate. Many people have argued that the Government should introduce some form of tax on sugary products, particularly soft drinks, and the debate on that issue goes far beyond the Chamber. Public figures such as Jamie Oliver have come out in support of a sugar tax, and he has made a compelling case. However, the issue is complex, and I do not think that the answer is necessarily straightforward. Labour Members have always feared that a sugar tax, in itself, could be regressive, and that it would focus attention on consumers, many of whom are addicted to sugar, rather than manufacturers, who should be reducing the amount of sugar in their products. That said, however, I suggest to the Minister that it is right for us to look at the emerging evidence from other countries, which has shown that where similar taxes have been introduced they have had a positive effect, not least in changing behaviour.

Will Quince: Will the hon. Gentleman give way?

Andrew Gwynne: I am afraid not. I do not have time.

It has not escaped my attention that the Prime Minister has effectively gone from ruling out a sugar tax to not ruling out a sugar tax. I hope that the Minister will clarify the Government’s position, but, in any event, it seems that the forthcoming strategy will mark a departure from the ineffective voluntary approach that they have favoured in recent years. The public health responsibility deal has seen firms making all sorts of promises and then hijacking the agenda to promote their own products, ultimately failing to fulfil their pledges. At the time of its introduction, organisations such as the Royal College of Physicians and Alcohol Concern complained that the pledges were not specific or measurable, and that the food and drink industry had simply dictated the Government’s policy.

I hope that the Government will take a much stronger line with industry than it has taken previously, because it must be incumbent on industry to reduce the amount of sugar in products, including comparable products in the European Union that are boxed in exactly the same way, but contain significantly different amounts of sugar and other ingredients. I also hope that if the Government are forthcoming with a fiscal solution, that is part of a much larger and comprehensive strategy of measures. I do not think anyone would try to argue that a sugar tax on its own is a silver bullet. I want food and drinks manufacturers to reduce sugar in their products, and we need to ensure that that happens.

I thank everyone who has spoken in the debate, and I hope the Minister will consider the many excellent contributions when the Government put the final touches to the childhood obesity strategy.

3.10 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): I am delighted to respond to the debate on behalf of the Government, and, following on from what the shadow Minister just said, I welcome the opportunity to take forward all the points made in the many excellent and well-informed—although occasionally a little confessional—contributions. It is a timely debate that will make a valuable contribution as we finalise our strategy.

The House is at a slight advantage as it has the chance to influence, but I am at a disadvantage as we have yet to publish the strategy and therefore I have to talk in slightly more general terms.

I welcome the Health Committee’s recent report, which we have debated once already, and its previous report, “Impact of physical activity and diet on health”. We will be formally responding to the Health Committee’s most recent report soon.

There is no denying that in England, and indeed globally, we have an obesity problem. Many shocking statistics have been given in this debate and I will not repeat them, but many Members on both sides of the House dwelled on the health inequalities issue—the gap that is emerging—and I will come back to that. My hon. Friend the Member for Colchester (Will Quince)
drew our attention to what is, in effect, a stabilising of childhood obesity statistics, although it is at far too high a level. As he acknowledged, there is a pronounced gap between different income groups.

Once weight is gained, it can be difficult to lose and obese children are much more likely to become obese adults. In adulthood, obesity is a leading cause of serious diseases such as type 2 diabetes—as the right hon. Member for Leicester East (Keith Vaz) and others mentioned—heart disease and cancer. It is also a major risk factor for non-alcoholic fatty liver disease.

We also know that eating too much sugar is linked to tooth decay; it was good to hear my hon. Friend the Member for Mole Valley (Sir Paul Beresford) make that point. In 2013-14 over 62,000 children were admitted to hospital for the extraction of teeth. This is a serious procedure that frequently requires a general anaesthetic. Children should not have to go through this.

Many Members highlighted—I think there is consensus on this—that there is no silver bullet to tackle obesity. That means that in order to reduce rates we need a range of measures and all of us, and all the parts of our society mentioned in the debate, have a part to play, as our forthcoming strategy will make clear.

Sometimes in the national debate around obesity people question the role of the state and how it should intervene to drive change. In the face of such high obesity rates, with such significant implications for the life chances of a generation, it is right that tackling obesity, particularly in children, is one of this Government’s major priorities, and we showed the priority we place on this by making it a manifesto commitment.

As my hon. Friend the Member for Portsmouth South (Mrs Drummond) said, the human cost is enormous. Young children in particular have limited influence over their choices and Government have a history of intervening to protect them: we do not question the requirement that younger children use car seats on the grounds of safety, for example. Children deserve protecting from the effects of obesity, for their current and future health and wellbeing and to ensure they have the same life chances as other children, especially those in better-off parts of our society.

As I have said, I was struck by how many Members alluded to the health inequalities issue. There is strong evidence of a link between obesity and lower income groups. The obesity prevalence among reception year children living in the most deprived areas was 12.0% compared with 5.7%, and that gap rose to 25.5% as against 11.9% respectively by the time they leave primary school. That is not acceptable, and we must take action to tackle it.

Any Government with a state-funded health service also have a responsibility to take an interest in the nation’s health to ensure the sustainability of the NHS. The huge cost of treating lifestyle-related type 2 diabetes has been mentioned by a number of Members. Our election manifesto supported the programme for prevention set out in the NHS England’s “Five Year Forward View”, which states that

“the future health of millions of children, the sustainability of the NHS, and the economic prosperity of Britain all now depend on a radical upgrade in prevention and public health.”

Tackling obesity is a key component of this work. I accept the challenge from the shadow Minister on budgets, but I can give him the assurance that over the spending review period we are still going to be spending £16 billion on public health. We can complement local action with national initiatives, and we will talk more about that when we publish our strategy.

We are continuing to invest in the Change4Life campaign, which has been going on for many years. We have learned a lot from it, and we now have valuable evidence about what works and what provides motivation and support for families to make small but significant improvements. On 4 January, we launched the new Sugar Smart app to encourage parents to take control of how much sugar their children eat and drink. Members have described how people can scan the barcode on any of the thousands of everyday products that are catered for by the algorithm. This allows people to visualise the number of 4 gram sugar cubes the product contains. In the first 10 days of the campaign, about 800,000 people downloaded the sugar app. That is a great success, and an example of how we can empower families with information so that they can make decisions about their diet. A number of Members made that point, including my hon. Friend the Member for St Austell and Newquay (Steve Double), who talked about the role of families.

Geraint Davies: Will the Minister give way?

Jane Ellison: I do not think I have time. I think I know what the hon. Gentleman is about to say, and we have had the teaspoon discussion before. I recommend the sugar app to him; he acknowledged its introduction in his speech, for which I am grateful.

The Sugar Smart app builds on the Change4Life Sugar Swaps campaign, from which we learned a lot. More than 410,000 families registered with the campaign. However, we know that public health messaging and support are not enough. That is why our childhood obesity strategy will be wide ranging and involve Government action across a range of areas.

The food and drink industry also has a role to play, as many Members have said, and I am pleased that it has made progress in recent years. My hon. Friend the Member for Erewash (Maggie Throup) alluded to that fact earlier. Under the voluntary partnership arrangements and the responsibility deal, there has been a focus on calorie reduction, of which sugar has been a big part. We have made progress. Some retailers have also played their part by removing sweets from checkouts, which we welcome. We urge others to follow suit. Importantly, parents and customers have strongly welcomed that change and supported the measures being taken by the industry. But the challenge to the industry to make further substantial progress remains.

Providing clear information to consumers is vital if we are going to help them to make healthier choices. That has been a theme of the debate. The voluntary front-of-pack nutrition labelling scheme, introduced in 2013, plays a vital part in our work to encourage healthier eating and to reduce levels of obesity and other conditions. The scheme enables consumers to make healthier and more balanced choices by helping them to better understand the nutrient content of food and drinks. It is popular with consumers and provides information on the calories and nutrients in various foodstuffs. Businesses that have decided to adopt the scheme account for two thirds of the market for pre-packed foods and drinks.
Jane Ellison

As a Conservative and a former retailer I believe in customer choice, but if consumers are to make an informed choice they need information. Informed consumers can of course shape markets and drive change, as my hon. Friend the Member for Twickenham (Dr Mathias) pointed out in her thoughtful speech. That point came out strongly in the debate, and I shall reflect on it a great deal.

I want to say a little about physical activity, which is also a key theme. We are very clear that for those who are overweight and obese, eating and drinking less is key to weight loss, but we know that physical activity has a role to play in maintaining a healthy weight. It is also hugely beneficial in many other ways. For children it is a vital part of growing into a healthy, happy adult, so it has been great to hear about the work being done in schools up and down the country. We heard examples of that from my hon. Friends the Members for Mid Worcestershire (Nigel Huddleston) and for Erewash. That is why raising levels of participation in sport and exercise among children and young people is an area the Government are keen to make further progress on.

The Department worked closely with the Department for Culture, Media and Sport on the new sports strategy, published just before Christmas. We will be working with DCMS, Sport England and Public Health England in the coming months to implement the strategy. The Minister for sport and I have worked closely together on both the obesity agenda and her agenda on physical activity. We are also working to raise awareness of the UK chief medical officer’s physical activity guidelines. We have already developed an infographic for health professionals to use when they discuss physical activity with adults, but we want to go further and work on further infographics to raise awareness of the daily activity levels required for children and young people, including the under-fives. We hope that that will be a useful resource, not only for families, but for the leisure sector and for many more who have a key role in encouraging people to be more active.

A slightly different point was made by the hon. Member for Glasgow Central (Alison Thewliss), but it was an important one and she spoke knowledgeably about nutrition in the very early years and during pregnancy. I commend to her the recent chief medical officer’s report on women’s health, as it contained a number of chapters that I think she would find of huge interest if she has not already had the chance to look at them.

There has been a consensus on a number of facts, although a key one stood out: obesity is a complex issue, which the Government cannot tackle alone. Businesses, health professionals, schools, local authorities, families and individuals all have a role to play, as does Parliament. We were all struck by the contribution made by the hon. Member for Washington and Sunderland West (Mrs Hodgson), who spoke so passionately about the need to tackle health inequalities. She spoke about the influence of a good start in life and how that works all the way through one’s life. Parliament does have a role to play, so I welcome the engagement of so many Members from all parts of the House. I would be happy to provide more information if it is ever of help to Members about key public health indicators in their own local areas and how they can help to take this agenda forward. Local leadership will be important as we seek to make the critical leap forward on preventive health action described in the NHS “Five Year Forward View”.

This has been a great debate and I thank Members for their contributions. I look forward to discussing this issue further when we publish our comprehensive childhood obesity strategy.

3.21 pm

Dr Wollaston: I thank all Members who have contributed to today’s debate, including the Minister, who rightly said that the action the Government take now will affect the life chances of a whole generation. I am grateful for her recognition of the importance of not only obesity in itself, but the pressing concern that everyone has about how health inequality affects this issue. I am also grateful that she is going to include that at the heart of the Government’s obesity strategy.

In conclusion, we are looking for bold, brave and, most importantly, effective action. I would like to finish as I started by saying that we should take a leaf out of the book of British Cycling, because there is no silver bullet and we need to follow the principle of marginal gains—let’s do everything.

Question put and agreed to.

Resolved.

That this House calls on the Government to bring forward a bold and effective strategy to tackle childhood obesity.
Holocaust Memorial Day

3.23 pm

Wes Streeting (Ilford North) (Lab): I beg to move, That this House has considered Holocaust Memorial Day 2016.

As we begin, I would like to thank those who gave their support to enable this debate to take place, particularly the hon. Members for Stratford-on-Avon (Nadhim Zahawi), for South Thanet (Craig Mackinlay) and for Enfield, Southgate (Mr Burrowes), and the Backbench Business Committee for granting our request.

The theme of this year’s Holocaust Memorial Day, which will take place in just under a week’s time, on 27 January, is “Don’t stand by”. The holocaust did not begin with the systematic slaughter of Jews in Europe or even with a brick through the window of a Jewish shop during the Kristallnacht of 1938. It began with a simple idea that our differences mark us out as superior or inferior to one another. That simple idea spawned a hateful ideology, expressed through Hitler’s Nazism, that the Jews were at the centre of a global conspiracy to control the world at the expense of Aryan destiny. Some 6 million Jews were murdered by the Nazis, among them 1 million Jewish children. It was pre-mediated slaughter on an industrial scale never before witnessed in human history. Alongside innocent Jewish men, women and children were political prisoners, Romanis, Slavs, gay people, Jehovah’s Witnesses, Russian prisoners of war and many others. They met their fate on the streets, where they were beaten sometimes to death; in concentration camps, where they were often worked or starved to the point where they lost their lives; and, most chillingly, in the gas chambers of the Nazi death camps. It is estimated that some 42,500 facilities in German and Nazi-occupied territory were used to concentrate victims, and around 200,000 people were perpetrators of the holocaust planned by Nazi leaders at Wannsee.

This year’s theme for Holocaust Memorial Day is not about leaders; it is about bystanders. I am talking about the bystanders who said nothing as Nazi propaganda targeted the Jews; the bystanders who watched as Jewish homes and businesses were ransacked by the Nazis; and the bystanders who looked the other way, even as the sickly smell of burning human flesh from the ovens was carried by prevailing winds from the chimneys of the Nazi death camps to surrounding homes.

Although we might reflect today on the unique crimes of the Nazi holocaust, we should never avert our eyes from the most uncomfortable truth of all—that its perpetrators were not unique. They were ordinary men and women carrying out acts of extraordinary evil.

If the holocaust demonstrated the very worst of human nature, its survivors represent the very best. The crimes they witnessed and the evil to which they were subjected are impossible to imagine, but through their courage we are able to reflect on the horrors of the holocaust so that we might learn the right lessons as we strive towards a world free from hatred, persecution and genocide.

Many of us will have personal experience of listening to the testimony of survivors, and I am delighted that so many of them were recognised in the new year’s honours list. I pay particular tribute to my constituent Ivor Pearl, who received the British Empire Medal for services to holocaust education and awareness. On accepting the honour, Ivor said:

“I think I can speak for most of us when I say that when I give talks I feel all the victims are there behind me looking over my shoulder and as such I accept this honour on their behalf as well”.

Another resident of Ilford North, Bob Obuchowski, would surely be among them. Bob lived in Clayhall and passed away in 2014. His double act with his daughter, Sue Bermane, was almost legendary. She supported Bob in sharing his testimony and continues his work today.

In that context, I champion the work of the Holocaust Educational Trust. Led by the indomitable Karen Pollock, its outstanding work keeps the memory of those remarkable holocaust survivors alive so that each generation can bear witness to their extraordinary fortitude and reflect on how it was that ordinary men and women unleashed the horror of the Nazi holocaust. Its “Lessons from Auschwitz” project has now taken more than 28,000 students and teachers from across the UK to the Nazi concentration and death camp, Auschwitz-Birkenau. They include students from my own constituency, most recently from King Solomon High School and Woodbridge High School, who travelled to Poland in October 2015.

I pay tribute to successive Labour, coalition and Conservative Governments for funding those visits, and I hope that the Minister may be able to give us some good news about continued funding for this important project this afternoon, or at least take away from the debate the desire of this House to see that funding continue.

Bob Stewart (Beckenham) (Con): I rise to pay great tribute to Karen Pollock. As someone who established the Srebrenica safe area in March-April 1993, I am deeply appreciative of the fact that she said that the Holocaust Memorial Fund also refers to the 8,373 Bosnian Muslims who were killed in a holocaust much closer to our time. I appreciate very much that the Holocaust Memorial Fund cares about those people just as much as it does about the victims of the foul Nazis.

Wes Streeting: I share the sentiments expressed by the hon. Gentleman. I will talk about other genocides later in my speech.

I know from my community in Redbridge that schools across the country are doing some outstanding work to deliver holocaust education as part of the national curriculum, including, of course, acknowledgement of other genocides. It is vital that holocaust education remains a compulsory part of the national curriculum at key stage 3 to ensure that all young people receive this valuable education. I also congratulate the Prime Minister on his initiative of establishing the Holocaust Commission and on the appointment of the right hon. Member for Brentwood and Ongar (Sir Eric Pickles) as the Government’s special envoy for post-holocaust issues. I know that he is respected on both sides of the House for his commitment and determination and for how he goes about his work in that role.

With the onward march of time, the number of survivors left to bear living witness to the crimes of the holocaust diminishes, and so with every new generation comes an even greater responsibility to ensure that their warning from history is never forgotten. Of course, even as they rebuilt their lives, many continued to suffer,
United Synagogue, which now meets at the Redbridge Synagogue, has expanded its activities within Redbridge and continues to flourish. Chabad Lubavitch, led by Rabbi Chezky Lifshitz, has been active in the area for many decades, providing religious and educational services for the local Jewish community.

For many of those people, the end of the second world war did not bring about their liberation. Nazi law remained in place and their suffering at the hands of the state continued. Some were even sent back to prison by the very same judges who had sent them off to concentration camps under the Nazis. I do not mind telling the House that I wept last summer in Berlin as I read the stories of those LGBT survivors of the holocaust who later went to their graves unable to share their story, shunned by their Governments and without any acknowledgement of the suffering they had experienced under the Nazis and, I am afraid, under the subsequent Governments of West and East Germany.

I am inspired by holocaust survivors such as Rudolf Brazda, the last known concentration camp survivor to be deported specifically for homosexuality. Before the Nazis came to power, he and his boyfriend had been accepted in an increasingly tolerant society. A Jehovah's Witness accepted them as her tenants and Brazda's family acted as witnesses to a symbolic marriage ceremony in their home.

As Berlin's thriving lesbian and gay scene was dismantled by the Nazi regime, Brazda and his partner were arrested and they never saw each other again. Brazda served a six-month sentence before being deported to Czechoslovakia. He was arrested again in 1941 and was forced to serve another 14-month prison term. In August 1942, he was deported to the Buchenwald concentration camp and there he was beaten, once having his teeth knocked out. He was subjected to forced labour and survived only through a combination of strength and luck.

It was not until 2008, ahead of the unveiling of the memorial to homosexual victims of Nazism in Berlin, that he felt able to speak out. Those countries that continue illegally to discriminate against LGBT people and those that would have those countries continue to discriminate against LGBT people should reflect on his words before his death in 2011. He said:

"If I finally speak, it's for people to know what we, homosexuals, had to endure in Hitler's days...it shouldn't happen again."

I pay tribute to all those communities targeted by Nazi hatred and to their survival. In particular, I pay tribute to Jewish communities in the United Kingdom and around the world that stand tall in lasting defiance of Hitler's evil ideology. I am proud of the Jewish community I represent in Ilford and the lasting memorial for the victims of the holocaust. Though the Jewish community in Redbridge and elsewhere continues to thrive, we cannot be complacent about the threat posed by modern anti-Semitism, whether it manifests itself on the right or the left of the political spectrum. I am proud to be a vice-chair of the all-party parliamentary group against anti-Semitism, under the exceptional leadership of my hon. Friend the Member for Bassetlaw (John Mann).

Successive reports published by the Community Security Trust, to whom I pay tribute, show a continual increase in anti-Semitic incidents across the United Kingdom, including violent attacks. Last year, a delegation from the APPG visited France, to look at the rise in anti-Semitism there, where thousands had taken to the streets to pronounce "Je Suis Juif" in the wake of the murder of Jews on the streets of Paris.

We know that although Jewish people make a great contribution to public life here, too many Jews in politics are targets for anti-Semitism, both online and offline. Many right hon. and hon. Members will recall my predecessor, Lee Scott, speaking powerfully in this debate last year about his experience of receiving abuse and death threats because he was Jewish, and I pay tribute to him again for his courage and unshakeable commitment in standing up against that anti-Semitism.

"Never again" is a common refrain at events to commemorate Holocaust Memorial Day, but I am afraid these words ring hollow. "Never again" will find meaning only when Jews can live freely and safely in all parts of the world. "Never again" will find meaning only when difference and diversity is celebrated, rather than denigrated. "Never again" will find meaning only when genocide is confined to history.

I want to end with a reflection on our responsibility, both as individuals and as the state, I am pleased to see the hon. Member for Newark (Robert Jenrick) in his place. He is chair of the all-party parliamentary group for genocide prevention. Often debates in this place about Britain's foreign policy consider the consequences of action under the shadow of previous mistakes. But as Holocaust Memorial Day is used to commemorate all victims of genocide, and as a vice-chair of the all-party parliamentary group for genocide prevention, I hope that in its future deliberations this House will also consider the consequences of introspection and inaction. The genocide in Cambodia, the genocide in Rwanda, the genocide in Darfur—each should rest on the consciences of powerful nations who chose to look the other way.

Closer to home, it is for every citizen to reflect on those occasions where we have looked the other way: when someone was called a name, when someone was
mistreated, when someone was bullied, beaten or even murdered, because they were different. Yehuda Bauer said:

“Thou shalt not be a victim, thou shalt not be a perpetrator, but above all, thou shalt not be a bystander.”

It is fitting as the theme of this year’s Holocaust Memorial Day and an exhortation for this House and for every citizen we are sent here to represent.

3.38 pm

**Sir Eric Pickles** (Brentwood and Ongar) (Con): I am grateful to follow the hon. Member for Ilford North (Wes Streeting), and I am grateful to him for his tribute to Lee Scott, his predecessor. I, along with a number of Lee’s friends, recognise the enormous personal risk that Lee took and endured, and we appreciate the hon. Gentleman’s acknowledgment of that.

I associate myself with the intervention by my hon. Friend the Member for Beckenham (Bob Stewart), who has spoken many times in this Chamber about Srebrenica and the genocide there, and he does well to remind us of that today.

The hon. Member for Ilford North mentioned that we travelled together to France in autumn last year to look at anti-Semitism there. I vividly recall meeting Jewish students and hearing them talk of how frightened and wary they were on their campuses. I cannot help reflecting on the disgraceful attack on Jewish students at King’s College London just two nights ago. A peaceful meeting—it was literally about peace—was broken up with obscenities, the breaking of a window and the offering of violence. Frankly, we have seen broken glass before, at Kristallnacht. If we need to know who the new fascists are, we need only look at those who perpetrated that attack.

I associate myself with all the remarks that have been made about the Holocaust Education Trust and Holocaust Memorial Day. In September I had the honour of being appointed the UK’s post-holocaust envoy. I took over from Sir Andrew Burns, who held the job for the previous five years. I had the opportunity of working with Andrew on many occasions when I was at the Department for Communities and Local Government. He is a very distinguished man and is very well respected across Europe and around the world. It is a genuine honour to follow him in that role.

I want to concentrate my remarks on what “Don’t stand by”, the theme of this year’s Holocaust Memorial Day, is really about. I will look at that through two of the organisations for which I am responsible in the UK. The first is the tracing service. It began as a way of offering of violence. Frankly, we have seen broken glass before, at Kristallnacht. If we need to know who the new fascists are, we need only look at those who perpetrated that attack.

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Sir Eric Pickles: My hon. Friend makes a very powerful point that I obviously endorse and agree with. However, these events often start not with an invasion but with small things, and we need to be vigilant about the small things as well. I am in no way diminishing the enormous point that he makes.

The International Holocaust Remembrance Alliance is an organisation comprising 30-odd nations that deals with holocaust remembrance. It has done an excellent job in starting to map the killing fields—the various killing sites. Auschwitz tends to dominate our view, and a visit there is truly heart-breaking, but it represents only some 15% of the numbers murdered. Someone was just as likely to have been shot in a ditch or killed in a field, or, to use Himmler’s dreadful expression, “annihilated through labour”. A lot of people died in the quarries and building the camps, and it is important that we remember their graves. We are living in a decade when a number of countries are not so keen to register where those places are. Over the coming decade, we need to have a very comprehensive understanding of where they are.

Our view of the holocaust has been refined over 70 years—the past 10 years have been very influential—but for a number of countries in central Europe it is still very much a contemporary event, in the sense that they had significant anti-Jewish laws similar to the Nuremberg laws and were willing participants in them. In coming to terms with the holocaust, it is important to recognise that. We are sometimes guilty of complacency. We talk about the people who did not stand up and who did the right thing, and say, “Of course, that’s us—we’d do that”, but the truth is that most people did not. It is impossible seriously to contend that people did not know what was going on.

I think there were various reasons why people did not interfere. First and obviously, they might have been anti-Semitic. They might have been indifferent. They might have been ambitious. After all, to be a successful Nazi, people had to show that they believed in the programme. They did not want to be denounced by their neighbours. Of course, it was also the law, and people like to obey the law. It is possible, however, that they rather enjoyed the loot and the auctions of Jewish goods and properties; they might have enjoyed looting their neighbours’ properties and benefiting from their hard luck.

Bob Stewart: I thank my right hon. Friend for allowing me to intervene and to reinforce what he is saying. I have dealt with people who carried out what was clearly a holocaust, and the one thing that rings all the way through with most of them is that they are normal people but they carried out obnoxious crimes. One day, I hope we will understand what it is that makes normal people—I have had dinner with them in Bosnia—do such foul things. I hope very much that the Holocaust Memorial Day Trust will try to ascertain what does that to people who one might actually like.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Before the right hon. Member for Brentwood and Ongar (Sir Eric Pickles) continues, I should say that I did not want to interrupt any of the hon. Members who have made interventions, because they are making very careful, balanced points, but we cannot have long interventions, because there is not much time left for the debate.

Sir Eric Pickles: I will not detain the House for much longer, Madam Deputy Speaker. I agree with my hon. Friend the Member for Beckenham (Bob Stewart). If he will forgive me, I would timidly suggest that Primo Levi made the same point when he said:

“Monsters exist, but they are too few in number to be truly dangerous. More dangerous are the common men, the functionaries ready to believe and to act without asking questions”.

It is fair to say that the holocaust was not committed by monsters, but that monsters were created out of that very process.

In case we are feeling a little smug, let us consider this: in the latter part, people were allowed to take a bag containing 20 kg of their possessions. That is roughly the amount we are allowed to take as luggage on a flight. What happened to the rest of their possessions?

I was in Jersey in September and visited the German hospital, which has done a marvellous job in making a timeline. I listened to the testimony of a family who, when the Germans occupied Jersey, had not been able to decide whether to leave and go to the United Kingdom or whether to stay. They decided that they would leave, but when they got to the docks they changed their minds. When they got back to their farm, they found that it had been completely stripped by their neighbours. It had been completely looted, including the furniture, carpets and fixtures off the wall.

We need to understand and appreciate that it could have happened—and could happen—here. It is important to be vigilant, to speak out and to acknowledge that what happened at King’s College was a disgrace. When the Minister replies to the debate, I hope he will tell us what we are going to do to protect free speech in our universities and colleges, to ensure that people can go about their business without fearing that they are going to be attacked. I look forward to the Government saying that.

Finally, Martin Gilbert ended the preface to his excellent book “The Righteous” with an old Jewish saying:

“Whoever saves one life, it is as if he saved the entire world.”

I salute those who did the right thing. I salute those who stood up against the Nazis. We will remember forever those who died in such a cruel and wicked system.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. There is not much time, so I must put on a time limit of five minutes.

3.55 pm

Joan Ryan (Enfield North) (Lab): I thank the hon. Member for Stratford-on-Avon (Nadhim Zahawi) and my hon. Friend the Member for Ilford North (Wes Streeting) for securing this important debate. It is a privilege to follow the right hon. Member for Brentwood and Ongar (Sir Eric Pickles).

On 1 November 2005, the UN General Assembly designated 27 January as international holocaust remembrance day. In Britain, we mark it as Holocaust Memorial Day; and we have done so since 2001. It is a national day of commemoration of the millions of Jews and others killed during the holocaust. The lives of 6 million Jews and many other minority groups who perished at the hands of the Nazis must be remembered. It is a time of remembrance for all the victims—the
Roma, the gays, the Sinti, the mentally and physically disabled—as well as all the victims of more recent genocides.

Genocide does not take place on its own; it is a process that can begin if racism, discrimination, and hatred are not challenged and prevented. Today, we are part of that remembering, as well as part of that challenge and prevention. Over the coming week, there will be commemorations, services and events across the UK. Such remembrance is as important now as it has ever been.

I speak as one who has been moved by the tragedy of the Holocaust. I have had the privilege to speak to survivors from Auschwitz-Birkenau. The scale of their suffering shows the savagery of which humanity is capable, but the survivors show us how magnificent and courageous the human spirit can be. As each year passes, however, there are fewer survivors able to share their testimony. By educating future generations, we are ensuring that their memory lives on, and that the Holocaust never becomes another detail of history.

The work of organisations such as the Holocaust Educational Trust, the Holocaust Memorial Day Trust and the Holocaust Commission is therefore vital in keeping these memories alive. The Holocaust is perhaps the greatest moral lesson against racism, hate and prejudice, and the establishment of a new Holocaust learning centre and national memorial is an important part of that.

Holocaust Memorial Day does more than commemorate and recount the human suffering; it is also a time to pledge that it will never ever happen again. In recent years, Europe has seen a rise in Islamophobia and anti-Semitism, fuelled by the rise of extreme right groups in countries such as France, Hungary and Greece. I and others have been troubled by the reports of French Jews moving to Britain in search of safety. We should not, however, imagine that Britain is free of anti-Semitism; we know only too well that it is not. We must stand up against prejudice and discrimination of any kind, whatever form it takes, and we must heed the lessons of the Holocaust.

Ruth Smeeth (Stoke-on-Trent North) (Lab): Given the increase in both anti-Muslim and anti-Semitic attacks, will my right hon. Friend join me in celebrating the incredible work done by the Community Security Trust and Tell MAMA to ensure that the words “Never again” actually ring true?

Joan Ryan: I absolutely join my hon. Friend in paying such a tribute and in giving such support. All the organisations we have mentioned today need and deserve our support.

We must do all in our power to prevent future genocide around the world. The theme of this year’s commemoration is “Don’t stand by”. Elie Wiesel said that he “swore never to be silent whenever and wherever human beings endure suffering and humiliation. We must always take sides. Neutrality helps the oppressor, never the victim. Silence encourages the tormentor, never the tormented.”

The Holocaust saw many examples of heroism, sacrifice and altruism. I would like to mention the late Sir Nicholas Winton, who sadly passed away last year. He organised the safe passage of children from Czechoslovakia to Britain before the war broke out. His act of magnanimity saved the lives of at least 669 children and thousands of their descendants.

It is inspiring, too, that World Jewish Relief, which was instrumental in rescuing tens of thousands of Jewish refugees through the Kindertransport, last week committed itself to supporting the integration of Syrian refugees into the UK. The organisation will provide employment and language support to some of the 20,000 Syrian refugees that Britain accepts.

Finally, as we approach the centenary of the Balfour Declaration, it is my view that the Holocaust truly demonstrated the need for a state for the Jewish people. I would like to reaffirm the state of Israel’s right to exist.

We must speak up and not be bystanders in the face of genocide and persecution. We must have courage and not look the other way. I do not underestimate how hard that can be, but it is easier if we all speak up, stand together and accept that we must not stand by. I pay tribute to the Jewish community here in London and the UK for their significant and positive contribution and engagement. They will not bow down to anti-Semitism and discrimination, and we will stand with them.

4.1 pm

Mr David Burrowes (Enfield, Southgate) (Con): I align myself with every word that my neighbour, the right hon. Member for Enfield North (Joan Ryan), said. I am grateful to the hon. Member for Ilford North (Wes Streeting) and my hon. Friend the Member for South Thanet (Craig Mackinlay) for securing this debate.

Like many other hon. Members, I begin by paying tribute to the Holocaust Educational Trust, which does such great work with schools, colleges and communities across the United Kingdom to educate us all about the Holocaust and its contemporary relevance.

The memories of my own visit to Auschwitz with a local school will always remain with me: the industrial scale of the extermination programme, which affected people at all levels, including very normal people, as has been said in this debate; the individual lives that were lost to their families and communities; and the terror, horror and depravity that underpinned the 20th century’s greatest act of evil. Although it is essential to remember every one of the lives lost in the Holocaust, we ought to keep in mind those who survived. We must remember those heroes who managed to escape and who helped others to escape the fate that the Nazis had in store for them—those who did not stand by.

Corrie ten Boom is one such example. Her inspirational book “The Hiding Place” recalls not only her horrific ordeal, but her miraculous release. Corrie tells of how, when the Nazis began persecuting Jews in the Netherlands, a member of the Dutch resistance designed a hidden room behind a false wall, where the ten Boom family and others could hide. That hidden room, which was some 30 inches deep—the size of a medium wardrobe—provided a sanctuary from the Nazis. When the Nazis raided the ten Boom household in 1944, six people were using the hiding place, but hundreds of Jews before them had managed to escape the Nazis’ clutches.

Such examples show that, amid the terror, communities rallied. Despite the threats that they faced, families remained strong and stuck together. Before she died in a Nazi concentration camp, Corrie’s sister Betsie spoke words of comfort to her:

“There is no pit so deep that He is not deeper still.”
[Mr David Burrowes]

Even in those darkest of hours, people facing unimaginable horror kept faith in God and in one another. It is my honour and privilege to be hosting a dramatisation of the life and works of Corrie ten Boom on Monday evening in Parliament. I invite all hon. Members to join me for what will be a moving event.

We must remember the Holocaust and everything about it, honour those who died and learn the lessons. As has been said in this debate, we have often said, “Never again,” and we still do so today. We must learn from the examples of Corrie ten Boom, her sister Betsie and others. Corrie opened her home to refugees, both Jews and others, who were members of the resistance movement—men and women who were being sought by the Gestapo and its Dutch counterpart. As refugees flee persecution, and indeed genocide, in other countries, we must search our consciences and ask what we are doing to help those in need. How can we be more like Corrie ten Boom? How can we ensure that we do not stand by?

Sadly, this year and in recent years we have witnessed genocide in other lands, and a deliberate attempt to eradicate whole communities because of their faith. In Syria and Iraq, Yazidis and Christians have been persecuted and murdered. To our shame, the response of the international community has been slow and ineffective. Before Christmas, I and 60 other parliamentarians wrote to the Prime Minister to request that the United Kingdom join 127 countries to face up to their duty to take action. We must call this what it is: genocide. That is not a matter of semantics; it is a deliberate and systematic extermination of human life, the unimaginable cruelty and barbarity of which it is capable. As a former English teacher with more than 20 years’ experience, I am particularly grateful for the excellent work carried out by the Holocaust Educational Trust. Since 2006, the “Lessons from Auschwitz” project has enabled 3,000 pupils and teachers in Scotland to learn and remember the lessons of this brutal part of our recent past.

The importance of teaching this shameful episode from the past to our young people cannot be overestimated. I recall teaching a second-year class in Airidrie Academy in north Lanarkshire more than 30 years ago about this part of history, when we studied the novel “Friedrich” by Hans Peter Richter. It is a moving story set in 1930s Germany of friendship between two young boys—one German and one a German Jewish boy. As Nazi hatred permeates their world, their neighbourhood and their friendship, the German boy finds himself increasingly estranged from his Jewish friend, which leads to tragedy.

As part of teaching children about that period, I was successful in securing a visit from the late Reverend Ernest Levy, himself a survivor of Auschwitz, although his father, brother and sister did not survive. Despite his advanced age and frailty, he made the trip from his home in Giffnock, Glasgow, to Airidrie Academy to meet the children and tell his story, which he still found hard to do almost 50 years later. He talked of the continuing lack of tolerance in an angry world, and he set out his experiences and his will to survive the brutality of Auschwitz in his book, “Just One More Dance”. I am honoured to have met this man of huge courage and gentleness. I will never forget him, and I do not think that the young people who met him ever will either.

Indeed, I said a silent prayer for Reverend Ernest Levy and all those who were so brutally and cruelly killed when I visited Sachsenhausen camp just outside Berlin, again when I visited Auschwitz some years later after his death, and a few years later in the Los Angeles Museum of the Holocaust. It is some comfort to know that he spent the last 48 years of his life happily in Scotland, after his surviving brother and sister persuaded him to settle there, telling him about the welcoming nature of Glaswegians and the freedom for Jewish people to worship in peace. There was anti-Semitism, they said, but it came from ignorance, not hatred. They believed that he could help to alter that, and he spent the rest of his life doing so. He went on to become a leading figure in the Scottish-Jewish community, and a passionate advocate of interfaith dialogue. A testament to the relationships that he built between faiths was evident in the outpourings of tributes, grief and deep respect that he received from leaders of all faiths on his death.

Despite the enormous human suffering, the unspeakable waste of human life, the unimaginable cruelty and inhumane barbarism of the Holocaust, it is extremely depressing to think that tolerance in societies around the world is still a challenge. As Holocaust Memorial Day events take place across Scotland and the UK, we must remember these terrible events and reflect on the fact that as a species we have not moved very far forward at all. We have seen other people subject to genocidal attacks, such as those in Rwanda, Cambodia, Bosnia, Darfur and other places. Commemorating the Holocaust is essential for our past, but it is even more important for our future. It is right that this House should debate it and highlight the importance of never forgetting and not standing by.
I will end with the thought that UK poet laureate, Scotland’s own Carol Ann Duffy, put in her poem “Shooting Stars”:

“…Remember. Remember these appalling days which make the world forever bad. The future is not yet written. The world need not be forever bad. The question is what we are prepared to do to make the world good.

4.10 pm

Bob Blackman (Harrow East) (Con): It is an honour to follow the very moving speech from the hon. Member for North Ayrshire and Arran (Patricia Gibson). I congratulate the hon. Member for Ilford North (Wes Streeting) on introducing the debate. As a statistic, 6 million people dying is hard to fathom. I think for many of us it is hard to imagine how any human being could murder that number of people, so it is vital that we bring it back to individuals. I pay tribute to the work the Yad Vashem museum has done to capture the personal testimonials of the survivors, so we can see for posterity what happened in Nazi Germany and try to learn the lessons. I first went to Yad Vashem 24 years ago and have been back six times since. I have never left there without tears in my eyes. It is a deeply emotional experience. I urge hon. Members on all sides to go there and to see for themselves what happened and the history of the Nazi persecution.

I pay tribute to the work of the Holocaust Educational Trust. It does such wonderful work in informing young people of the misery, torture and brutality of the Nazi regime. It is vital that we continue that work, because for everyone, particularly younger generations, it is hard to fathom how human beings could do this to other human beings. I remember going—it is seared in my consciousness—to Auschwitz-Birkenau and seeing at first hand where the great synagogue used to exist. It is now just a set of trees. I saw the work camps where people were crowded in absolutely inhumane conditions, and the terrible railway that brought people to their deaths. They were brought there at the point of a gun and absolutely dehumanised by the people who murdered them.

It is not so much the piles of shoes or spectacles that I remember; it is the walk across the park where they put the ashes after they had burnt the bodies. Nature has a way of demonstrating what happened. As one crosses that park, the birds do not sing. There is no form of animal activity or birdlife at all. There is total silence. That will live with me forever. I will remember going with students who started the day in a buoyant mood. As the day went on, they became more and more depressed and silent. It brings it all home. I pay tribute to the Holocaust Educational Trust. I hope its work and its lessons of this dreadful period of history.

I commend the hon. Member for Ilford North (Wes Streeting) for an exceptional and passionate speech, and I forgive him for stealing some of what I intended to say, because it makes it easier for me to keep within the time limit. I am also happy to associate myself entirely with the praise offered to organisations such as the Holocaust Educational Trust, particularly now that, as others have said, there will soon be no one left with first-hand eyewitness experience of what happened. The Holocaust is moving out of our collective memory into our collective history. It is vital that, while the events are behind us, the lessons remain always in front of us.

I echo the hon. Gentleman’s comment about how the Holocaust was committed by ordinary people. I remember watching the groundbreaking documentary series “The World at War” in my early teens. It included interviews not only with military personnel and the victims of German bombs in London, Coventry and elsewhere, but with people who had taken part in the Holocaust and contributed to the genocide, some of whom had served time in prison for their crimes. Some 20 or 30 years later, they had understood that what they had done was wrong and had gone back to being perfectly ordinary, decent human beings. The single most important lesson is that ordinary people can do genuinely diabolical and hellish things to each other if the circumstances are right.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I am grateful for the chance to contribute to possibly the most important debate we will have this year. There can be few subjects as fundamentally important to the survival of the human race as learning the lessons of this dreadful period of history.

I commend the hon. Member for Ilford North (Wes Streeting) for an exceptional and passionate speech, and I forgive him for stealing some of what I intended to say, because it makes it easier for me to keep within the time limit. I am also happy to associate myself entirely with the praise offered to organisations such as the Holocaust Educational Trust, particularly now that, as others have said, there will soon be no one left with first-hand eyewitness experience of what happened. The Holocaust is moving out of our collective memory into our collective history. It is vital that, while the events are behind us, the lessons remain always in front of us.

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Peter Grant: I think the best example we will ever see of reconciliation in the aftermath of such dreadful things is that set by the late Nelson Mandela. People could
look at the experience of truth and reconciliation in South Africa in trying to move on from conflicts in other parts of the world.

As others have said, this year we are being asked to reflect in particular on the ordinary people who allowed the Holocaust to happen, sometimes through active participation but more often through passive compliance and by doing nothing. Again, the fact that these were ordinary people should serve as a warning to us. It happened not so long ago, not so far away from here, and it could happen here—and it will happen here if we allow circumstances to develop in which ordinary people begin by not speaking out when they see anti-Semitic or racial abuse. Within a few years, they find themselves actively participating in acts of violence and murder—acts of such depravity that they cannot be adequately described in words.

Whether it be the anti-Semitic racism that we see in the far right in parts of Europe, the Islamophobic racism that we see on the far right here in the United Kingdom or the white supremacist racism of the Ku Klux Klan, the message must always be that there is no such thing as an acceptable level of, or an acceptable type of, racism. To defend oneself against a charge of racism by accusing someone else of the same thing simply does not wash. A racist is a racist; racism is wrong without exception. The tolerance level for racism is and must always be absolutely zero.

One way to help combat racism is by taking small steps to encourage a spirit and atmosphere of what is sometimes described as “tolerance”. However, I do not like that term much. I do not think we should “tolerate” the diversity of our society; I want to celebrate it. Tolerance is what one does to things that are not all that good; celebrate is what one does about things that make our lives and our world better. We should celebrate the fact that there are so many different faiths, so many different positions, so many different personal choices that people make about how they are going to live their lives and with whom they are going to live them.

As one small example and as part of the celebration of diversity, a decision was taken in the early days of the Scottish Parliament to begin each day with a “time for reflection” that was not exclusively dominated by the predominant religion in Scotland, so that all religions and all faiths would have a chance to lead that celebration. Indeed, people who did not publicly identify with any faith group or religion but had something important to say were equally welcome. That is a practice that I would tentatively suggest this House might want to look at, possibly in addition to the more traditional prayer service with which we open each day.

I am enormously proud of the fact that next week, on the 71st anniversary of the liberation of Auschwitz, the Scottish Parliament’s time for reflection will be led by two pupils from Auchmuty high school in Glenrothes. Lauren Galloway and Brandon Low recently visited Auschwitz-Birkenau as part of the Lessons from Auschwitz scheme. I hope that politicians in Holyrood, London and elsewhere will listen to the lessons that those young people have brought back for us to hear. I know I speak for everyone here when I say I long to see the day when “never again” is not a prayer or a promise, but a statement of fact delivered for the benefit of future generations.

**[Peter Grant]**

*Holocaust Memorial Day 21 January 2016* 

Dr Phillip Lee (Bracknell) (Con): Seventy-four years ago yesterday, a group of men—and they were, sadly, all men—at Wannsee, a nice lake and idyllic location in Berlin, and decided systematically to murder 11 million-plus Jews, Gypsies, homosexuals and the like. As a result of discovering that fact when I was young, I developed a rather morbid fascination with the holocaust. I could not quite understand why a sophisticated country that had given birth to famous chemists, philosophers, historians and composers could find itself hosting a conference at which such dreadful deeds were planned.

The sheer industrial scale of what happened is seen in the places of Chelmno, Sobibor, Treblinka and Auschwitz. Another particularly dreadful episode happened at Babi Yar in Ukraine, where over 33,000 men, women and children were shot over the course of two days, just 29 years before I was born. I had this fascination, and I could not understand the word “holocaust”, meaning “holo” or whole and “caustos” or burned. I could not understand how intelligent, sophisticated, educated people could design purpose-built gas chambers and commit such a crime.

When I was practising as a doctor in Aylesbury, I had two patients who had survived Auschwitz. I clearly remember the lady with the tattoo on her arm, and I particularly remember the man who came in suffering from serious depression. Ten hours after I admitted him, he committed suicide, rather shockingly, on the ward. I think that that personal experience was what drove me to visit Yad Vashem for the first time in 1998; subsequently, like many other Members, I visited Auschwitz with the Holocaust Educational Trust. It drove me to try to understand, as best I could.

I agree with those who have said today that it is important to remember other genocides. I am thinking of, for instance, the genocide of 1915 in Armenia, of what was done by the Khmer Rouge between 1975 and 1979, when almost 25% of the population died, and of the more recent genocide in Rwanda, when the killing rate actually topped that of the Nazis: some 600,000 people were killed within six to eight weeks of the start.

Of course it is important to reflect and remember, but I think the most important thing that we should do is try to understand. I have long thought that killing the people who were convicted at Nuremberg was a mistake. I think that we should have kept those people alive, and tried to understand what on earth drove them to behave in such a way. And what of justice? Of course it is important to bring people to justice, but fewer than 10% of people were ever charged with any crime in connection with the holocaust. The numbers are not much better when it comes to the Khmer Rouge, and certainly not when it comes to the Armenian genocide of 1915.

We need to understand how people could do those things by day, and then be normal by night. There are famous photographs of Hungarian Jews arriving in June and July 1944, when 12,000 a day were being gassed, and there is the Höcker album showing SS men and women partying in the evenings and afternoons in the intervals between gassing thousands of people. How can that have been? It is very easy to stand here and make speeches. It is very easy to say that we should not be bystanders, but should act. It is very easy to say that we should not do
this and we should not do that. Forgive me, but we have
stood idly by in the case of Rwanda, idly by in the case of
Darfur, idly by in the case of Syria, and in the case of the
Yazidis in particular. We are not doing much better
than our predecessors. Indeed, I suspect that we do not
have the determination and courage of some of our
predecessors, who actually went to war to defeat evil. I
think it is about time that this country rediscovered that
determination, that courage, and that strong belief in
the values of freedom and the equality of people,
irrespective of their faith, gender or sexuality. It is
about time that Britain, France and, yes, Germany—and
America—rediscovered that courage, because otherwise
such genocides will continue to happen in the future,
and I very much hope that they will not.

4.27 pm

Robert Jenrick (Newark) (Con): So much has already
been said during this extremely powerful and thoughtful
debate, but let me add two stories from my own life and
my constituency.

I recently took my parents-in-law, who were visiting
us for the holidays, to a museum in my constituency of
which some Members may be aware. Remarkably, the
National Holocaust Centre, a few miles north of Newark,
is the only museum dedicated to the holocaust in this
country, although I hope that that will change in the
near future.

My parents-in-law are the children of holocaust survivors. My wife’s grandfather and grandmother were Jews who lived in a village near the city of Pinsk. The Nazis came to their village. At the time, Pinsk was 90% Jewish; today it is 0.05% Jewish. The Nazis rounded up the able-bodied young men and took them to labour camps. The young men were told that if they tried to escape, their families back in the village would be killed. As we can imagine, however, word came to the camp pretty quickly that everyone in the village had been shot. Most had actually been burnt to death, and their bodies had been dumped in an open grave outside the village.

Furnished with that reality, my grandfather-in-law narrowly succeeded in escaping from the camp, and spent the remainder of the war fighting as a partisan in the forests of what is now Belarus. At the end of the war he returned to the smouldering ruins of his former village, amid the wreckage of his former life, and discovered that every single member of his family had been killed. Remarkably, the following day he met my wife’s grandmother, who was herself a holocaust survivor with a similar story, and every single one of whose family had also been killed, most of them at Auschwitz. They fell in love, and the rest, of course, is history. My mother-in-law, my wife and my three daughters are the result. So it is a great privilege for me to represent that museum.

Let me tell the House briefly about the two founders of the museum. Their story is not as well known as perhaps it should be, and it is worth retelling today. Twenty years ago, two brothers from Nottinghamshire, who are not Jewish and have no family connection with the holocaust, visited Israel to study and were captivated—if that is the right word—by Yad Vashem, which was being constructed at the time. On returning to their parents’ farmhouse in a remote area north of Newark, they persuaded their parents, who were extremely socially aware individuals themselves, to convert their farm into a holocaust education centre and over the next 20 years they have done exactly that. They have realised a remarkable vision and James and Stephen Smith—those two constituents of mine—are now among the most extraordinary individuals leading in holocaust education and genocide prevention around the world. They have founded the Aegis Foundation that works to prevent genocides and runs the genocide museum in Kigali in Rwanda, which is partly funded by the Department for International Development. They also run Steven Spielberg’s Shoah Foundation, which is now attempting to create 3D visualisations of remaining holocaust survivors so future generations can hear, to some extent first-hand, the stories when survivors have long departed.

The brothers had two profound driving ideas behind their mission. The first was that when the survivors are gone, we need to be able to tell the story—that although there are many museums all over the country, and even in my own rural constituency, at least one museum should be our conscience. It should be here for future generations, and I hope it will be. Secondly, they believed this museum should remind us of our common humanity by showing that whatever motivated the attacks on the Jews was a virus—a virus that exists in all of us and which exists in the world today. We see that alive and well, as we have heard already—in ISIS, in Boko Haram, and in anti-Semitism in Paris and in this country.

As an individual who grew up in the Church of England and walked though my village in Shropshire to Sunday school classes, it is a deep sadness and a shame to me to take my children to Hebrew classes and have to knock on the door and pass through security and sophisticated alarms so they can join four and five-year-olds learning a bit about their Jewish heritage. That is what we are fighting for today—to remember, to keep the flame alive, and to try at least to ensure that it does not happen again.

4.32 pm

Kirsten Oswald (East Renfrewshire) (SNP): It is an honour to be speaking in this debate today. We have heard many very moving and thoughtful contributions from Members across the House, and it is evident that this is a topic of great concern to all of us. I must add my voice to those commending the outstanding work of the Holocaust Educational Trust.

It is an honour for me to represent East Renfrewshire. My constituency is home to Scotland’s largest Jewish population, as well as to other engaged and active faith groups. Their congregations and leaders add so much to our local communities, promoting positive relations and the importance of working together and learning lessons from the past.

As a number of Members have rightly pointed out, as fewer and fewer holocaust survivors are able to share their story, it is more important than ever that we take steps to make sure that their stories continue to be told, and it is fitting that the theme of this year’s commemoration is “Don’t stand by”. The message this gives could not be clearer or more important. It is about us all: we must not stand by—the time must also be aware, as we have heard from my hon. Friend the Member for Glenrothes (Peter Grant) and others, that these terrible acts often involved ordinary people.
I am very proud of the diversity of modern Scotland. It makes us all better to live in a diverse, vibrant country, but we can never take the diversity and tolerance of our society for granted. Scotland’s Jewish community is a vital and important part of our society. Every member of that community has the right to feel safe and we on the SNP Benches join the others here today who have condemned anti-Semitism; it is wholly unacceptable.

We have heard about our duties to refugees from the hon. Member for Enfield, Southgate (Mr Burrowes) and, as Europe struggles to get a grip on the refugee crisis stemming from Syria, we must not stand by and ignore cries for help from men, women and children fleeing not only the barbaric control of Daesh, but the evil regime of Assad.

In 1999, the then Prime Minister Tony Blair asked Jewish community leaders in Britain whether they felt it would be a good idea to have a Holocaust Memorial Day. They told him that they themselves did not need one, because Jews already had Yom HaShoah, a memorial day on which the whole community remembered all those who had been lost. However, they pointed out that it was important for our whole society to have a Holocaust Memorial Day for the Jewish people and for the other victims of the holocaust, including Roma people, trade unionists, people with disabilities, gay people and Jehovah’s Witnesses—all those who, along with the Jews, were so terribly singled out for the crime of being different, as the hon. Member for Ilford North (Wes Streeting) said. This is important for wider society too, so that we have the opportunity to listen and to learn.

It was a huge honour for me to be invited to march with the Jewish war veterans at the Remembrance day service in Newton Mearns in November and then to join the community at the Newton Mearns synagogue for an excellent, thoughtful service at which their brave member for Newton Mearns in November and then to join the community at the Newton Mearns synagogue for an excellent, thoughtful service at which their brave

Patrick Grady (Glasgow North) (SNP): I attended the Srebrenica memorial service last year, and one of the most moving parts of the service was when I went out at the end and saw the thousands of schoolchildren who had gathered in the nave of Westminster Abbey to learn and to witness that remembrance. Does my hon. Friend agree with the other Members who have spoken in this moving debate about the importance of educating future generations, and young children in particular, so that we and they never forget and never stand by?

Kirsten Oswald: I thank my hon. Friend for his intervention. I entirely agree with him.

I am pleased that in Scotland our Government have made a clear commitment to understanding and protecting our rich heritage, through education, and to the importance of holocaust education. Our young people must have the opportunity to really understand what happened. We have heard about Scottish students and teachers participating in the Holocaust Educational Trust’s valuable Lessons from Auschwitz project. I have met some of those young people, and their commitment to understanding and sharing the story of the holocaust is very important.

Our First Minster, Nicola Sturgeon, reflecting on our annual Scottish interfaith week, described Scotland as a country where all people can live together in harmony, follow their religion or belief and achieve their potential. Our diversity is a strength, as the First Minister emphasised when she recently came to speak to the Scottish Jewish community at the Giffnock and Newlands synagogue. She said that with that strength comes the responsibility on us all not to stand by but to speak up against anti-Semitism and discrimination in all its forms.

Holocaust Memorial Day allows schools, colleges, faith groups and communities all over Scotland to remember those who were murdered by the Nazi regime in occupied Europe. Six million people. That is more than the entire population of Denmark. But even when I make comparisons such as these, it is still impossible to comprehend the numbers. As the hon. Member for Ilford North pointed out, however, we really need to try to do so, so that we can understand the terror and magnitude of that genocide, and its repercussions and impact on all of us, on those who survived and on the generations who came after, such as the family of the hon. Member for Newark (Robert Jenrick).

This time last year, I was fortunate enough to be at a holocaust memorial service at the Giffnock reform synagogue, where I heard the son of a holocaust survivor speak movingly about the impact of his father’s experience on him as a person. It was an incredibly moving testimony, and it illustrated very well the broad effects of the holocaust, which extend much further than even the terrible magnitude of the number of victims would suggest.

Yesterday, I visited the Kindertransport statue at Liverpool Street station. There is no doubt that the Kindertransport saved many thousands of young Jewish lives, and those children and their families have added greatly to our society and made huge contributions to our understanding. But it was heart-breaking to learn that at the end of the war, when the British Government committed to taking in another 1,000 unaccompanied children, they could not do so because only 732 orphaned children remained.

The plight of children at that time also exercised the mind of Jane Haining, a farmer’s daughter from Dunscore in rural Dumfriesshire. A devout Christian, she was inspired by a job advert she saw in Queen’s Park church for the post of matron in a Budapest school run by the Church of Scotland’s Mission to the Jews. The school was popular with Jewish parents because of the quality of education that all children, particularly girls, received. As the political situation in Hungary became increasingly precarious, with the Jewish population steadily stripped of its freedoms, the Church of Scotland sent her repeated letters urging her to return home to Scotland for her own safety. Jane refused, and wrote back saying:

“If these children needed me in days of sunshine, how much more do they need me in these days of darkness?”. [Kirsten Oswald]
As Hitler’s troops marched into Hungary, Jane Haining is said to have wept as she sewed yellow stars on to her charges’ clothes. This sympathy was known, and very soon she was informed upon, arrested and held in a local prison. She was soon moved to Auschwitz and taken to the labour camps. The treatment being so brutal, she survived for just two months before dying at the age of 47. Many years afterwards, after a 10-year investigation and an initiative by Queen’s Park church, Jane was named as Righteous Among Nations in Jerusalem’s sacred Yad Vashem, recognising her quiet sacrifice for her Jewish children.

Like my hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson), I want to talk briefly about the late Rev. Ernest Levy, previously the cantor of the Giffnock and Newlands synagogue in my constituency. In 1938, when he was a child, he and his family had to flee to Hungary from their home in Bratislava. When Germany invaded Hungary, they were deported to the concentration camps. Ernest was held in seven concentration camps in all, including Auschwitz. His brothers had to dig their own graves. His sister was gassed to death. Ernest only just survived and he was found lying in the dust in Bergen-Belsen. He ultimately returned to Budapest, before making his home in Scotland, marrying Kathy Freeman, a fellow concentration camp survivor, in 1965.

Rev. Levy worked with the Holocaust Educational Trust to launch his holocaust testimony, “The Single Light”, in the Scottish Parliament. He brought a sardine tin with him. This tin had literally been his guiding light. During a forced march to Belsen, towards the end of the war, he picked up the tin, discarded by a German guard, made it into a wick and lit a flame. He and his fellow inmates gathered round the flame to sing a hymn. In Holyrood, he again lit the wick in the sardine tin, telling assembled MSPs and guests:

“We sang, and it gave us hope. This tin gave us light.”

4.41 pm

Liz McInnes (Heywood and Middleton) (Lab): It is an honour to be able to contribute to this debate. I thank all hon. Members for their contributions today and I thank the Backbench Business Committee for bringing the debate to the House. I thank my hon. Friend the Member for Ilford North (Wes Streeting) for his eloquent and moving opening speech. Like many Members, he pointed out that the holocaust was perpetrated by ordinary men and women carrying out acts of extraordinary evil.

I thank the right hon. Member for Brentwood and Ongar (Sir Eric Pickles) for highlighting, among many issues, the disgraceful recent attack on Jewish students in King’s College. I thank the hon. Member for Beckenham (Bob Stewart) for bringing his experience and knowledge of conflict to the debate. I thank my right hon. Friend the Member for Enfield North (Joan Ryan) for emphasising the need to preserve the memories of survivors. I thank the hon. Member for Enfield, Southgate (Mr Burrowes) for speaking of the courage of those who did not stand by. I thank the hon. Member for North Ayrshire and Arran (Patricia Gibson) for bringing us her experience as a teacher and highlighting the importance of holocaust education. I thank the hon. Member for Harrow East (Bob Blackman) for his passionate speech and for highlighting the work of Yad Vashem. I thank the hon. Member for Glenrothes (Peter Grant) for, again, emphasising that ordinary people are capable, in the wrong circumstances, of diabolical acts, and I thank the hon. Member for Bracknell (Dr Lee) for giving us his personal experience as a doctor with holocaust survivors. I thank the hon. Member for Newark (Robert Jenrick) for his very personal speech and his support for the National Holocaust Centre. Finally, I thank the hon. Member for East Renfrewshire (Kirsten Oswald) for her comments on the importance of learning lessons from the past.

The UK played a leading role in establishing Holocaust Memorial Day as an international day of commemoration in 2000, when 46 Governments signed the Stockholm declaration. Our first Holocaust Memorial Day was held on 27 January 2001. In the weeks leading up to and after Holocaust Memorial Day, thousands of commemorative events are arranged by schools, faith groups and community organisations across the country, remembering all the victims of the holocaust and of subsequent genocides. It is vital that we continue to remember and to learn from the appalling events of the holocaust, as well as ensuring that we continue to challenge anti-Semitism and all forms of bigotry. This year’s theme is “Don’t Stand By”. Bystanders are encouraged to speak out against persecution to prevent the horrors of the holocaust and other genocides from ever happening again.

The Holocaust Memorial Day Trust is the charity that promotes and supports Holocaust Memorial Day. The UK Government, through the Home Office, has the responsibility of running the Holocaust Memorial Day from 2001 to 2005. In May 2005, the Holocaust Memorial Day Trust was registered as a charity, and the then Home Secretary, David Blunkett, appointed trustees for the first time.

The Department for Communities and Local Government has funded the Holocaust Memorial Day Trust’s work since 2007, and, to date, HMDT has overseen massive growth of Holocaust Memorial Day activities. More than 3,600 activities took place across the UK on Holocaust Memorial Day last year. Independent opinion polling in February 2015 showed that 83% of UK adults are aware of Holocaust Memorial Day, and 30% say that they know it well. Some 1.3 million people watched the 2015 UK commemorative event on BBC 2.

Many Members have paid tribute to the work of the Holocaust Educational Trust, which aims to educate young people from every background about the holocaust and the important lessons to be learned for today. The trust works in schools, universities and the community to raise awareness and understanding of the holocaust, providing teacher training, an outreach programme for schools, teaching aids and resource material. It continues to play a leading role in training teachers on how best to teach the holocaust.

I was very proud to sign the Holocaust Educational Trust’s book of commitment, thereby honouring those who were murdered during the holocaust and paying tribute to the extraordinary holocaust survivors who work tirelessly to educate young people.

I wish to say a few words about the connection between the European convention on human rights and the holocaust. The ECHR was the first international instrument designed to bring into effect, through a dedicated court, the rights contained in the 1948 universal declaration of human rights. The convention came into force in 1953 and now applies to all 47 countries of its parent organisation, the Council of Europe.
The convention aimed to prevent a recurrence of the horrors and atrocities of the second world war. It followed on from the UDHR, which was proclaimed by the UN General Assembly in Paris on 10 December 1948. It is easy to forget that, until then, there was almost no system that enabled criticism of, let alone action against, Governments who mistreated people within their borders if their own law allowed such abuses.

Professor Francesca Klug, commissioner of the Equality and Human Rights Commission, notes that “however morally repugnant, Nazi Germany’s racial purity policies were all in accordance with the law.” It is from the universal declaration of human rights that the international system of human rights protections was born.

As the UDHR was being drafted, European leaders drew up the European convention on human rights. During that time, Winston Churchill spoke about the strength derived from our “sense of common values” and of such a convention being “guarded by freedom and sustained by law”, which ensured that people owned the Government, and not the Government the people.

When the UK Parliament passed the Human Rights Act in 1998, it made our human rights more accessible for people here in the UK. There is now a duty on all our public bodies—not just central Government, but the police, NHS, social services, housing and education—to respect, protect and fulfil our human rights. The legal protection of human rights for all is a direct and lasting legacy to emerge from the horrors of the holocaust.

4.49 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): I am grateful to hon. Members on both sides of the House for their wise, passionate and insightful contributions to the debate. I also thank my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi) and the hon. Member for Ilford North (Wes Streeting) for securing this important debate.

Last year, the Prime Minister marked the 70th anniversary of the liberation of Auschwitz-Birkenau by pledging to build a new national holocaust memorial and learning centre. What was unique about the announcement was that it had cross-party support. That support has continued with the creation of the United Kingdom Holocaust Memorial Foundation, which is turning the recommendations made to the Prime Minister’s Holocaust Commission into reality.

Today is as much about remembering other genocides as it is about Jewish persecution. This year marks 21 years since the genocide in Srebrenica. It is important to remember the innocent lives lost in the holocaust, in the killing fields of Cambodia, in the churches of Rwanda, in the camps of Bosnia and in the arid desert of Darfur. This year’s Holocaust Memorial Day theme, “Don’t Stand By”, is all the more poignant if we think of all the hatred and prejudice in the world today, some of which has been mentioned in the debate.

Survivors of the holocaust and other genocides would not be here today if it were not for those who did not stand by: people such as Robert Townsend Smallbones, consul-general in Frankfurt, who worked night and day to issue Jewish families with visas as he knew that a visa meant the difference between life and death; or Captain Mbaye Dian, a Senegalese military officer and a United Nations military observer during the 1994 Rwandan genocide who saved many lives during his time in Rwanda through nearly continuous rescue missions, at great peril to himself.

This year’s theme focuses on the contemporary relevance of the holocaust and subsequent genocides. We are asked to consider our individual responsibilities. We are asked not to be bystanders to hate crime and prejudice. In 2009, I joined a number of Conservative colleagues on a visit to Srebrenica, where more than 8,000 Bosnian Muslim men and boys were massacred during the 1990s. It truly brought home to me the scale of this merciless atrocity, which took place on our continent just a few years ago. While in Srebrenica, we undertook a number of projects, one of which was installing a computer suite at a local school. I mention that project because I think that schools are vital in the context of this debate as education has the power to bring communities together.

Holocaust education matters. It brings to life the names, the memories and the identities of those who suffered, but none of that would be possible without the dedication of survivors and their families, who visit schools and communities up and down the country urging us to take a stand against hatred and prejudice. A number of survivors were honoured in the new years’ honours list and I want to take this opportunity to mention them each in turn. Zigi Shipper works tirelessly in schools and universities up and down the country. He is so popular and inspiring that students set up a fan page on Facebook. Susan Pollack sees herself as part of a dedicated team ensuring that the lessons from the holocaust and more recent genocides are never forgotten. Ivor Perl gave evidence in the trial of Oskar Gröning, a former SS guard known as the “bookkeeper of Auschwitz”. Lily Ebert ensures that our young people are aware of the dangers of hatred and intolerance and is an inspiration to us all. Jack Kagan played an inspirational role on the Prime Minister’s Holocaust Commission in 2014. Renee Salt was recognised for her commitment to holocaust education and awareness. Rudi Oppenheimer visits schools up and down the country and spoke at a Holocaust Memorial Day event in my own Department a couple of years ago. Agnes Grunwald-Spier has served as trustee of the Holocaust Memorial Day Trust and earlier this week published her book entitled “Who Betrayed the Jews? The Realities of Nazi Persecution in the Holocaust.” Freddie Knoller, at 95, still talks to young people about the horrors of the holocaust and encourages them not to stand by. Finally, Chaim Ferster is a survivor of Auschwitz, who uses his experiences to educate others to ensure that we never forget.

I echo the tributes paid today to Karen Pollock, the chief executive officer of the Holocaust Educational Trust who, along with her team, is an inspiration to all of us. I pay tribute to the work of the Holocaust Memorial Day Trust and its CEO, Olivia Marks-Woldman, who with her team delivered the most successful Holocaust Memorial Day to date last year, with over 3,600 local events. I would like to mention some of the other holocaust education and survivor organisations who enrich the work we do, such as the Holocaust Survivors Centre in Hendon, the Anne Frank Trust, which uses Anne’s diary to fight hatred and prejudice in schools,
the Wiener Library, the Association of Jewish Refugees, and the National Holocaust Centre in Newark, Nottinghamshire.

It would be remiss of me not to mention the work of the Prime Minister’s new envoy for post-holocaust issues, my right hon. Friend the Member for Brentwood and Ongar (Sir Eric Pickles), who made an excellent contribution to the debate. I am glad to hear that he will be focusing on the restitution of property and art, the opening of archives and the role of bystanders as collaborators. My right hon. Friend replaced Sir Andrew Burns, and I hope this House will join me in thanking Sir Andrew, the UK’s first post-holocaust issues envoy, for his wisdom and guidance over the past five years.

I do not have time to mention all the contributions, but I shall reply to questions asked in the debate. First, my right hon. Friend the Member for Brentwood and Ongar referred to the terrible incident at King’s College this week. I concur with his comments. The actions of a few at King’s College were unacceptable and we expect the police and the university authorities to take the incident extremely seriously, fully investigate what happened and hold to account the perpetrators of that awful action. As my right hon. Friend will know, my Department hosts a cross-Government working group on anti-Semitism, which will be taking the issue very seriously in its future work. In response to the hon. Member for Ilford North, I can assure him that we will continue to do all we can to promote, support and fund the teaching of the holocaust.

It is clear from the contributions made today by hon. Members that we can never be complacent, especially when we continue to see the growth of anti-Semitism and anti-Muslim hatred in Europe and on our own shores. I can only echo what Simon Wiesenthal, a holocaust survivor turned Nazi-hunter after the war, said so eloquently:

“For evil to flourish, it only requires good men to do nothing.”

4.58 pm
Wes Streeting: I would like to place on record my thanks to all the right hon. and hon. Members who spoke so passionately, eloquently and thoughtfully in this afternoon’s debate. As we draw the debate to a close, I want to leave us with the words of Primo Levi: “It happened, therefore it can happen again”.

Those words are a lesson for all of us to reflect upon, with reference to our individual actions and taking up the challenge presented by the hon. Member for Bracknell (Dr Lee) in his speech. It is for the House to think about how this country can rediscover the best of its internationalist traditions. That is something for all of us to think on in the days, weeks, months and years ahead.

Question put and agreed to.

Resolved,
That this House has considered Holocaust Memorial Day 2016.

Madam Deputy Speaker (Mrs Eleanor Laing): The House has been so well disciplined that I find myself with a spare 30 seconds. It just occurs to me that a pause is very unusual, but perhaps—

Wes Streeting: On a point of order, Madam Deputy Speaker. I would just like to place on record, as a new Member of the House, my apologies for not realising that I really should have spoken until 5 pm precisely, so as not to put you in the awkward position of having to find something to say from the Chair in order to take us through to the Adjournment debate, which I am sure we will hear very shortly. It is on the important matter of transport for vulnerable adults, and will be led by my hon. Friend the Member for Salford and Eccles (Rebecca Long Bailey). Although I am unable to stay for the debate, I for one am looking forward to seeing her rise to her feet imminently.

Madam Deputy Speaker: That was an excellent point of order. The hon. Gentleman has done absolutely nothing wrong. On the contrary, he has made not one but two excellent speeches this afternoon.
Vulnerable Adults: Transport

Motion made, and Question proposed. That this House do now adjourn.—(Charlie Elphicke.)

5 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): Before my hon. Friend the Member for Ilford North (Wes Streeting) leaves the Chamber, I would like to wish him a very happy birthday and congratulate him on his point of order.

I thank the Minister for attending what I have no doubt will be a lively and informative debate. It might be helpful if I first define what specific kind of transport I am focusing my comments on today. Adults with special educational needs often attend day centres or schools. Until recently, many councils have provided accessible transport to allow the most vulnerable to access these facilities, often by way of a bus or the provision of a driver plus an expert escort on board to ensure safety. That support is a vital service in many communities, providing independence for those with special needs and peace of mind for their parents and carers. It also provides a much-needed break for the unsung heroes of social care who struggle with the commitments of family life and work alongside caring for their loved ones.

Let me set a backdrop for the harrowing tale I am about to tell. In 2014 my local council, Salford City Council, was ordered by the Government to find £25 million of so-called savings in its budget. That was in addition to £97 million in spending cuts that it had already suffered since 2010. As an already efficient and well-respected council, it had already sought to find every possible means of saving money through genuine efficiency gains. It had fought for four years to find ways to save money or reduce spending here and there in order to ensure safety. That support is a vital service in many communities, providing independence for those with special needs and peace of mind for their parents and carers. It also provides a much-needed break for the unsung heroes of social care who struggle with the commitments of family life and work alongside caring for their loved ones.

Angela Rayner (Ashton-under-Lyne) (Lab): This year, £16.4 million has been taken out of Tameside council’s budget for adult social services. £11.1 million has been taken out of Oldham council’s budget for adult social services and a deficit of over £20 million has been forecast for Tameside general hospital. Cuts to front-line local services not only cost more in terms of the quality of life for the individuals affected, but cost us all more in the long run. Does my hon. Friend agree that these cuts are really short-sighted and damage not only our local services, but our NHS, which has to pick up the slack?

Rebecca Long Bailey: I thank my hon. Friend for those helpful comments. I completely agree. As she will hear, Tameside is not alone in suffering such savage cuts.

Salford City Council had to face the difficult decision to cut the in-house provision of vulnerable adult transport for over 200 families across the city, amounting to a £500,000 cut in transport support for those with special needs. That was alongside the £400,000 that the Government’s cuts took from the provision of adult social care support to those with learning difficulties in the same year. I must add that prior to the cuts the transport service was rated excellent as a council service. It was not inefficient and there were no plans to cut it had the funding been available.

Commenting on the Government cuts at the time, our mayor, Ian Stewart, stated that “this is not about efficiencies any more. These cuts will cause untold damage to the services we provide.”

Even in this desperate funding crisis, the council worked hard to make the best of a terrible financial situation. In partnership with the individuals affected and their carers, appropriate alternative arrangements were made. Transport was not ended for anyone until suitable alternative arrangements had been agreed. The good news is that a number of parents were generally happy with the council’s new arrangements, because they can individualise their journey times. That means that they are not spending significant amounts of time on transport, which previously resulted in some people arriving at the day centre in an agitated mood. The council is very much aware that the change is not universally popular, and it continues to work with any individuals who express concern. The fact remains, however, that it does not hold sufficient funding to provide an in-house passenger transport service as it was provided.

I have spoken at length to some of the families affected. I have heard their tales of despair and their worry about which other services that they rely on might be cut in future. I have listened to the mayor, our councillors and council officers, who have frankly lost faith in the Government’s commitment to provide a welfare system, which should be there to look after the vulnerable. In the wider context, for the 2014-15 financial year, a total of £4 million had to be cut from community health and social care. £2.4 million from public health, £4.7 million from support services, £5.6 million from education, and £4 million from environment and community safety. These are not “efficiency savings”—they are cuts to front-line services.

Perhaps in 2010 there were areas where genuine savings could be made with minimal knock-on effects on front-line services, but by the time £97 million has been taken from the budget, there is nothing left to cut but vital front-line services. Even the Prime Minister’s own council leader had to explain this principle to him following the now infamous letter in which he criticised his local council’s cuts to front-line services. By 2016-17, Salford City Council will have to make budget cuts of £188 million in order to balance its budget; £83 million of that sum alone is the amount by which the Government grant has been cut. That is a cut of over 43%, but in real terms the figure is much higher.

This is not just an issue for Salford City Council. Every council has faced vast reductions in funding from central Government, and my local council is not alone in having to cut transport for those with special educational needs. Countless numbers of local authorities have reduced or completely ceased to provide transport for vulnerable adults. It is rather tenuous, therefore, for the Government to argue that all these councils have made the choice to cut such an important service when they could instead have made efficiency savings in their back offices. These councils have no such choice any more.
When my constituents visited me about this issue, my first reaction was to try to locate funding elsewhere. What about the northern powerhouse? I thought, all that money that is supposedly being unlocked in the north—surely Salford’s vulnerable people deserve a piece of that? When I examined the detail I became even more disillusioned. We have often heard the Chancellor wax lyrical about his so-called devolution revolution, which he argues will enable areas such as Salford to raise and spend revenues locally, but he fails to acknowledge that councils in poorer areas have very limited revenue-raising capacities.

For instance, the policy to allow councils to set and retain their own business rates without the safeguard of a grant scheme has the potential to create severe inequalities among different areas of Britain. Indeed, the director of the National Institute of Economic and Social Research has said that while he agrees with the principle, it would be “inconceivable” not to keep a grant scheme. He stated: “does this have the potential to disadvantage deprived areas and advantaged rich ones? Absolutely!”

The Institute for Fiscal Studies has expressed concern that such a move would create winners and losers, with poorer areas seeing a fall in revenue. Let us not forget that we are already seeing disparities between local authority cuts. Between 2010 and 2015, Salford saw cuts of £210 per head, while authorities such as Epsom and Ewell saw only a £15 per head decrease. With local government funding being cut in terms of the grant by 56% by the end of this Parliament, it is frankly terrifying for Members like me whose local councils will see even more significant reductions in their spending power.

The same issue arises with regard to the social care precept, which would allow councils to raise council tax by 2% in order to fund social care. The president of the Association of Directors of Adult Social Services has warned:

“The Council Tax precept will raise least money in areas of greatest need which risks heightening inequality.”

Barbara Keeley (Worsley and Eccles South) (Lab): My hon. Friend is right: councils in deprived areas will have the greatest social care needs, yet they will raise less than a third of what more affluent areas raise through this approach. I really fear that any revenue we raise across the city of Salford will barely touch the sides of the funding crisis in social care. Sadly, the Minister may be hoping to say that services such as in-house transport for vulnerable adults could be funded through a future increase in the social care precept, but that is not likely to be an option for Salford City Council. As I have outlined, councils in deprived areas have already been hit the hardest, and they will be hit worst again by the measures in the latest spending review.

The Government have had since 2010 to convince us that their argument for local government austerity is necessary. In that time, they have slashed the budgets available to councils for vulnerable adult transport and other essential services, while at the same time handing out tax breaks for millionaires, slashing inheritance tax and, despite their rhetoric, doing very little to crack down on tax avoidance. In fact, only in December we heard that five of the largest banks in the UK paid no corporation tax at all in 2014, despite making billions of pounds in profits.

The Prime Minister gave the game away in an interview on Monday morning, when he said that “if you are a Conservative, you don’t believe in a big state”. I fear that that is what these cuts are all about: rolling back the state and going back to a time when the vulnerable relied on the philanthropic donations of wealthy people with a conscience.

The cuts that have been inflicted on my city are clearly a political choice, not an economic necessity. My and my hon. Friend’s city is living in fear, with the sword of Damocles hanging over our heads, waiting for the next savage cut to drop.

I look forward to hearing the Minister’s comments and I hope he will be able to reassure me that my fears are unfounded. I also hope that as a result of this debate he will ensure that there is a much-needed boost to local government funding, in order to provide essential services such as the one I have outlined. I hope he amazes me with what he is about to say.

5.12 pm

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I congratulate the hon. Member for Salford and Eccles (Rebecca Long Bailey) on securing this debate and thank her for allowing me, on behalf of the Government, to put the record straight on some important issues relating to funding for care generally and for this group of vulnerable patients in particular. I will start by setting the scene of how our reforms have changed the way in which funding is provided, and I will then address some of the detailed local issues in Salford.

The way we look after some of our most vulnerable people is a benchmark of how civilised we are as a society. For that reason, the Government have tried, in a very difficult funding round, to make sure that funding for the most vulnerable is protected and ring-fenced. We understand that everybody in the country is tightening their belts to pay off the debts that previous generations and Governments have left us, but we have tried to be as careful as possible and to make sure that we protect the most vulnerable in our society who have no choice and are completely reliant on public services. That is why, through the Care Act 2014, we now have a reformed care system that is already leaving local authorities in a better position to meet the care needs of their people as they see best and to target resources at those who most need them.

Councils now have greater flexibility to arrange care, as well as to give greater choice and control to individuals. We have given councils freedom on how to use the money they receive and allowed them to work with their residents to decide how best to arrange their spending, based on local priorities and need. I am not pretending for a minute that local government has not faced real pressures on its finances over the past five years. However, when local authorities account for a quarter of the Government’s entire public spending budget, it is only
right that local government must find its share of the savings that we all need to make to reduce the deficit we inherited from the Labour Government in 2010. It is a tribute to local government across the country, including Labour councils, that the vast majority of them have managed to deliver more with less. It was good to hear the hon. Lady acknowledge that there was fat in the system in 2010, and that councils could do a lot to deliver more for less. Many councils have indeed done so.

Angela Rayner: I want to reiterate that I welcome the fact that Tameside is a pilot area for the Government’s proposed integrated care model. I mentioned the figures earlier, including the forecast £20 million deficit in Tameside general hospital’s budget. Does the Minister not think that that will completely undermine the fantastic and innovative work such areas are trying to do to ensure that people who need care can get it in the right place and at the right time? These savage cuts undermine all the proposals for an integrated care model.

George Freeman: If the hon. Lady had asked her question in slightly more moderate terms, I might have been able to agree, but when she talks about “savage cuts” completely undermining any progress on integration, I cannot agree with her. That extreme language does not tally with the rather better numbers—I am not pretending that there are not challenges, because there are—but I will come to them in a minute.

Barbara Keeley: Will the Minister give way?

George Freeman: I will give way briefly, but I want to answer the questions that have already been asked.

Barbara Keeley: Like my hon. Friend and constituency neighbour the Member for Salford and Eccles (Rebecca Long Bailey), I want to talk about Salford. It was one of the last authorities in the country that managed to hold on to moderate eligibility for social care, but the cuts that my hon. Friend spoke about mean that we have had to move from moderate to substantial. There is not the funding in the system that the Minister is outlining.

George Freeman: I will come on to the numbers for Salford. I rang Salford this morning to get the very latest numbers, and they make quite interesting listening.

Let me just set the scene on the settlement. In the context of the tough public sector finances, we listened to local government and took steps to protect social care services. In the spending review, we reflected that by introducing a 2% social care precept to the council tax for authorities with social care responsibilities. It is ring-fenced: it has to be spent on social care, but the cuts that my hon. Friend spoke about mean that we have had to move from moderate to substantial. There is not the funding in the system that the Minister is outlining.

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Let me turn to transport for disabled people in Salford. Rightly in my view, the provision of social care and the question of how to meet local need are very much matters for the local authority, as I think hon. Members would agree. That is at the heart of this issue. I understand that Salford City Council has decided that the transport needs of people who require support to get to local day care and respite care services can best be met, in the patients’ interests, by closing the in-house passenger transport unit and providing suitable alternatives for individuals.

I also understand from the local authority that a significant number of parents and carers have commented on how much better the arrangements are because they can individualise journey times. Instead of having to wait and then sit on the council bus to get to services, going on very long routes, the vast majority of users are getting a much more personal and bespoke service. It means that the users of the service do not spend significant amounts of time on transport, which used to result in some of them arriving at a day centre or home upset, agitated, delayed and frustrated.

The council has worked hard to resolve the concerns that have been expressed by care users and their families. Having spoken to the council this morning, I understand that all have now accepted the new arrangements. Indeed, the director of adult social services at Salford City Council has told me that he considers the change to be “a success both in terms of outcomes for individuals and in delivering a saving to the council budget.”

Rebecca Long Bailey: The Minister is quite right in what he says. The ability of my local authority to do more with less has been extremely amazing, but the fact remains that the review of special needs transport would not have occurred to this extent had the funding not been taken away. I do not dispute that it is right to review the service and the needs of individuals on an ongoing basis, but it should not have been done in such a forthright and extreme way. That would not have occurred had the funding not been taken away.

George Freeman: I am not sure what the question was. It is interesting that the hon. Lady is saying that the review was the right thing to do and the service has improved, but the rationale for doing it was wrong. I beg to differ. If the rationale that we have to deliver more for less leads good councils, in this case Salford, to find a better way to deliver services that uses less money and provides a better service, that is good. It is exactly what we want councils across the country to do.

For far too long, local government has been hidebound by receiving far too much of its funding from central Government. For me, as a localist, it is anathema that the majority of local government spending comes from central Government. That is why we have begun the process of seriously rebalancing the funding settlement by providing more powers and freedoms locally to raise money that can be spent on locally agreed priorities. The social care precept and the retention of business rates locally are powerful things for which many of us have campaigned for years.

If Salford uses the full social care precept flexibility that we have just provided, it could raise £7.6 million in 2019-20. That will be on top of Salford’s additional income from the better care fund of £10.5 million in 2019-20.

This is not about cuts. It is about a Labour council making prudent decisions that not only improve the way in which services for vulnerable people with disabilities
are delivered, but do so in the most cost-effective way. The council’s prudence extends to its decision to nearly double its non-ring-fenced reserves from £29.7 million in 2010 to £56.5 million at the end of 2014-15. I will just say that again: the council doubled its reserves to £56.5 million over the course of the coalition Government.

Barbara Keeley: The Minister is being rather complacent in the way that he is responding to this debate. Salford City Council has announced this week that it is having to use its reserves for flood victims, when the Prime Minister will not even apply to the EU solidarity fund for funds. On the point that the Minister makes about social care, the Prime Minister heard this week from the Conservative leader of Essex County Council, who pleaded with him to bring the money forward. The Minister is talking about money for 2019-20. We have to get through the time until then. The money is back-loaded and it is not enough. The situation is risky and uncertain because the money will be provided so late. I should tell him that council leaders are very worried about 2017-18.

George Freeman: I will take the question as being, what do I think about that statement? The hon. Lady is right that the funding ramps up, but she is not right in saying that it does not come on stream until 2020. Indeed, I have looked at the figures for Salford. The money that will go to Salford from the better care fund will be £1.1 million in 2017-18, £6.1 million in 2018-19 and £10.5 million in 2019-20. Similarly, the precept will rise over the course of this Parliament, depending on Salford’s decisions on raising it.

Salford’s reserves have gone from being £29.7 million in 2010 to £56.5 million. Those reserves are public money that is there to be used prudently. In this period when we are all having to make sure that our children do not inherit ever more debts, I do not think the fact that Salford City Council is having to dip into its reserves to ensure that it is able to provide services—which, remember, are costing less but delivering better quality—is the savage crisis that the hon. Lady referred to.

Rebecca Long Bailey: I am quite concerned about the Minister’s comments. I spoke to the council this week and received similar comments, including notification that large numbers of the families were happy with the new service—I outlined that in my speech. I also highlighted that the council was aware that some families are not happy with the amended service, and it continues to work with them to try to reach a sensible conclusion on the matter. That is why I have raised this issue in the Chamber today.

George Freeman: I am delighted that we close on a point of unanimity: we agree that Salford council is doing a good job and has managed well the issue of transport for vulnerable adults. I was merely dealing with the wider points that the hon. Lady sought to make about the Government’s more general approach to care, to which it is my duty to respond. I welcome the work that Salford council is doing to look after its most vulnerable citizens, and I hugely support it in that. The Government’s vision is to give councils more freedoms and funding to provide for local people in the way that they see fit; in that way, all councils can do what Salford has done and deliver more for less.

Question put and agreed to.

5.28 pm

House adjourned.
House of Commons

Friday 22 January 2016

The House met at half-past Nine o’clock

PRAYERS

[Mr Speaker in the Chair]

Mr Jacob Rees-Mogg (North East Somerset) (Con) rose—

Mr Speaker: A point of order?

Mr Rees-Mogg: It is not a point of order, but I beg to move, That the House sit in private.

Mr Speaker: Indeed. Other than by reason of formality and constitutional precedent, I cannot ordinarily imagine the hon. Gentleman “begging” anything.

Question put forthwith (Standing Order No. 163).

The House divided: Ayes 1, Noes 56.

Division No. 172] [9.34 am

AYES

Rees-Mogg, Mr Jacob

Tellors for the Ayes: Kevin Foster and Nigel Huddleston

NOES

Bacon, Mr Richard
Blackman-Woods, Dr Roberta
Boles, Nick
Bone, Mr Peter
Bottrell, Sir Peter
Bradley, Karen
Brennan, Kevin
Buckland, Robert
Coyte, Neil
Crouch, Tracey
Dakin, Nic
Ellison, Jane
Fitzpatrick, Jim
Gardiner, Barry
Glen, John

Morris, Grahame M.
Morton, Wendy
Murray, Mrs Sheryll
Opperman, Guy
Perkins, Toby
Perry, Claire
Purslowe, Tom
Rees, Christina
Rudd, rh Amber
Smith, Julian
Smith, Nick
Stewart, Iain
Stewart, Rory
Stride, Mel
Swire, rh Mr Hugo

Tellers for the Noes: Martin Vickers and Jeremy Quin

Question accordingly negatived.

Mr Peter Bone (Wellingborough) (Con): On a point of order, Mr Speaker. It does seem an awful waste of the House’s time to divide when only three Members support the motion, in order to close down the debate and prevent people from hearing what the House has to say. What chiefly worries me, however, is that when the voices are heard, there always seem to be more Members shouting “Aye”, that we should sit in silence— interrupt / I mean in private— interrupt. The Whips might think it would be better if we sat in silence, but when we sit in private no one can hear us, so we are effectively sitting in silence.

Let me return to my main point, about the shouting. I shouted “No” quite loudly. In the same part of the Chamber, there seemed to be a shout of “Aye”, yet none of the Members who are sitting here voted that way. I know that they do not have to, but is not the procedure a complete waste of the House’s time?

Mr Speaker: The principle is that vote should follow voice. It is disorderly for a Member to voice in one direction and vote in another. However, it is not obligatory for someone who has shouted “Aye” to vote “Aye”. He or she is perfectly free to abstain. The same applies to a Member who votes “No”, a point that the hon. Gentleman acknowledged in his point of order.

That said, in an age in which we prize intelligibility and transparency, it is much to be preferred if Members are, and appear to be, consistent in what they do relative to what they say. I think we will leave it there for now. I hope that that satisfies the constitutional palate of the hon. Gentleman.
NHS (Charitable Trusts Etc) Bill
Consideration of Bill, not amended in the Public Bill Committee

Clause 1
Removal of Secretary of State’s powers to appoint trustees

9.48 am

Michael Tomlinson (Mid Dorset and North Poole) (Con): I beg to move amendment 4, page 1, line 15, after “may” insert “after appropriate public consultation”.

Mr Speaker: With this it will be convenient to discuss the following:

Amendment 1, page 1, line 17, at end insert—
“(2A) The Secretary of State may by order or regulations made by statutory instrument make such provision as the Secretary of State considers appropriate to re-establish the Secretary of State’s powers to appoint trustees in respect of—
(a) one,
(b) more than one,
(c) a type, class or category of, or
d) every

(2B) A statutory instrument containing an order or regulations under subsection (2A) which amends or repeals primary legislation (whether alone or with other provision) may not be made unless—
(a) a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament, and
(b) a draft of the order or regulations was published three months before laying before Parliament.”

Amendment 3, page 1, line 21, at end insert—
“(bA) provision for one trustee to be appointed by the NHS institution, service or function for whose benefit the charitable trust exists.”

Amendment 2, page 2, line 1, leave out “and” and insert—
“(cA) provision by which the Secretary of State may appoint one or more trustees where—
(i) the Secretary of State has satisfied himself that exceptional circumstances exist, or
(ii) all the trustee positions in relation to a particular charitable trust have been vacant for a period exceeding three months, and

Amendment 5, page 2, line 4, leave out “Subject to subsection (5)”. Amendments 6, page 2, line 7, leave out subsections (5) and (6).

Amendment 7, clause 2, page 3, line 14, at end insert—
“(8A) A statutory instrument under subsection (8) may not be laid before either House of Parliament without an accompanying statement by the Comptroller and Auditor General that he is satisfied with the treatment of public assets and funds envisaged in the regulations contained within such an instrument.”

Amendment 8, page 3, line 13, leave out subsection (8) and insert—
“(A) A statutory instrument containing regulations under subsection (1) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.”

Amendment 9, schedule 1, page 9, line 9, at end add—
“(14) The Secretary of State may grant permission for—
(a) one;
(b) any number of, or
c) a category or type of charitable trust, established for the purposes of supporting an institution, service or function of the NHS, permission to use the NHS logo or NHS branding in their fund-raising and other communications.

(15) The Secretary of State may, having given 6 months’ notice, rescind a permission granted under paragraph 14 (the notice period may be reduced in exceptional circumstances).”

Michael Tomlinson: I want to focus on amendments 4, 5 and 6, which stand in my name and that of my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), which I fully support, were found in public consultation. Amendment 4 deals with the need for a public consultation; amendments 5 and 6 remove the requirement for the draft to be laid before, and approved by, each House.

I shall turn first to amendment 4 and the principle behind it. It inserts “after appropriate public consultation” in clause 1, page 1, after “may” in line 15. It seeks to oblige the Secretary of State to carry out a public consultation that he considers appropriate before making regulations. The principle of a public consultation should be relatively uncontroversial. After all, the origins of the Bill being ably presented to the House by my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), which I fully support, were found in public consultation. The Department of Health conducted a review in 2011, and consulted publicly in 2012. The 2012 consultation set out the rationale for reform. As a result of that consultation and review the Government committed to move to a model of greater independence.

Jeremy Quin (Horsham) (Con): Does my hon. Friend have any idea of the costs associated with the consultation? While the principle of public consultation is not contentious, we need to make certain that consultation is necessary, and all these things come with a cost.

Michael Tomlinson: My hon. Friend makes a sound point: one must always balance the benefit and the cost. I do not have figures on the cost of the consultation, but I think he will agree that the principle of a public consultation is a sound one, and that is what I am speaking to.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Will my hon. Friend explain what he means by “appropriate”? Does it mean the Secretary of State should ask a few mates in the pub what they think of the proposals, or a more formalised system through petition of this House?

Michael Tomlinson: I shall turn to what I mean by “appropriate” in due course, but I think hon. Members on both sides of the House will know on plain reading of the word “appropriate” what is or is not appropriate.

Kit Malthouse (North West Hampshire) (Con): In my mediocre experience in local government I have participated in a huge number of Government consultations. I cannot recall a single one that changed the initial decision of the Government. Will my hon. Friend acknowledge that more often than not Government consultations
just go through the motions? The only one I can remember ever having an effect was by the incoming Mayor of London on removing the extension of the congestion charge in the west of London, which was overwhelmingly supported by consultees, and he did in fact enact that in the teeth of opposition from Transport for London. Beyond that, I have never quite seen the point of consultation when Ministers’ minds are made up. Does my hon. Friend agree?

**Michael Tomlinson**: I certainly would not agree that my hon. Friend’s experience is mediocre—quite the opposite. I understand the thrust of his point, but I disagree, because at a time when politics can be seen to be remote it is important that the public are engaged in these debates. I also think it would be wrong to say Ministers’ minds are closed. I am sure those on the Front Bench this morning would agree that Ministers’ minds are not, and should not be, closed—certainly not before a public consultation.

**Mrs Sheryll Murray** (South East Cornwall) (Con): May I repeat a question already asked: who would finance the public consultations? Would it be the charitable trust, the Government, or local government? Will my hon. Friend expand on that?

**Michael Tomlinson**: The point about cost is important. At the end of the day it would have to come from taxpayers, which I accept is a challenge and a potential disadvantage. My argument is that in the principle of taxpayers, which I accept is a challenge and a potential disadvantage. My argument is that in the principle of public consultation the advantages outweigh the disadvantages.

**Mrs Murray**: What is my hon. Friend’s estimate of the consultations’ cost to the taxpayer? Has he done any analysis of how many consultations there might be, and of their cost?

**Michael Tomlinson**: Again, I do not have those figures to hand. My hon. Friend is right to raise this because it is an issue of concern; cost must always be borne in mind, but, as I have said, I am speaking to the principle, and unfortunately I do not have the specific figures she asks for.

**Maggie Throup** (Erewash) (Con): Cost is important, but the transparency angle outweighs it.

**Michael Tomlinson**: My hon. Friend, who has put her name to these amendments, makes a valid point, and helps me to make the argument that the public consultation is the right way forward.

**Jeremy Quin** (North West Hampshire) (Kit Malthouse), a far from mediocre figure in any sense, is far too self-deprecating, but I want to come back to the point he made. He referred to the consultation in west London, which was on a huge issue that affected vast numbers of people and had been the subject of a hard-fought political campaign. It was also a very costly consultation, but that was appropriate and proportionate. A lot of the changes that your amendment refers to—sorry, that the amendment of my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) refers to—are purely technical in nature and this would not be necessary.

**Michael Tomlinson**: I think Mr Speaker would agree that these are not his amendments, but are my amendments. I understand, again, the point my hon. Friend makes, but I disagree with it. May I return to the review on which the Government consulted in 2014? Following that consultation, the Department of Health published its response—it is an important point of principle in public consultations that there is a formal response. As a result of that response, we have these proposals and eventually this Bill, which is being ably presented by my hon. Friend the Member for Aldridge-Brownhills.

**Pauline Latham** (Mid Derbyshire) (Con): Who will the consultation be with? Will it be with other charities, hospital users, people who have been to see “Peter Pan”, every hospital in the country, or every child who has ever been treated at Great Ormond Street? Who exactly will my hon. Friend be recommending the consultation is with? So far, that is not clear to me.

**Michael Tomlinson**: I envisage the consultation being as wide as possible. My hon. Friend mentions everyone who has been to see “Peter Pan”, and that would be a pretty wide consultation—perhaps not everyone has seen “Peter Pan” and I highly recommend that those who have not do, so. I envisage that the principle is that it is as wide a consultation as possible.

The Bill, which has wide support on both sides of the House, is the product of a public consultation, so I fail to see how Members can disagree with this proposal.

**Kevin Foster** (Torbay) (Con): I thank my hon. Friend for giving way; he is being incredibly generous in taking interventions. Every charity has a group of people it benefits. Does my hon. Friend agree that for this consultation to have any meaning, it would have to be with the entire area of benefit, which could in some cases involve literally millions of people? Does he also agree that most of them would probably feel their charitable funds would be better spent getting on with the job, rather than having a very large consultation about who appoints a director of the trustees?

**Michael Tomlinson**: I understand that point, which is similar to other points questioning the benefit and the cost, but I respectfully suggest that the benefit outweighs the cost in this case and that the public, seeing that they are consulted, would once again be re-engaged with the political process, which I think my hon. Friend should support.

**Wendy Morton** (Aldridge-Brownhills) (Con): My hon. Friend rightly points out that my private Member’s Bill emerged as a result of consultation with NHS charitable trusts. Does he agree, however, that it is unusual to be seeking public consultation on a technical change that is consequential to my Bill?

10 am

**Michael Tomlinson**: Again, I am grateful for the intervention and understand the point being made, but I disagree with my hon. Friend. Although this is technical in nature, I believe the principle of public consultation would be beneficial to the wider public. It would be
Mr Speaker: That would be entirely orderly and would involve no repetition. The hon. Member for North East Somerset (Mr Rees-Mogg) has done us a service in reminding us that his question has, thus far, been unanswered.

Michael Tomlinson: In which case, let me turn to that very point. As my hon. Friend rightly says, my amendment 4 contains the word “appropriate”. We can all envisage inappropriate public consultations. I again contend that this term should be relatively uncontroversial, because we all know what it means. An inappropriate consultation would be too short or would take place over a festive period such as Christmas, when either people would not have the opportunity to respond or an insufficient number would have the opportunity to do so. Although I welcome the opportunity to expand on the word “appropriate”, I believe it is pretty obvious what it means.

Kevin Foster: The word “appropriate” also relates to the level of the thing to be consulted upon. We have a tradition in this country: certain things—for example, Britain’s membership of the European Union—are decided by consulting every member of the public in a referendum. Other issues such as school funding also affect the wider public, but on issues such as who is a director of something we do not usually go to the length of a full public consultation to decide the process. This is about what is appropriate given the nature of the issue, as well as what is appropriate in terms of the time of year the consultation is held and how long we give people to respond.

Michael Tomlinson: I am very grateful for that helpful intervention. I would wish to expand on the issue of an EU referendum, but I suspect that Mr Speaker would encourage me to move on, so I will not be tempted down that line. I understand the point my hon. Friend makes and will merely respectfully suggest that the word “appropriate” speaks for itself and requires no further elaboration.

Given your encouragement, Mr Speaker, I will now move on to amendments 5 and 6, which also stand in my name and that of my hon. Friend the Member for Erewash. They seek to remove the requirement that the regulations may make provision consequential to the removal of the Secretary of State’s powers; in effect, they would remove the affirmative resolution procedure and insert the negative one. They are simple amendments, so I will not take up your time in debating them at length, Mr Speaker. In effect, the debate is being held now, as is perfectly appropriate, and it would therefore be unnecessary in this case to bring it back.

Wendy Morton: We have discussed the use of the word “appropriate”. Does my hon. Friend feel that these two amendments are appropriate and necessary? I do not feel that they add anything to the Bill, and there is no need for them.

Michael Tomlinson: I am grateful for that intervention, but my view is that in this case it is unnecessary to use the affirmative procedure to approve the matter and the negative procedure would suffice. I understand the point that my hon. Friend makes, but I respectfully suggest that these amendments are appropriate. I was looking up one of the notes in the Library, perhaps one prepared
by one of your predecessors, Mr Speaker, and I found that it stated that the affirmative procedure is less common, being used in perhaps only 10% of cases.

I will not take up time by referring to the other amendments, merely noting that several and other hon. Members will speak to them in due course. I look forward to a constructive debate on this group.

Mr Rees-Mogg: I had not intended to follow on so quickly, Mr Speaker, as I thought there would be a great rush to the barricades of people wanting to speak. I am moved to speak in opposition to what my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) is proposing before dealing with my own amendments. I am very concerned about what he is suggesting, given its radicalism and its move away from proper parliamentary scrutiny and from the sovereignty this House enjoys. He asks us to throw all that away for this vague “appropriate” consultation. One of his amendments would remove the following provision in the Bill:

“A statutory instrument containing regulations under subsection (2) which amend or repeal primary legislation...may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House”. You will know, Mr Speaker, that one of the most dangerous powers this House can give to Ministers—one we have always been cautious about giving them—is the power to amend primary legislation without going through the normal procedures for repealing primary legislation. Therefore, slipping in an amendment to a Bill that would take away that safeguard from this House and the other place, and allow things to be nodded through, is an extraordinarily radical proposal. It takes away the authority of this House and is therefore fundamentally dangerous, and so I oppose it.

Jeremy Quin: Does my hon. Friend envisage any de minimis provision whatsoever? Should everything come before this House as primary legislation?

Mr Rees-Mogg: If primary legislation is being changed, the default position should be that it can be changed only by primary legislation. That should not be subject to a de minimis level because primary legislation is by its nature important. If something is not important, why is it in primary legislation? If it is in primary legislation it can be assumed that it is a matter of such nature, state and standing that it has required this House, the other place and Her Majesty to approve it. If we are dealing in trivialities, that is a broader constitutional question that should be considered and we should stop doing that. If something is in primary legislation, it ought, as a starting point, only be changed by primary legislation.

To allow Ministers what have been known as Henry VIII clauses to wipe out primary legislation is something that constitutionalists have been concerned about for many years. That is why I am very uncomfortable with this provision being slipped in as an amendment and brushed over when what it does is of fundamental importance and is quite rarely used. My hon. Friend the Member for Mid Dorset and North Poole made the point that the affirmative route for statutory instruments is rarer than the negative one, and that is quite correct, but the negative one is mainly used for routine regulations that do not engage in any change to primary legislation. When primary legislation is changed, that ought to be brought to the House.

Michael Tomlinson: My hon. Friend says that this is being slipped in, but surely now, today, we have the opportunity to debate it and he has the opportunity to speak against it. We are having that discussion right now.

Mr Rees-Mogg: That is absolutely right, but I think that slipped in is a perfectly fair phrase on Fridays, because the debates then tend to be quiet and relatively poorly attended. However, it is nice to see our Benches so full and well trooped, if I might say so, by people who are in the Chamber to support the Bill. I am rather surprised that our friends from Scotland are all absent, but I suppose that the Bill does not immediately affect them, at least not in the first half.

I want to move on to the comparison between the amendment getting rid of the affirmative route for statutory instruments and the one on public consultation. It seems to me to be an extraordinary approach to take to say that when a regulation is changed by the Secretary of State, it is better that it should be consulted on with a group of self-selecting individuals who take the time to get in touch, taking away the ability of this House to act as that safeguard and check. Surely we are here, with a democratic mandate, as the main people to be consulted on behalf of our electorate, to whom we have to report every so often. Issues should not be put out to local consultation, which, as my hon. Friend the Member for North West Hampshire (Kit Malthouse) said, is often more of a fig leaf and an attempt to consult and either achieve a result that is already intended. If not, the consultation is ignored. Consultation has become immensely fashionable and we should always be cautious of fashion. Fashion ebbs and it flows, it comes and it goes, but there is a permanence to this House and in our way of doing things. We are the democratic sounding board for our constituents, so that there are not endless self-selecting consultations with people who are not necessarily particularly interested in the issue.

Mr Speaker: Order. If the hon. Gentleman himself has ever been fashionable, which is in itself extremely doubtful, it can only have been by accident.

Mr Rees-Mogg: Mr Speaker, as always, you are correct. I think that I would take being called fashionable as a grave insult, although I know that your ties are regularly a model of fashion.

Michael Tomlinson: Moving away from the dangers of fashion back to the substance of what we should be debating, will my hon. Friend address the point about the principle of the public consultation and the fact that this very Bill was the product of public consultation?

Mr Rees-Mogg: I am grateful to my hon. Friend. Friend for that intervention, but I am afraid that I think that most public consultation is bogus. It is about going through the motions and pretending we are interested in views when the Government, or councils or whatever else, want to get on and do whatever they wish to do anyway,
It simply allows opportunities for judicial review to gum up the process. We should be incredibly cautious about chucking public consultation into Bills, because that does not actually achieve anything.

Seema Kennedy (South Ribble) (Con): Does my hon. Friend agree that our constituents would look on agog at a Bill designed to simplify the process requiring a three-year consultation followed by yet another one?

Mr Rees-Mogg: My hon. Friend hits the nail on the head. That is the problem with this endless consultation; nothing gets done. Last May, people voted and gave us a mandate to do things, not to ask them what we should do.

Michael Tomlinson: May I ask my hon. Friend to consider this point? He mentioned the word “appropriate”. Nowhere does my amendment suggest a three-year consultation period—rather, it suggests an appropriate consultation.

Mr Rees-Mogg: I raised the question of what the word “appropriate” meant earlier and I was indeed intending to come back to it. Appropriate, inappropriate, unacceptable and disappointing are those new Labour words that get dropped into conversations and they mean remarkably little or what, in a Humpty Dumptyish way, what the person hearing them wishes to think that they mean. What is an appropriate consultation? There is no qualification or clarification in the amendment, so what is it intended to achieve? Does “appropriate” mean that signs should be put on noticeboards, as with planning issues? Does it mean that letters should be written to local residents? Does it mean that something should be squired away on the internet? Does it mean that a paper should be laid before this House, or put in the Library, where, no doubt, many people would follow its contents closely? Or does “appropriate” mean that the Secretary of State has a word in his office with the permanent secretary, saying, “Do you think this would be a good idea, Sir Humphrey?”; then Sir Humphrey replies, “Well, you would be very brave, Minister,” and then the idea is dropped on the basis of that consultation? Does it mean the Secretary of State can have a word at home with his family—with his kitchen cabinet—telling them that he is minded to appoint or not appoint a few trustees? I could tell all sorts of anecdotes about how that used to happen in the good old days, but I think it might be wending slightly from the point. “Appropriate” is a very imprecise word and legislation ought to be precise.

Kevin Foster: My hon. Friend is giving us the benefit of his usual style of speech. Of fashionable speech, yes. It is certainly in fashion on a Friday to hear my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) speak so well. Does he agree that the problem is that “appropriate” can mean anything under the sun and that various people have different views? For example, with the recent pension changes, some have said that the information should appear in adverts in the press and others that it should be provided in individual hand-delivered letters. This term is so vague and really would have to be defined. I think it is strange to say that we want to consult if we are handing out something that is unlikely to get more than a handful of responses given its detailed and technical nature. That will merely build up in the public’s mind the idea that yet again people have decided what they will do and are now consulting on it.

Mr Rees-Mogg: I agree with my hon. Friend. I want to finish on this set of amendments by saying that this House should be jealous of its role as the major focus of consultation in the nation. We were elected to represent our constituents and therefore to express views on these issues. That is why we are here, and what is done with consultation so often is a pretence. It is not about the Government wanting the wisdom of the millions before making up their mind but about the Government wanting the comfort of having been through a rigmarole to get what they wanted in the first place. We should not give up our authority lightly or increase the power of the Executive.

I know want to turn briefly to the amendments tabled by my hon. Friend the Member for North West Hampshire, which are absolutely glorious in their conception. They basically reverse what the Bill is trying to do in the first place, which is a great thing for him to have slipped past our ever-attentive Clerks. That does not often happen on Report. Perhaps the amendments—and this is why our Clerks in their wisdom let them go through—would ensure that there is a safeguard. Safeguards may be sensible. There have been occasions where charities have got into trouble when public money is being spent. Although it is broadly considered a good idea to remove the power from the Secretary of State to appoint trustees so that a decision is made more locally and so that the construction of the charities may be more suitable for the local organisations—that has a great deal of support—we know that something will go wrong at some point. That is not a particularly Cassandra-like view to take; it is just the experience that we have. We know that there will be a small charitable hospital that puts all its money into an Icelandic bank, for example, and suddenly loses it. The trustees get criticised and attacked, or they write 3,000 letters a year to elderly ladies asking them for money and are seen to have behaved badly. Then somebody will come forward, probably a Member of this House, who will ask the Secretary of State at Question Time, “Why is it that you, Secretary of State, are not doing anything to stop this problem arising? Why have you not kept those residual powers? Why did you not ensure that when the Bill went through Parliament, there was a safeguard, something to protect—”.

Maggie Throup: I agree with my hon. Friend’s argument. That could happen to any charity, not just an NHS charity, so why introduce safeguards specifically for NHS charities?

Mr Rees-Mogg: My hon. Friend makes an interesting and important point. NHS charities are different because of the structure of the national health service and the conception of the national health service in people’s minds. There is much less of an immediate governmental interest, or concern with, ordinary private charities that were founded sometimes centuries ago with grants from
generous benefactors that through the mists of time have evolved and developed. NHS charities work side by side with the state in all that they do, so they are a marginal extension of the state rather than something completely different from it. If we draw a Venn diagram of the third sector, we have a part that is very private and another part that is very much state. NHS charities are very much in the state part of the Venn diagram.

Kevin Foster: I thank my hon. Friend for giving way. He is generous with his time, as always. He talks about NHS charities being close to the state and therefore needing particular provision, but many other charities work closely with our national health service. I think of Rowcroft hospice in my constituency which provides palliative care across south Devon. Why, then, safeguard only certain charities? Why not expand it to all? The amendments do not strike me as worth while.

Mr Rees-Mogg: My hon. Friend ignores the starting point, which is that the Secretary of State makes the appointments, whereas that has never been the case for other charities. They have evolved differently, whereas NHS charities are evolving out of the NHS, more towards the private sector. To put in place a safeguard which one hopes would not be used seems to me quite a prudent thing to do. It says, “This is our hope, this is our intention. We expect it to work and we think it will work in the vast majority of cases and make NHS charities more like other private sector charities.”

Wendy Morton: Will my hon. Friend give way?

Mr Rees-Mogg: Of course I give way to the promoter of the Bill.

Wendy Morton: I am grateful. The Charities (Protection and Social Investment) Bill is proceeding through this House. It comes back to the Chamber next week, giving us the opportunity to hear more about the work of the Charity Commission. Does my hon. Friend agree that when the NHS charities that we are discussing today become independent, there is the assurance that they will be covered by the Charity Commission? That goes a long way to ensuring public trust in those charities, which is the crux of the matter.

Mr Rees-Mogg: I suppose the answer is “Up to a point, Lord Copper.” The Charity Commission has marvellous and admirable elements. It has a brilliant chairman who has been a great force for good in that organisation, sorting out some of the problems that it had before his appointment. I think particularly of the dreadful treatment meted out to the Plymouth Brethren before he was there. It is none the less an unelected, unaccountable quango. I take the rather extraordinary view that we should trust our democratically elected politicians more than we should trust the unelected. That is why I am always banging on about this House maintaining its own powers, and why we should hold Ministers to account. We should be very cautious about thinking that an independent, unaccountable body is a better supervisor than the democratic will of the nation expressed through this House.

When responsibility is shifted, it is prudent to do that cautiously, in stages, and to keep a safeguard in place. When the first case goes wrong, which it will—within 10 years something will have happened; there will be an NHS charity where the accountant has snaffled off all the money and gone to Barbados or wherever it is fashionable to go at this time of year, or perhaps gone off to South Africa to watch the test match—at that point people will say, “Why didn’t the Government do something about that? Why have they not got a plan? Why didn’t they make sure that they could keep it under control?” Having a protection, possibly even a time-limited one—

Jeremy Quin: I agree with the gist of what my hon. Friend is saying, but does he agree that if that power exists, it is even more likely that charities will fall into that predicament? If they are fully cognisant of their own responsibilities and know that they have to look to themselves to ensure that such problems do not occur, it is far more likely that fewer such problems will occur.

Mr Rees-Mogg: No. I cannot follow the logic of that argument. I do not think charities will be more likely or less likely to have ill governance because the Secretary of State is in or out. The protection would be there in case there is ill governance, which there invariably is to a small degree. In charities, businesses and Governments there is invariably ill practice somewhere along the line, and I do not think the motive for ill practice is affected by the knowledge that the Secretary of State may be keeping an eye on them or a feeling that he is not doing so. We need to ensure that if the problem arises, there is a safeguard—a mechanism to put things right.

Jeremy Quin: My hon. Friend misunderstood me. I was not for one moment suggesting that a board may be encouraged to act in an adverse way because of powers resting with the Secretary of State. A presence that could rescue a charity in dire straits may influence the judgments of a board of trustees.

Mr Rees-Mogg: I quibble about the word “rescue”. It is not so much rescue as fire. If the trustees do things badly, the Secretary of State may fire them and put other people in their place. That would not encourage slackness, idleness or malpractice. It would encourage probity, forthrightness and good management. The logic of my hon. Friend’s argument supports what I am saying, rather than what he thought he was promoting.

My hon. Friend the Member for North West Hampshire has proposed extremely sensible, prudent measures that will keep a broad eye on what is going on.

Kevin Foster: I am listening to the points being made, but I am still struggling to understand why a handful of NHS charities performing wrongly would be any different from any other charity performing wrongly. I see the hon. Member for Bristol South (Karin Smyth) in her place. We remember the recent discussions in the Public Accounts Committee about the Kids Company collapse. Why should we not have a good system of charity regulation, rather than a specific power, as suggested in the amendments?

Mr Rees-Mogg: I reiterate—I am sorry, Mr Speaker, to reiterate. I may be becoming repetitive, but I hope not yet tediously repetitive; that may come at a later stage. We need to look at the starting point. These charities are coming out of the control of the Secretary
of State. To move them completely away from his control in one fell swoop may be relatively imprudent, whereas to do it more cautiously and keep a safeguard is perfectly sensible. By contrast, in the case of charities that have never been under the Secretary of State and have never had their trustees appointed by the Government, it is perfectly sensible to leave them with their existing regulatory system.

Wendy Morton: We have had a lot of debate about the term “appropriate”. What exactly does my hon. Friend mean by “cautiously”? I have to say that I am very sceptical about this amendment.

10.30 am

Mr Rees-Mogg: I am grateful to my hon. Friend for trying to out-pedant me, which is a great thing to do, and she may well have won this particular bout of pedantry. By “cautiously” I mean proceeding in a step-by-step way. I am fully supportive of the thrust of what her Bill is trying to do, which is admirable, sensible and wise. I am merely suggesting that in seeking to reach the same destination, we should ensure that there is a fall-back position in case things happen that are less than ideal. That is simply a matter of good sense and good housekeeping. There is no need to do everything in a great rush. As somebody once said, “Rome wasn’t built in a day”, and there are no doubt other clichés of a similar kind that I could use.

I want to turn to my own amendments, two of which are concerned with preserving the rights of this House. Amendment 8 would remove clause 2(8), which is about how the statutory instrument setting out regulations of this kind should be brought forward. It would ensure that a draft of the instrument is laid before the House and approved by a resolution of each House of Parliament. Laws are always best made when they go through the full democratic process, controls are kept on Ministers, and we do not have arbitrary government.

We need to ensure that the assets underlying this are being protected, so in amendment 7 I suggest that there should be a statement by the Comptroller and Auditor General—a comptroller who is properly spelt rather than a controller with the modern spelling—that he is satisfied with the treatment of public assets and funds envisaged in the regulations. This is public money, to some degree—money that is under public auspices.

Jeremy Quin: I challenge my hon. Friend on that remark. Surely it is not public money but charitable money. It has been invested in the charity by donors, and the last thing they would expect is for the Comptroller and Auditor General to opine on it.

Mr Rees-Mogg: I go back to what I said earlier about where NHS charities sit. By virtue of the money being given to a charity that supports the NHS, that money comes into the public purview and is subject to the way in which the public sector ought to ensure the good management of money. That is why I think it is appropriate—“appropriate”—I am using that awful word—rather, suitable and proper that it should be audited thoroughly to make sure that assets are not handed over that should not be handed over or misappropriated, and to give confidence to this House, and indeed to the other place, that moneys are being sensibly protected. These are very modest amendments.

Kevin Foster: Does my hon. Friend agree that some of his comments strike against the heart of this Bill, which says that these charities should be independent so that people feel encouraged to donate to them rather than feeling that by doing so they are replacing what could be, or they might believe should be, funded by the Government. Saying that it becomes public money when donated hits at the whole point of the Bill.

Mr Rees-Mogg: What a pleasure it is to see you taking the Chair, Madam Deputy Speaker. We have been waiting for this happy hour to arrive to help us carry our debates forward.

No, I do not think my hon. Friend is right. When people give money to a charity that is linked to the Government, they are even more concerned that it will be spent well, and they therefore want extra protections to assure them of that.

Seema Kennedy: Does my hon. Friend not agree that the entire point of the Bill is to dissociate the charities from the Government and to provide independence, which is what gives them such a great reputation in their local areas?

Mr Rees-Mogg: As I said, it is a question is how we get to where we are going from where we are starting. As we make the transition, it is absolutely crucial to ensure that the money is handed over in a way that is properly audited so that people can have confidence in the NHS charities and not feel that there is some kind of sleight of hand or money is being siphoned off.

Wendy Morton: Does my hon. Friend not agree, though, that funds donated to the NHS and put into these charities must be held separately from Exchequer funding provided by the taxpayer? Charities exist to support their beneficiaries, and there is a special relationship between the charities and the—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I am trying to be helpful to the hon. Lady in saying that I know it is a great temptation to address her remarks to the hon. Gentleman and look at him to gauge his reaction—looking at him is always, of course, a very great pleasure—but if she turns her back on the rest of the House, it does not work. It is really important that she should face the Chair. She can still speak about the hon. Gentleman and imagine him in her mind as she does so.

Wendy Morton: Thank you, Madam Deputy Speaker. It is wonderful just to be able to imagine my hon. Friend in my mind. I have finished my intervention, but I am grateful for your advice and reminder.

Mr Rees-Mogg: Thank you, Madam Deputy Speaker. This has been a very distracting interlude, I must confess. The key is the safeguarding of money and ensuring that things are done properly with an audit trail.
Kit Malthouse: Does my hon. Friend agree that my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) gave herself away at the beginning of her intervention when she referred to this money being donated by the public to the NHS? In the public’s mind, there is often a confusion between the charity and the institution that it serves, and it is therefore crucial to have these controls.

Mr Rees-Mogg: My hon. Friend puts it extremely well. That confusion is almost inevitable. In the case of charities linked to hospitals, most members of the public will expect the money that is spent charitably to be as thoroughly audited as the money that is spent by the state, and it is prudent to formalise that.

Jeremy Quin: I am desperately trying not to look at my hon. Friend; I will try to imagine him. He is being typically modest in saying that these are modest proposals, as they go to the heart of the Bill. He refers to the necessity of an audit trail, and I agree. However, there are plenty of very good firms of auditors fit and proper for making such pronouncements, so I do not see why we need to trouble the Comptroller and Auditor General, who is a busy man with lots of other stuff to do.

Mr Rees-Mogg: My hon. Friend’s kindness towards the Comptroller and Auditor General is, I am sure, noted in many other places beyond this one, and I expect that his office would be delighted not to have the extra work. However, my hon. Friend is missing a point that I may already have laboured, so I will labour it only once more. This is a transition phase. This money is very close to public money. It is in a Neverland, one might say, in that it is not quite separate from charitable money and not quite ordinary public expenditure. Therefore, keeping an eye on how it is used in the most formal and protected way, at least in an initial stage, is a prudent way of ensuring that the assets are not used or transferred unsuitably.

Amendment 9 is different in nature and arises from a constituency issue. A constituent of mine, with the support of the NHS, established a charity that put defibrillator boxes around the country. These are very admirable boxes that operate in conjunction with the ambulance service and have been shown to save lives by ensuring that defibrillation equipment is available throughout small villages across the country. It has been a most successful charitable endeavour.

While my constituent was working with the ambulance trusts, they wrote to him to say that it was perfectly all right—indeed, they wanted him to do this—to put the ambulance service logo on the boxes, so that people would know that they were formally connected to the NHS. He then received a letter out of the blue from the Government, saying that they were formally connected to the NHS and that was, at its core, a health issue operating with and through the support of the NHS.

The amendment would merely make it straightforward for the Secretary of State to overrule the whole procedure. When there is an issue of this kind, the Secretary of State would have the power to say, “Well, there may be this bureaucracy that safeguards the NHS logo, but I am overruling it and giving permission for the logo to be used, because I think it is a sensible thing to do.”

The reason I like the amendment is that, in a strange way, it relates to what this place is about. It is about seeking redress of grievance for our constituents when they are badly treated by bureaucracy. The best way of doing that is not through independent, unaccountable and unelected bodies that have been separated off from Government, but by a Minister being held accountable at the Dispatch Box. That is how we get things put right for our constituents.

This very small amendment would simply allow the Secretary of State to short-circuit the system when it is behaving badly. It provides that the permission given by the Secretary of State can be cancelled with six months’ notice, which is a reasonable amount of time for people to change any boxes, stationery or anything else they may have with the NHS logo on it, if they are found to have been abusing the permission or for some other reason. The principle that power should be with democratically elected people, and that it should be there to override offshoots of bureaucracy that nobody previously knew about or cared for, is a very good and sound one. As I understand it, the issue that my constituent has had has been mainly sorted out, but the amendment would be a better and clearer way of dealing with such things.

Of the amendments that I have tabled, amendment 9 is of the greatest importance to me. As is the case with so much of what I have been saying, it is about the fundamental principle of what we are trying to do when we legislate. We are trying to ensure democratic accountability and the rights of our constituents, and not to be constantly handing things over to ever-growing bureaucracies.

Kevin Foster: The primary aim of this Bill is to make very clear that the charities are independent of the Government. The NHS logo relates to an organisation that is the epitome of what many people see the public sector as being about—that is, the Government. My hon. Friend’s amendment would, therefore, strike at the very heart of the Bill and make it less worthy.

Mr Rees-Mogg: My hon. Friend is absolutely wrong. He has misunderstood, misconstrued and possibly even misread the amendment, which uses the word “may”. I am not compelling the Secretary of State to go out and chuck the logo on to every box he sees all over the country or to spray the NHS logo on every shopping centre he passes. I do not see him as a vandal going around with a spray can and a little cut-out stencil, spraying “NHS” on everything or engraving it on our foreheads when we come into the Chamber. That is not what the amendment proposes—it uses the word “may”.

It says that when those charities that work immeasurably closely—hand in glove, on some occasions—with the national health service find it useful to use the logo and the Secretary of State thinks it is a good idea, he may give them the authority to do so.
Michael Tomlinson: Is my hon. Friend not at risk of falling foul of his own test? He criticised my amendment’s use of the word “appropriate”, but is not his use of the word “may” just as vague and risky?

Mr Rees-Mogg: Of course not. “May” is a very precise word: it is an allowing factor and it gives permission to somebody to do something, and they are allowed to use their discretion to do it. The amendment uses “may” so that people may go directly to the Secretary of State, who is democratically accountable, and get the decision made, rather than have to go off to a bureaucracy that is not accountable or that is accountable only indirectly. “May” is about restoring democratic and, ultimately, parliamentary control over something that belongs to the nation as a whole.

10.45 am

The NHS logo does not belong to an obscure body. It may do in some legal sense, but the NHS is the people’s, for want of a better turn of phrase. It is not something truly vested in an obscure bureaucracy. Therefore, to allow it to be used by charities that are co-operating with the NHS is a sensible ability to have within the Bill. The amendment does not compel the Secretary of State to do that, but if another Member of Parliament finds themselves in my position, where a charity in their constituency has been treated badly, they may ask the Secretary of State whether he will give his permission. They could write to and lobby him, or send a petition to his house. The amendment opens up all sorts of ways to seek redress of grievance, but it also achieves the main object of the Bill, which is that there should be a great flourishing of charities that will help the NHS to do even more than it already does, and some of them may need this flexibility. My hon. Friend the Member for Horsham (Jeremy Quin) looks as if he wishes to intervene.

Jeremy Quin: I was halfway to asking whether my hon. Friend would give way, so I am glad that he has invited me to intervene. His argument in favour of the amendment is very persuasive, but I am not fully convinced. Some liability is accrued by the use of a well-known logo associated with a national asset such as the NHS. Does he believe that the Secretary of State is the right person to be the final arbiter of whether it is acceptable to the public purse to undertake such a liability? The charities may be doing a great thing, but they are not actually the NHS.

Mr Rees-Mogg: I am grateful to my hon. Friend for giving me the opportunity to clarify that. I think that the Secretary of State is the right person, because that is his responsibility and that is where the buck stops, but the financial liability for the use of the NHS logo in the circumstances I have described is likely to be highly limited. Its use would merely indicate co-operation and collaboration with the NHS, not that the NHS was taking on all the responsibilities and liabilities of the organisation. Legally, it would not create the liability my hon. Friend suggests.

The amendment is the result of a specific constituency issue, which I have raised with Ministers on behalf of my constituent. It is an answer to that issue, but it also has broader application, which is why in due course I hope to move it formally.

Mr Richard Bacon (South Norfolk) (Con): Will my hon. Friend give way?

Mr Rees-Mogg: I was about to finish, but yes I will give way.

Mr Bacon: I was in the Tea Room and heard that a very fashionable Member was making a speech, so I thought I had better return to the Chamber at speed, which I did, and I am glad that I caught the end of my hon. Friend’s remarks. A liability might not arise in the way he describes, but surely he recognises that if the Secretary of State may allow the logo to be used, that would give rise to the possibility of judicial review. The Secretary of State may allow it in one case but not in another, and somebody who felt aggrieved by that could challenge the decision in the courts. Has my hon. Friend made any assessment of the extra cost of litigation for the Government and the NHS in defending such proceedings?

Mr Rees-Mogg: My hon. Friend has been caught up in this idea of fashion, and I am afraid that he speaks of yesterday’s fashion of judicial review. The great work done by the now Lord President of the Council and former Lord Chancellor, my right hon. Friend the Leader of the House, in restricting judicial review means that I simply do not think that that would now be a risk. It would have been a risk in those fashionable new Labour days, when people were judicially reviewing everything and having bogus consultations, which I spoke about earlier. That set the fashion for judicial review, but it is yesterday’s fashion. Those of us who are modern and who are with it—in the current phraseology—know that judicial review is yesterday’s news in such a context. Therefore, I do not believe that this would be a risk. It is a sensible way to deal with a problem that has arisen and to prevent it from arising again.

Jeremy Quin: Madam Deputy Speaker, I promise that this will be my last intervention on my hon. Friend. To return to the logo, if any of my constituents saw the NHS logo on a letterhead, they would naturally assume that they could go through the relevant complaints procedures for the NHS. Is that what my hon. Friend has in mind? To me, it seems that that would be perfectly apparent to my constituents and a natural thing for them to do.

Mr Rees-Mogg: I am not sure that those are the circumstances under which the Secretary of State would use his discretion to allow the logo to be used. I am thinking more of a sign outside a charity shop that supports the NHS, saying “We support the local NHS”, with the name of the local hospital that it is supporting and the local hospital’s logo, which includes the letters “NHS”. I am thinking of that sort of circumstance. It is not about promoting the charity as an offshoot of the NHS; it is about indicating its co-operation with the NHS.

Defibrillator boxes give the name of the ambulance service—the ambulance service’s logo includes the letters “NHS”—to indicate that people should ring 999. The ambulance service will then give them the code to open the box and talk them through how to use the equipment. Most of us probably would not know how to use it without some advice. It was entirely rational to use the
logo until some idiotic bureaucracy got in the way. Initially, it was very stubborn—the worst type of pettifogging bureaucracy. If the Secretary of State had had the power to cut through such bureaucracy, that could just have been done.

The circumstances in which the discretion is used would be limited to where there was genuine co-operation—where the charitable sector and the NHS are working hand in glove—and there was a benefit from using it. It is not about charities posing as the NHS where they are not part of the NHS. If the Secretary of State thought the logo was being misused, he would have the power to rescind the permission. This protected and limited power would solve a particular problem.

**Kit Malthouse:** I rise to speak to amendments 1, 3 and 2, which—inexplicably, given their strength—stand in my name only, as well as the splendid amendment 9 and the unfortunate amendment 4. It is a pleasure to speak under your chairmanship, Madam Deputy Speaker. In my experience, debates with you in the Chair are often the most efficient and good natured. I hope that today’s debate will be just that.

On amendment 1, when one tables an amendment, it is a great pleasure to have one’s speech made for one much more eloquently than one could make it oneself, so I am grateful to my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) for his support. Recently, there have been significant charitable scandals in this country. Much of the time of the House and of the Public Accounts Committee has been taken up with Kids Company. I have become convinced that one of the phenomena at work in that organisation was group-think. Those hon. Members who are students of psychology will know of the phenomenon of group-think: individuals in a group, often when they are led by a charismatic leader, can get lost in a miasma of consensus, in which they are unwilling or unable to acknowledge any view that departs from theirs, and indeed are hostile to outside views of their conduct.

The most famous political example was the Bay of Pigs disaster: the group around President Kennedy became trapped in group-think. We have seen commercial examples of it in the UK. Marks & Spencer and British Airways got trapped in group-think in the 1980s, when they went for massive international expansion. They did so against the views of everybody on the outside, but both boards convinced themselves that it was the right thing to do. Disastrously, Kodak and Swissair, which was once talked about the views of the world and of the management, went bust because the management got trapped in group-think. We have seen commercial examples that depart from theirs, and indeed are hostile to outside views of their conduct.

The circumstances in which the discretion is used would be limited to where there was genuine co-operation—where the charitable sector and the NHS are working hand in glove—and there was a benefit from using it. It is not about charities posing as the NHS where they are not part of the NHS. If the Secretary of State thought the logo was being misused, he would have the power to rescind the permission. This protected and limited power would solve a particular problem.

**Seema Kennedy:** My hon. Friend takes me back to my time as a student in Paris 20 years ago, when I was very grateful for the expansion of Marks & Spencer so that I could get my English pies and pasties, but I digress. My hon. Friend is giving examples of group-think from 30 years ago. Does he not agree that the world has moved on, and that the rise of the individual makes our ancient institutions, such as the Labour party, more susceptible to such things, and particularly to charismatic leaders. One only has to look at the effect of Instagram, and the millions of followers that otherwise unmeritorious individuals have on it, to see how willing people are to go along with such things these days, like sheep in a herd.

**Kit Malthouse:** I think so. I am grateful to the hon. Member for pedantry, who is right.

**Jeremy Quin:** My hon. Friend is referring to the charitable sector, which has billions of pounds of assets and does a vast amount of good. Tarring every charitable board with the same brush is grossly unfair.

**Kit Malthouse:** No, I am not tarring them with the same brush. I am saying that all boards—commercial, charitable or even political—must bear this in mind.
That is the whole foundation of our modern governance structures. It is the idea behind having non-executive directors, who are meant to be external and to provide a challenge to make executives and those more involved in the work of an organisation think more carefully about what they are doing.

Jeremy Quin: My hon. Friend will be aware that a good board contains non-executive directors to fulfil that challenge function. They are appointed by the board; they do not need to be appointed by an external body.

Kit Malthouse: The truth is that non-executives are technically appointed by the shareholders, so they are appointed by people who have an interest in the board being challenged constructively. The problem with charities is that non-executives are appointed by the board, the members of which more often than not appoint people in their own likeness. When the members of a board get trapped in group-think, they will appoint people who agree with them. Brave would be the chairman or chairwoman of the trustees who appointed somebody awkward or difficult, who might question or challenge them, particularly when one charismatic person is in charge.

Seema Kennedy: My hon. Friend clearly feels passionately on this matter, but he paints a bleak picture of a nation of volunteers and charity workers led by demagogues, where everybody follows their leader blindly. I have been a trustee and can reassure him that that is not the case. There are challenging voices. Given that his amendments would reinstate the power of the Secretary of State, he seems to lack confidence in people’s independence of mind and confidence in their charities.

I am

Kit Malthouse: No, I do not lack confidence in people’s independence of mind. I have great admiration for my hon. Friend, who is very independent-minded and, I am sure, conducts herself extremely well as a trustee. The point is that there is a danger of group-think, and I have given a number of examples illustrating how it can come about. I am sure that happened at Kids Company.

That point is important in respect of this Bill because, as my right hon. Friend the Member for North East Somerset—sorry, my hon. Friend—said, the charities we are talking about here are different. They are not like other charities. People associate them in their minds with the institution with which they are connected. They are seen as part of the national health service. When I give to the Great Ormond Street Hospital Children’s Charity, I know that I am giving, at one remove, straight to the ward. I am not giving the money because the charity might spend it elsewhere. I know that I am giving it to that hospital. The two are inextricably linked.

My right hon. Friend the Member for North East Somerset—I hope he will forgive me for constantly referring to him as right honourable, but it is only a matter of time—is absolutely right when he says that, at some point, something will go wrong. Even with Kids Company, which did not have such links, but was in receipt of public money, there were demands on the Government to do something. Indeed, the Prime Minister was on the rack to a certain extent because he had been associated with Kids Company.

Pauline Latham: My hon. Friend might not have been in the Chamber the other night for the debate on banking regulation, but the right hon. Member for Slough (Fiona Mactaggart) said that she had been prevented from becoming a member of the trustee board of a charity because she was a “politically exposed person”. Does my hon. Friend recognise that some of us will have difficulty supporting amazing charities, such as Great Ormond Street, which are not like the one he mentions?

Kit Malthouse: Yes. I am trying to get to a position where we can have confidence in the governance of charities, and confidence that when things go wrong, there are appropriate mechanisms for someone to step in and deal with things quickly. My point is that in the case of national health service charities—that is what people think of them as—at some point, the Secretary of State will be asked to sort out problems.

We have to remember that there are practicalities involved in this. If the Secretary of State is unable to take control of the board and replace the trustees, he or she cannot get immediate access to the bank account. They cannot get anybody to sign a mandate to allow them to control the money, or even to freeze the account to stop money flowing in or out. When this hospital pass, this UXB or unexploded bomb of a hospital charity that has behaved badly or got into trouble, perhaps through no fault of its own, lands in the lap of a Secretary of State, whoever it may be—it could be one of us here on these Benches in the future, perhaps—the inability to step in and take control will have a significant political, and indeed financial, impact. That might impact on the care that takes place on the ward.

Mrs Sheryll Murray: My hon. Friend has cited one charity as an example, but does he have any recent information about any NHS hospital charities or NHS charitable trusts on which he is basing his assumptions?

Kit Malthouse: I do not, and the reason is that the Secretary of State currently has control of the appointment of trustees. That is exactly why. If I were Secretary of State—I assume that the same is true of the current Secretary of State and past Secretaries of State—I would be very careful about who I appointed, so that I was sure that I was handing that fiduciary duty to people whom I trusted and who had an element of accountability to me.

Kevin Foster: My hon. Friend is being very generous in taking interventions. I want to get to the nub of his amendments. The examples that he has cited of corporate governance, and Alan Yentob’s emotional blackmail in respect of the Kids Company charity, relate to general issues of regulation. Why should NHS charities be different? We are trying to make them independent. Why should the Bill be amended in this way? I do not think that my hon. Friend would argue that any time a business or charity goes wrong, the solution is for the Government to appoint a director, so why is he making that argument in respect of this Bill?
Kit Malthouse: I hesitate to be repetitive, but the truth is that these charities are different. Let me give a practical example. Say, for instance, that an NHS charitable trust that has become independent and that has independent trustees runs a huge appeal to raise money for a CAT scanner to go into a hospital. It gets three quarters of the way through the appeal and, suddenly, it becomes apparent that the money has gone missing. There are people queued up, waiting to use the CAT scanner. The charity may get lost in months and months of inquiry, and much of the money, which was for a dedicated purpose, may be defrayed on other things to deal with the problems—accountants, lawyers, judges, challenges from elsewhere or whatever else. We have seen that sort of thing happen before. I would want the Secretary of State to be able to step in and say, “No. We are now going to appoint trustees who will make sure the money is spent on the CAT scanner, and that people get the treatment they need.”

Seema Kennedy: I thank my hon. Friend for giving way. He is giving an excellent pitch to be the Health Secretary one day. I want to return to my previous point about his bleak outlook on the way that charitable boards and their trustees conduct themselves. There is adequate provision in charity law for interventions to take place. It is not necessary for the Secretary for Health to step in.

Kit Malthouse: The truth is that there have not been adequate safeguards in charity law, as my hon. Friend will know. That is why the Charities (Protection and Social Investment) Bill is going through the House at this very moment. Anybody who has followed the passage of the Bill or sat on the Committee will know that part of it will beef up the powers of the Charity Commission to give it greater control in the event of financial misdemeanour or charities getting into financial trouble. It will strengthen exactly those powers about which I am talking.

Mr Bacon: My hon. Friend the Member for South Ribble (Seema Kennedy) pre-empted me. One might think that there was no need for the amendments because the Charity Commission, which was established in law to supervise these functions, would step in. However, does not the evidence from the National Audit Office report, “Giving Confidently”, from autumn 2001, and the much later evidence from the NAO’s studies over the past two or three years on the Cup Trust and the Charity Commission more generally, show that, in practice, the Charity Commission has a track record of not doing a particularly good job? In the circumstances that my hon. Friend the Member for North West Hampshire (Kit Malthouse) describes, where swift action is needed, the existing framework is not adequate. It is not enough simply to say that what he describes has not happened yet in a way that we can readily recall. The point, surely, is that we must create the governance architecture and environment to respond quickly when it is necessary to do so.

Kit Malthouse: My hon. Friend makes a very good point. I recommend to the House his book, which is filled with examples of Government incompetence, many of which were brought about by the group-think phenomenon and a lack of good governance. He is an expert in National Audit Office reports, having pored over many of them in his time on the Public Accounts Committee in the last Parliament and, I think, the one before that.

Mr Bacon: Fifteen years.

Kit Malthouse: Fifteen years on the Public Accounts Committee—extraordinary! I therefore take his words seriously. He is right that the key is to get the governance entirely right.

I guess the point that I am making—maybe I am a lone voice, although perhaps I am joined by my hon. Friend the Member for North East Somerset—is that even with the most ideal governance in the world, things occasionally go wrong. In that instance, the Secretary of State must have the power to step in, given the critical nature of the services these charities perform and their inextricable link to the national health service.

Maggie Throup: My hon. Friend’s amendments would undermine the whole purpose of the Bill, which is to give these charities their independence. As he rightly says, the Charities (Protection and Social Investment) Bill, which is going through the House at the moment, will strengthen the protections and the governance arrangements for charities such as these.

Kit Malthouse: I acknowledge that point, but we have been round this carousel a couple of times. I pose just one question to those who are nervous about my amendments: in the event of something going wrong, who would fire and replace the trustees? No one. They become a self-governing group. One of the problems with charitable governance is that there are no shareholders to dispose of underperforming trustees. Charities have to acknowledge their own bad performance and fire themselves. In a situation where there is an inextricable link to a particular establishment, the Secretary of State needs to have the ability to step in, in extremis.

It is often forgotten that charities receive public money, and no charity is more likely to receive public money than an NHS hospital charity. Such charities are more likely to receive grants for their performance of services, projects, equipment and so on. We therefore have a particular interest in NHS charities.

Mr Rees-Mogg: I support my hon. Friend’s amendment because it is an emergency provision that would be rarely used. From the tone of the debate, there is an impression that the Secretary of State would use it the whole time. Does my hon. Friend agree that it would probably not be used more than once in 10 years?

Kit Malthouse: My hon. Friend is right. Proposed subsection (2B) in amendment 1 provides that the Secretary of State would be allowed to use the powers only by permission of the House. I am with my hon. Friend in his desire to protect the House’s privileges and powers. I did not get elected to give the Government a free run. When the good people of North West Hampshire elected me, they placed two votes: one for a Government and the other for somebody to hold them account. I will try to do that job. Should the Secretary of State wish to step in, he would have to lay a statutory instrument
before both Houses of Parliament and seek their support. It could not be done easily, on a whim or through a signature on a piece of paper. It would require debate and examination, and need all of us to do our job of scrutiny and reach a settled decision to allow him to step in. I recognise that it is a fundamental step and that an element of separation should be maintained.

**Kevin Foster:** My hon. Friend is generous with his time. In my constituency, Torbay Hospital League of Friends has operated successfully for 60 years, raising millions of pounds for the benefit of local people. A picture is being painted of needing a step-in power, but the whole process that must be gone through to achieve it, which my hon. Friend has just outlined, probably makes the amendment meaningless. Why do these charities need such a provision when other successful charities that are linked to hospitals do not?

**Kit Malthouse:** My hon. Friend is a dog with a bone. As I have explained—I think five times—I believe that the charities that we are considering are different because of the inextricable link with the institution that they serve. In the public’s mind, they are just a vehicle to give the money to the hospital and the national health service. Indeed, many boast about the percentage of money given to them that will be spent on the wards of a hospital. Those charities are seen co-funding, along with the Government, the NHS. I can see that not everybody is convinced, but I hope that others will speak in support of my amendments.

As I have said, the provision would be in the House’s control through a statutory instrument. It is not as though the Secretary of State could act unilaterally. We would all have control.

**Jeremy Quin:** I apologise to my hon. Friend: I rise not to support his amendment, but to oppose it, particularly on the point that he is making. His time is valuable. Does he really think that it is a good use of it for orders on this subject to be laid before this House and the other place, and for the matter to be considered on that grand scale? If he must vest these powers with the Secretary of State, does their exercise need to come back to this Chamber?

**Kit Malthouse:** I have the utmost respect for my hon. Friend. Friend: I rise not to support his amendment, but to oppose it, particularly on the point that he is making. His time is valuable. Does he really think that it is a good use of it for orders on this subject to be laid before this House and the other place, and for the matter to be considered on that grand scale? If he must vest these powers with the Secretary of State, does their exercise need to come back to this Chamber?

**Jeremy Quin:** I am conscious that others wish to speak. Amendment 2 would address a particular issue that I have come across in my constituency work. The only national charity that is located in North West Hampshire is the Macular Society. It is quite small and raises about £5 million or £6 million a year, most of which goes into research. One of the complaints of the Macular Society, which obviously deals with sight-related illnesses, is that enormous charities for sight and blindness, such as RNIB and Guide Dogs for the Blind, which raise many tens of millions of pounds—more than £100 million each—put hardly any money into research. Although they are engaged in blindness in its wider sense, they do not use their muscle to improve the lives of those who are afflicted by blindness or partial sightedness through trying to find cures and therapies.

The Macular Society and others complain about that and the fact that, if there was more research, we might be able to do something about the conditions. Part of the reason for the lack of research must be the disconnection with the organisation with which the charities should engage. For example, although I have not looked, it would doubtless be helpful to Guide Dogs for the Blind if it had representatives on its board from the scientific community and some hospitals, such as the Western eye hospital, because then the charity might be compelled to put money into the right causes.

The amendment seeks to ensure that, when an NHS charity is attached to a particular hospital, that hospital is allowed to put at least one trustee on the board. The charities need to stay connected. They need to have a line of communication and to be able to see the right priorities in the organisation rather than decide on their own pet projects, which they foist on the hospital without
such as friends of hospitals and so on. In such circumstances trustees, particularly in some of the smaller charities, have onerous duties, so there are often small numbers of them. Many people will not take on such jobs are undervalued and take a lot of work. The people made up from small numbers of people. Often, those being challenged. We all know of charities that are ambition is of those people's experience, how fruitful or externally is taking a wider view of how broad the area—there has been a lot of consternation about that political disaster at some point in the future.

Amendment 2 states that in “exceptional circumstances” the Secretary of State should have the power to “appoint one or more trustees”. That returns me to my primary point about when charitable trusts go rogue or off the reservation, or where charitable trustees become locked in a group-think situation. Rather than dismiss them all and take control, the Secretary of State may feel that it is more appropriate to appoint one or two people from outside who can add a bit of ginger to the board's discussions, and challenge what they are doing.

For example, a particularly powerful charity that is attached to an NHS hospital might feel that it is flush with cash and that it needs to intervene in a dispute with its doctors, or that it may have cause to campaign politically against some of the things that the Government are doing. It might want to lobby on the NHS settlement by region. When trustees or charities stray into that area—there has been a lot of consternation about that across the House with regard to particular charities—the Secretary of State may reserve power in those exceptional circumstances to appoint one or two trustees to challenge that view.

Wendy Morton: On the point about making these appointments, it would be helpful if my hon. Friend clarified to exactly which bodies the Secretary of State would have powers to appoint under the amendment.

Kit Malthouse: I am sorry, but I am actually talking about amendment 3, not amendment 2. I am getting myself confused because, in usual British fashion, the amendment paper has the amendments in the wrong order. I will deal with my hon. Friend’s point when I get to amendment 2.

Amendment 3 would simply ensure that, if any hospital has a charity attached, it has the power to appoint one trustee. That seems sensible. Many of those charities will already have such a provision in their trust document. The amendment would just to make sure of that.

Amendment 2 states that in “exceptional circumstances” the Secretary of State should have the power to “appoint one or more trustees”. That returns me to my primary point about when charitable trusts go rogue or off the reservation, or where charitable trustees become locked in a group-think situation. Rather than dismiss them all and take control, the Secretary of State may feel that it is more appropriate to appoint one or two people from outside who can add a bit of ginger to the board’s discussions, and challenge what they are doing.

Jeremy Quin: My hon. Friend paints a very dangerous picture. He was referring to circumstances in which a charity strays into inappropriate political activity, but that is purely the remit of the Charity Commission. In such circumstances, the last person who should be intervening is the Secretary of State—we would be inviting them to wade into a political quagmire.

Kit Malthouse: That may be so, but—I hesitate to stress this point again—in my view these charities are different. They trade off the advantage of being associated with the national health service. People see them as part and parcel of the health service; they are not viewed as separate in the way that Oxfam or the Guide Dogs for the Blind might be. If something is called the Great Ormond Street hospital charity, people see it as a wing of the national health service.

Craig Whittaker (Calder Valley) (Con): My hon. Friend raises a point about charities going off and lobbying. Does he feel that enough safeguards were included in the Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act 2014, which was designed specifically to prevent charities from taking non-transparent action?

Kit Malthouse: This is a difficult area. Some charities are composed in such a way that their entire purpose is a social mission. For War On Want or the Child Poverty Action Group, for example, decisions made by politicians are intrinsic to their objectives. Other charities, including some in the health sector, are more about providing funds and ancillary support to hospitals, and that kind of political campaigning is not intrinsic. I am not knowledgeable about the 2014 Act, but since my hon. Friend has raised it I will go and have a look. He may well be right to suggest that it contains enough protections, but I maintain my point that the special status of these charities, and the fact that they raise their money because of their association with the NHS, means that the Secretary of State must maintain some kind of toe-hold. To set those charities completely free is asking for political disaster at some point in the future.

The second part of amendment 2 would mean that if all trustee positions were vacant for three months, the Secretary of State could—and indeed should—appoint some new trustees to kick-start the organisation. That obviously will not happen often, but much of the business of this House involves planning for the unexpected. If a charity were for some awful reason to lose all its trustees at once—perhaps they are all off on a fact-finding mission together and there is a horrible accident; who knows what may happen, but let us pray to God that it does not—the Secretary of State will have the power to appoint people.

Seema Kennedy: I apologise to the House for being repetitive, but my hon. Friend has a vision of doom for the trustees and others. I once applied to be a trustee of
Great Ormond Street hospital, and there were hundreds of applications. Those places are filled, and the amendment provides for a situation that does not seem to have any basis in fact.

Kit Malthouse: I apologise if that is a vision of doom, but much of our life in this House involves dealing with the stream of human misery that comes through our letterbox daily. We have urgent questions and statements on all manner of horrific events here and overseas, and much of our legislation is to plan for the unexpected, which seems sensible. Much of our legislation dates back many hundreds of years, and I hope that this Bill will last for a similar period. Who knows whether there will be trustee vacancies in the generations to come. I hope not, but if there are, it would be sensible for the Secretary of State to appoint someone. At the moment, there is nobody else to do it.

Jeremy Quin: In these hopefully extremely unusual circumstances, does my hon. Friend envisage that, once again, the process could drag through both Houses? If a charity tragically loses all its trustees, are we expected to go through the full rigmarole of full parliamentary scrutiny? That seems strange.

Kit Malthouse: I do not think that I have attached that requirement to this straight appointment. If there are no trustees, who objects to the Secretary of State making those appointments? Can anyone think of anybody better? I certainly cannot. Possibly the chief executive of the hospital, but given that they are probably appointed by the Secretary of State to appoint someone. At the moment, there is nobody else to do it.

Tom Tugendhat (Tonbridge and Malling) (Con): My hon. Friend is generous in allowing interventions. Barely 150 years ago we abandoned press-ganging for the Royal Navy, yet we are now reintroducing it for the charitable sector. It strikes me as odd not to “encourage” the Secretary of State or chief executive to recruit more trustees, but rather to force them to do so. As my hon. Friend rightly said, trustees are volunteers who step forward and step up for the community. They do something that is above and beyond their social duty every day, and we should encourage them in that. He is right to place such an important weight on that, but I question the legislative requirement of making the Secretary of State able to make those appointments. He seems to be asking not for the Secretary of State to be able to ratify a volunteer, but rather for them to go out and call somebody in from the fields, factories and cities and tell them to take up that position. That is slightly losing the focus. If the Secretary of State is not required to do that, all we need is for people to have the opportunity to volunteer, in which case the chief executive or Secretary of State can merely advertise the post.

Kit Malthouse: That is exactly what I am proposing. If there are no trustees for three months, the Secretary of State will have the power to appoint someone. They could run an advert, or decide to press-gang somebody if they want—they can choose their own method. The point is that somebody has to do it.

An interesting technical point that Members who belong to Conservative associations may know is that if an association runs out of trustees its members can appoint a new trustee in a special general meeting. Great Ormond Street charity has no members. There is no group of people who can appoint a trustee, so if it all falls vacant the thing effectively dies. In my view, the amendment is very sensible and I am amazed it is causing such controversy. This very sensible amendment would allow the Secretary of State to appoint one or more trustees to get the thing going again.

11.30 am

Craig Whittaker: I need to challenge my hon. Friend on the assumption of “Who else better than the Secretary of State?” Of course, our current Secretary of State is a very highly esteemed colleague of great standing—I do not question that at all. What I question is the previous string of people who have appointed politically biased appointees to various quangos around the country. Surely he can see that a Secretary of State would have the potential to be not the best person to make the decision.

Kit Malthouse: My hon. Friend will make a great diplomat when the time comes. I agree there is the possibility of misbehaviour by politicians, but we politicians come with a great advantage. We have had a few thousand people vote for us and those few thousand people can vote us out if they think we have behaved badly. There are not many other people in public life who come with that brake on their behaviour.

Kevin Foster: I will make this my last intervention. My hon. Friend has been very generous. With the provisions in the Bill I was expecting today to go off on a trip to Neverland. Instead, with all the death, doom and disaster in this speech I feel we are in an episode of “EastEnders.” Does he not agree that there is a very large area of charity regulation to deal with things going wrong and difficulties emerging? Charities will still be subject to that. Merely allowing the Secretary of State to appoint the odd trustee will not deal with any systemic problems. That is what the wider area of regulation is there for.

Kit Malthouse: Many years ago, my mother and father went on a camping trip in Europe. On their first night, they pulled in, in their Thames van, to what they thought was a campsite. In the dark, my father attempted to pitch the tent. Every time he tried to hammer the tent peg into the ground it went “Ping!” and disappeared off into the darkness. Only in the morning did he realise he had been trying to hammer the tent pegs into a concrete tennis court. That is how I feel this morning.

I have tried to explain many times now that these charities are different. They come with a badge upon them that says to the public they are partially in the public sector. Secretaries of State will always have an eye to their conduct, because what they do will impact politically and financially on the national health service and on whichever party happens to be running it at the time. I realise that, in the eyes of the sponsors, I might be pushing water uphill. Most people know I am a
relatively optimistic person and I am hesitant to put these pessimistic circumstances to the House; nevertheless, someone has to do it.

I will move on now, finally, to other amendments. Amendment 9, in the name of my hon. Friend the Member for North East Somerset, seems eminently sensible and reflects exactly the point I have been making about the special connection. In these days of the internet, it is quite easy to download the NHS logo from any hospital website, affix it to a piece of paper and fire it off to raise money. I am sure it has, on occasion, been used fraudulently to raise money. I therefore completely support his wish to have some kind of control over the use of the logo, the name and the brand.

Giving that power to the Secretary of State seems eminently sensible to me, not least because these charities maintain most of their fundraising ability through their connection with the NHS. The leverage is extremely powerful and very useful. Many will raise millions and millions of pounds off the back of their connection with the NHS and they should be encouraged to do so. The judicious use of the brand, the logo and the name is absolutely to be supported, but it needs to be done in a relatively nimble way. The only way I can think to do that is via the permission of the Secretary of State, so I support the amendment.

Unfortunate amendment 4 deals with consultation. As I said in my intervention earlier, during my career in local and city politics consultation became the bane of my life, and of my residents’ lives. We all knew, when we participated in a consultation, that the decision had broadly been taken already and that the politician or Department in question was largely going through the motions to make sure they were not judicially reviewed or challenged.

Of course, the notion of consultation was promulgated by the Blair Government. It is a characteristic of our managerial, technocratic politics. Where we have a House filled with conviction politicians who know what they believe, and that what they believe is right for the country, they do not need to go out and consult. They consult once every four or five years through general elections and display the philosophical sheet-anchor that sits underneath every decision they make. However, when politicians drift from their basic principles into unknown waters, they feel a bit uncertain. They feel a need to consult, to be told what to do and to get a feel. That is what politicians do these days: they have focus groups and polls. They consult constantly about their image and what they should and should not do.

I would therefore like to play a small part in doing our bit to rein back the amount of consultation. We could get to a situation where this House becomes redundant. With the advent of technology, the thing that naturally follows consultation is permanent referendums where everybody can vote from their desks, and we do not need to have a House that discusses and debates from points of experience and different aspects. I therefore firmly oppose the amendment.

Michael Tomlinson: Is my hon. Friend not being, once again, overly pessimistic this morning? Does he not recognise the benefits of public consultation, such as the very one that produced this Bill?

Kit Malthouse: No, I am not being pessimistic. I am, I hope, exhorting a message of confidence and optimism that we as politicians should have some sense of belief in what we do. We take our chances—sadly, only once every five years now, rather than once every random number of years—and have confidence. Like my hon. Friend, I want to be a champion for the power and the outlook of this House, so that we do not have to go out and consult constantly, that we are based in a philosophy of which we are sure, and that people understand why our decisions are made given what they have seen of that philosophy.

Mrs Sheryll Murray: My hon. Friend mentioned his experience in previous roles of engaging in unnecessary and lengthy consultation procedures. How much of a financial burden does he feel they have been on the taxpayer?

Kit Malthouse: I cannot give my hon. Friend an exact figure, but it is enormous. Many, many hundreds of millions, if not billions, have been spent on consultation where, broadly, minds were made up beforehand. I well remember, back in 2002, the then Mayor of London, Ken Livingstone, consulting on bringing in the congestion charge. He, of course, had already made the decision. In fact, during the consultation the gantries to put the cameras in were already going up. Of course, the response from the public came back overwhelmingly against—nobody wanted it. We could all see the disaster it would be, not least because it was not a congestion charge but a tax on central London. He just shoved it in anyway.

I led the judicial review against the congestion charge in the High Court and sadly failed. The only chink in the armour we could find was the environmental audit, which was useful to me then but is a vehicle that Ministers and other politicians go through to tick the box. We find ourselves, as a country, in this enormous box-ticking exercise. So uncertain are we of what we should and should not do, and so wary are we of the vagaries of public opinion and fashion, that we feel the need to consult constantly.

The wider point is that it communicates to the public an uncertainty about political institutions and therefore undermines respect for them. When people talk about the politicians they respect, they always talk about—even though they did not agree with him—the great Labour Member, Tony Benn. Tony Benn always used to say, “Say what you mean and mean what you say.” I do not think Tony Benn ever consulted about anything in his entire life. He had his beliefs pretty much set at an early age and he delivered them. Everybody knew where he stood. Our former great leader, Margaret Thatcher, was exactly the same. A lack of consultation with her party colleagues might have done for her in the end, but consultation on the broad thrust of policy was anathema to her. She displayed and promoted what she believed. On that note, I commend my amendments to the House.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I did not want to interrupt the excellent flow of the hon. Gentleman’s argument, but, for the sake of clarity and the avoidance of doubt, and because he referred to the numbering and order of amendments—he has not said
I wish merely to educate the House—I wish to explain that the order in which amendments are numbered is that in which they are received in the Public Bill Office, but the order in which they appear on the amendment paper is that in which they relate to the Bill. It is actually very logical, but if one does not know why, it sometimes is not obvious.

**Wendy Morton**: As the Bill’s promoter, I rise to contribute to its Report stage.

We have listened to some interesting amendments from hon. Members, for whose submissions and contributions I am grateful, as they have enabled us to discuss, probe and question the Bill further, which is really important. It is worth reminding ourselves that, as of March 2015, there were about 206 NHS charities, with a combined income of £327 million. They do a terrific job and make a huge contribution to many patients, hospitals and NHS staff. Everyone will agree that the vast majority of them, like all charities, do fantastic work and that only occasionally does something go wrong. Sadly when it does, as has been said today, it always makes the headlines.

The vast majority of NHS charities use the corporate trustee model, whereby the Secretary of State does not appoint the trustees.

**Pauline Latham**: I do not know whether my hon. Friend plans to mention the special care baby unit at Royal Derby hospital, but it has existed for more than 50 years and raises millions of pounds to help those special babies who are born prematurely and need extra help. Does she agree that all the charities that support NHS hospitals do incredibly valuable work?

**Wendy Morton**: I agree wholeheartedly, and I am grateful to my hon. Friend for sharing with us the example of a hospital charity in her constituency and the fantastic work it does.

I thank my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) for his amendment that would oblige the Secretary of State to carry out public consultation before making regulations consequential to the removal of his power to appoint trustees to NHS bodies. I understand where he is coming from. In my time as a councillor, many were the days when we discussed the pros and cons of public consultation. On the one hand, we often want more public consultation, but there are times when, as my hon. Friend the Member for North West Hampshire (Kit Malthouse) said, we feel it leads nowhere. It is an interesting point, though, and one that has provoked some lively debate. We, as elected representatives, often ask these questions about public consultation.

**Craig Whittaker**: I am reminded of my family’s frequent trips to Disneyland Paris when my three children were much younger. Their favourite ride was the Peter Pan ride. They played a game to see who could first spot Wendy quivering on the end of the gangplank as Captain Hook chased her into the sea. Does my hon. Friend think that Wendy might be quivering that little bit harder at the thought of yet more public consultation?

**Wendy Morton**: Absolutely. I hope not to be pushed out to sea either, but that remains to be seen. I sincerely believe, however, that the Bill has a lot of support, as I will mention later on Third Reading.

**Michael Tomlinson**: Does my hon. Friend not recognise the central thrust of my argument—that the Bill itself was the product of public consultation? All those doomsayers who have spoken against public consultation fail to see that such consultation has produced some good—namely, her own Bill.

**Wendy Morton**: My hon. Friend is correct that my Bill is the result of public consultation, as I will expand upon later.

Schedule 1 already makes a range of amendments to primary legislation consequential to the removal of the Secretary of State’s powers in England to appoint trustees to NHS bodies and to appoint special trustees, and it would be unusual to consult the public on regulations making such consequential changes. Proper scrutiny of such consequential amendments would be undertaken by Parliament. That is the main reason I do not support his amendment even though it is a valid discussion point.

I will move now to those amendments that relate to the appointment of trustees. My hon. Friend the Member for North West Hampshire has clearly given a lot of thought to my Bill and introduced some very worthy and interesting amendments. I wish to make it clear, however, that I do not wish to swap the letterbox of Aldridge-Brownhills for that of North West Hampshire, given the apparent tone of much of the mail that he receives, and neither would I wish to go camping with his family—the thought of my sleeping bag being laid on concrete does not appeal. I would prefer something more comfortable. Even a field would be preferable—ideally undercover.

The removal of the Secretary of State’s powers to appoint trustees is central to my Bill. Having him appoint trustees makes it difficult for these NHS bodies to demonstrate visible independence from Government in the eyes of potential donors. That cuts to the heart of my Bill. Having read and considered the amendments carefully, and having listened to this debate, I struggle to see how they would work on a technical level. The current power is to appoint trustees to particular NHS bodies or to appoint special trustees, not, as the amendments suggest, to appoint trustees to NHS charitable trusts. They therefore seek to re-establish a power that does not currently exist in such a form. I know that the Bill at times gets very technical, but we have to keep coming back to what it sets out to do and the consultation it came from. Similarly, the amendments seeking to retain the Secretary of State’s power to appoint trustees in particular circumstances, when there is a commitment to remove them, are not appropriate.

Before I talk further about amendments relating to trustees, it is important to remind ourselves of the background to clause 1, which I have alluded to before. The Bill concerns the removal of the Secretary of State’s powers to appoint. Since 1973, the Secretary of State has had powers to appoint so-called special trustees to manage charitable property on behalf of hospital boards.
In 1990, powers for the Secretary of State to appoint trustees in relation to NHS trusts were enacted, and have since been extended to other NHS bodies. These powers are now set out in the National Health Service Act 2006, as amended.

My private Member’s Bill fulfils a commitment made by the Government subsequent to the Department of Health review and consultation—there is that word again—within which covered the governance of NHS charities. As a result, NHS charities will be allowed to convert to independence and the Secretary of State’s powers to appoint trustees will be removed at the earliest opportunity. That is what my Bill is designed to achieve.

Mrs Sheryll Murray: In the light of what my hon. Friend has said, are not some of the amendments completely unnecessary, because consultation has already taken place? Is that correct?

Wendy Morton: Absolutely. As I am explaining, the amendments, worthy of consideration though they be, are not necessary in the light of the research I have done, and they would fundamentally change the objectives of the Bill.

The amendment to make “provision for one trustee to be appointed by the NHS institution...for whose benefit the charitable trust exists” is an interesting one, but again I do not believe it necessary. Under the new independent charity model there can be a “blend of trustees”, meaning there can be a link to the hospital—on the proviso that the NHS members remain in the minority. That is important. When we are seeking to move away from Secretary of State appointments to a more independence model for special charities, it is the word “independence” that is crucial. These charities are seeking to be independent of Government for fundraising and many other purposes.

Kevin Foster: My hon. Friend may be aware that the Public Accounts Committee recently considered a report on the sustainability of NHS trusts, many of which are in deficit. Does she agree that if they had a right to appoint a trustee, it could reinforce in the public’s mind that these charities are about back-filling money into the NHS that could or should be provided by the Government rather than being independent charities providing extra money to what is provided by the Government and the public sector?

Wendy Morton: My hon. Friend raises an interesting point. The key point of my private Member’s Bill is to enable this group of charities to achieve what they said they wanted in the consultation, which is a shift away from the Secretary of State’s powers to appoint so that they can demonstrate independence. The charity world has moved on so much since charities were first created, and the model of governance needs to change in the same way.

What makes this particularly interesting is that previous rules surrounding the appointment of individual trustees were restricted to one linked person only. In any case, I believe that the new arrangements in the Bill—not the amendments—are far better and far more beneficial because this “blend of trustees” helps further to help and enhance communications and understanding by both the charity and the trust. Surely that can only be a good thing.

If I may, as the Member in charge of the Bill, I would like to touch on amendment 9, which deals with the use of the NHS logo and was tabled by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg). I shall not make too many references to fashion. Although I could make many a link between logos—and, indeed, brands—and fashion, I shall leave Members to draw their own conclusions about the fashion, style or otherwise of my hon. Friend. To be fair, he raised the issue of the NHS logo on Second Reading, so it is only right for him to bring it forward today as an amendment for consideration.

I bow, if not to his fashion sense, to the grace and eloquence of his style in speaking to his amendment today. Perhaps we could share some lessons.

The term “logo” can be defined as a symbol or other small design adopted by an organisation to identify its products, uniforms, vehicles or perhaps a company or organisation. It is often uniquely designed for ready recognition, and I think the NHS logo fits that definition. It is instantly recognisable, and the public know exactly what it is all about. However, I cannot support the amendment because I believe it is a matter best explored through the Department of Health or perhaps through the memorandum of understanding, which is part of the move to independent charity status. It should not become part of this Bill.

At risk of sounding—hopefully not appearing—more like Hook than Wendy Darling, I will bring my comments to a conclusion by simply saying that although we have explored worthwhile amendments this morning and raised some important points, I shall not support any of those amendments.

Maggie Throup: I am delighted to speak in support of this important Bill on Report and congratulate my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) on leading it through the complexities of the House. In the time available—I shall keep my contribution short because I realise how long it has taken us to get this far this morning—I shall speak specifically against amendment 2. If accepted, it would give the Secretary of State the power to introduce secondary legislation to re-establish his or her right to appoint trustees to NHS charities.

Charitable giving is one of the cornerstones of our society, with the Charities Aid Foundation estimating that in 2014 alone £10.6 billion was donated by the British public to a variety of good causes. Indeed, we are the home of some of the world’s greatest charitable fundraisers such as Children in Need, Comic Relief, Sport Relief, and not forgetting, of course, Live Aid.

One clear message that came out of the 2014 consultation on the governance of NHS charities was that potential donors felt put off by the perceived lack of independence of the charities from the Government. One of the Bill’s fundamental principles that seeks to rectify this perception—one that I wholeheartedly support—is the removal of the right of the Secretary of State to appoint trustees to particular NHS bodies or to appoint special trustees.

The Bill is designed to give more autonomy to NHS charities to appoint their own trustees and bring them into line with most of the rest of the charitable sector, in
which that is already common practice. As well as removing the perception that the charities lack independence from Governments, such a move would enable them to adopt different legal forms specific to their needs, particularly those offering limited liability. It would remove the barriers of dual regulation under both NHS and charity legislation, which currently make it difficult for NHS charities to achieve and demonstrate true independence.

Seema Kennedy: My hon. Friend is making a very good point. Members may have seen a report in today’s Times about trusted professions. Apparently doctors are trusted by 89% of the population, but Ministers—not politicians as a whole—are trusted by only 22%, although I am sure that that does not apply to my hon. Friend the Under-Secretary of State. Surely vesting independence in these charities independently and drawing them away from Governments will only enhance their local reputation.

Maggie Throup: I entirely agree. That is exactly why I feel that they need to be independent from Secretaries of State and Governments. I must read the whole of that article; it sounds extremely interesting. We must think about how we can improve our image in the public domain.

I understand the need for safeguarding measures, which I believe amendment number 2 genuinely seeks to introduce, but although the amendment is well intentioned, I feel that it is unnecessary and inappropriate in this case. In the past, sadly, there have been instances in which trustees have clearly not acted in the interests of the charities that they purported to represent. We have already had too much doom and gloom this morning, so I will not go into any more detail, but that has only served to damage the reputation of charities and disrupt the great work that the majority of them do in and for our society. However, I believe that the issue has been addressed to a great extent by the Government’s own Charities (Protection and Social Investment) Bill, whose remaining stages will be debated in the House next week, and which seeks to implement new safeguarding measures that include giving the Charity Commission the power to remove trustees who have acted in an inappropriate or negligent manner.

Furthermore, I believe that the amendment would have an undue impact on the process of making all NHS charities with appointed trustees independent, or returning them to a corporate model. By reintroducing the role of the Secretary of State, we would give the impression that where that process had not taken place the status quo was adequate, which contradicts what was said by NHS charities during the consultation that was conducted during the last Parliament. I therefore cannot support amendment 2, and must politely ask my hon. Friend the Member for North West Hampshire (Kit Malthouse) to consider not pressing it.

Kevin Foster: I am conscious of the time, so I shall be careful not to be either repetitive or irrelevant, and to confine my remarks to the amendments. I should make it clear at the outset that, while I respect the points of passion—and fashion—that have been made in support of them, I do not think that any of them would enhance the Bill.

Amendment 4 deals with public consultation. We surely do not want to ask people to comment on a matter that has already been decided, or in circumstances in which a response to a consultation will not make any real difference to the outcome—other than, as was pointed out by my hon. Friend the Member for South East Cornwall (Mrs Murray), potentially helping to take funds away from either the charity and its objectives or the Department of Health, which is paying for the consultation.

As several Members said, nothing is more likely to build public cynicism about politics than the idea that people have been asked to comment on something and their comments will then be virtually ignored. I can think of an example in local government. A council wanted to reduce free weekend parking, because that had been a manifesto commitment and the council had been returned with a majority. However, it then had to engage in a legal public consultation to find out whether motorists objected to the idea of free parking at the weekend, as opposed to the idea of paying for it. That was absolute nonsense. Several thousand pounds were wasted on advertising in the local press with public notices, and, funnily enough, no motorist wrote in saying, “Do you know what, I would actually like to pay two quid next time I park.”

We should not introduce measures that will engender cynicism. We should not say that a measure has been decided on and announced, but will be subject to a consultation; nor should we provide for a consultation on a matter that is highly technical, and with which very few people will be able to engage. When I was preparing for the Second Reading debate and for today’s Report stage, I found myself burrowing into a huge amount of detail. I do not see how a consultation would be effective.

Mrs Sheryll Murray: With individual consultations as well, there is no guarantee we are going to reach everyone. I remember when a consultation was entered into on whether Cornwall should have a unitary council, and the company used admitted in the end that it had not reached all the households concerned, so a lot of people were missed. This is one of the downsides of consulting on individual things.

Kevin Foster: My hon. Friend makes excellent points about the difficulties in reaching everyone. In the consultation that created Cornwall Council, there was a major discussion to be had on, I believe, six district councils and one county council being merged into one. There was significant media coverage on, for instance, BBC “Spotlight” and BBC Radio Cornwall, but still, even after all that, some people will have said, “I didn’t know the consultation was going on,” or “I didn’t know exactly what the nature of the consultation was.”

I sat through discussions about future local government structures, including referendums on an elected mayor, during my time in the midlands. People could, I think, engage with some things—for example, plans for decisions or social services decisions—but in terms of how a local charity board is structured at the local hospital, and who can make appointments, how they are structured...
and the process gone through to make them, I cannot see many people saying, “I want to go out to talk about that on a Tuesday night in mid-February.”

If we are having consultations, they should be meaningful. On the question of what is “appropriate”, we should be asking what the appropriate stage is of decision making for each item. As I have argued in the Chamber before, on major constitutional change—the voting system for this House, for instance, or whether we abolish, or significantly change, the other place—we would probably at least need a manifesto commitment, and without that people should be directly asked for their consent to make that change. In terms of the fundamental constitution, it should have the direct consent of the people, therefore. At the other end of the spectrum, however, none of us would argue that the things that this House deals with through secondary legislation would be appropriate subjects for public referendums.

We should ask what the appropriate process is, and in this case the appropriate level of consultation would more be along these lines: “Yes, the charities should talk to each other and, yes, they should go through the normal process to appoint trustees by speaking to their members, but they do not necessarily have to host a public meeting to discuss that.” If this amendment were passed, there would be the nonsense that these particular charities would be required to go through a public consultation, yet the vast majority of charities in this country, who are regulated under the normal method for charities, would not have to do so. I recognise the intention of my hon. Friend the Member for Erewash (Maggie Throup) and for Mid Dorset and North Poole (Michael Tomlinson) in wanting people to be able to engage with the NHS and its services, but this amendment is not the right way of going about it.

On amendments 1, 3 and 2, tabled by my hon. Friend the Member for North West Hampshire (Kit Malthouse), I found the level of doom and disaster that was presented as possibly affecting these particular NHS charities quite interesting. If anyone is listening and thinking of becoming a trustee, they might be slightly put off from doing so when they hear all the things that could possibly happen to them as a member of the board of trustees of one of these charities. I am not at all concerned that we need special provision in this Bill for these charities, rather than the wealth of charitable legislation that we already have, including a Bill currently before this House to change that legislation.

I do not think these amendments would tackle the issues, and worst of all they still give the idea that the Secretary of State is in control of a charity. As I said on Second Reading, at the heart of this Bill is independence. It is about these charities not being seen as an arm’s length part of the Department of Health—not being seen as government by the back door.

Wendy Morton: Does my hon. Friend therefore agree that these amendments on trustees, which seek to re-establish the powers that my Bill wishes to remove, represent a regressive step, rather than the progressive step the Bill seeks to deliver?

Kevin Foster: My hon. Friend is right. The whole point of the Bill is to free these charities from being, in effect, arm’s length parts of the Government. If we say, “We want to free you, but now we want to pop back in the Secretary of State having specific powers that do not apply to any other charities”, that is not a coherent argument and it would not produce coherent legislation. Hon. Members may have concerns about how charities are regulated and whether someone can go off to the Seychelles with the money, but that is a debate about the wider system of charity regulation in this country. They should not seek to put something specific into this Bill that adds another layer of bureaucracy for the charities involved, given that the whole point of the Bill is to get shot of such bureaucracy. I am not persuaded by those amendments.

Amendment 9 deals with the NHS logo. It was put forward eloquently by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg), but, sadly, I will not be joining in the fashion of supporting it. I appreciate that the bodies it deals with are working closely with the NHS, but so, too, do other charities. For example, the Torbay Hospital League of Friends has its own logo and it successfully raises money for Torbay hospital. The name makes it obvious what it is linked with.

Mrs Sheryll Murray: We could extend that point even further. A lot of the surgeries in my constituency have “friends of the surgery” organisations. Are we saying that they should be allowed to use the NHS logo, too? Where does this end?

Kevin Foster: I thank my hon. Friend for that point. Once we start on the principle of these changes, where do we stop? Karing, a charity in my constituency—it is in Preston, in Paimnton—is very closely linked with a local doctor’s surgery, and it was lucky enough recently to have had its new base opened by Esther Rantzen. It is not, however, part of that surgery. Clearly, the two work together, with Karing supporting and providing great services, giving real benefits to local people, but, crucially, it is not part of the business that is the surgery, nor is it part of the business that is the NHS. That is where the logo point comes in.

Tom Tugendhat: My hon. Friend is making a strong, clear point. In my constituency, Edenbridge hospital has a league of friends, which is there not only to support the hospital—it does that incredibly impressively—but to support the needs of the community and to advocate when the hospital gets it wrong, which, occasionally, it may have done. Keeping that independence is essential so that the charity can actually do its job and not merely be an adjunct to the hospital.

Kevin Foster: My hon. Friend makes the excellent point that many people will see a league of friends at a local hospital as not just having a function of holding some money in an account, but as also being a stakeholder in the process, able to speak independently and fearlessly about the local hospital and the charities. It needs to be seen as neutral and independent. As we have mentioned, the Public Accounts Committee looked in depth this week at the financial sustainability of NHS trusts. There are concerns about that, and we have seen examples where NHS trusts have gone badly wrong. Thankfully, this Government have been far more prepared to talk about that and deal with it than previous Governments have been. If the charity is seen to be part of the trust, we go back to the idea that the charity is not bringing in additionality. People will think, “I am not donating...
money so that there is something extra; I am donating money that could or should have been provided by the Government or by the trust.”

If we start spreading the logo around, we open up other debates that are not particularly helpful, as we set a precedent. That was touched on briefly in the intervention by my hon. Friend the Member for South East Cornwall. People are very precious about the NHS—it is a symbol of the public sector, delivered by the public sector. That is a very important point. If we start extending use of the logo to charities, what do we do about other bodies that might wish to start using it? For example, we regularly see the NHS logo used alongside “in partnership”, for example with a foundation trust or the Department of Health, but we do not see groups such as my local league of friends abandoning their long-established and very well-recognised brand within the local area to say that they are collecting for the NHS. The Torbay Hospital League of Friends is doing a great job with its “This is Critical” campaign to get money to help equip the new critical care unit of the hospital, but it is not the NHS, and the essence of that approach is that what it provides is additional and that it is independent. That is why, for me, the amendment would go against the whole spirit of the Bill, which is about independent charities and independent trusts. For me, amendment 9 does not make sense and I will not be supporting it. I hope that my hon. Friend the Member for North East Somerset will not press it to a vote.

12.15 pm

As I have mentioned in my interventions, this is a worthwhile Bill that sets a great framework for having an independent set of charities and a facility whereby people can more easily raise funds and make a difference for their local hospital and their local community. Some of the amendments would emasculate those aims, making it look as though the organisations covered by the Bill were part of the Government. I therefore do not think that the amendments can stand.

The Bill as it has come from the Committee makes sense, sets out the appropriate safeguards and should not be seen as sweeping away regulation or oversight of these charities. It places the charities under the oversight that this Parliament has provided for every other charity in this country. If the regulation system is good enough for Rowcroft hospice, a place that provides exceptional care to those in the final stages of their life, and for the Torbay Hospital League of Friends, it is good enough for the charities covered by the Bill. I urge the Members who have tabled these well-meaning amendments, supporting the overall objective of the Bill, to realise that many of them do not help the Bill’s aims and in fact strike at its heart. I hope that they will not press them to a vote.

Jeremy Quin: It is a pleasure to follow my hon. Friend the Member for Torbay (Kevin Foster). Like him, I am a great supporter of the Bill and, like him, I think that it emerged in good shape from Committee. I congratulate my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) on steering it on its merry path to get here today. It is because I support the Bill that I look askance at some of the amendments. I wish the Bill a smooth passage today; that is why I oppose the amendments, particularly amendments 4, 2 and 7. My hon. Friends have been incredibly generous in giving way to a number of Members this morning, including me, so I do not feel the need to speak at length. However, there were one or two points that I thought would be useful contributions to the debate.

On amendment 4, tabled by my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson), I thought that my hon. Friend the Member for North East Somerset (Mr Rees-Mogg)—the fashionable Member for North East Somerset—was somewhat cynical in his approach to public consultations. There are at least three circumstances in which public consultations can be valuable. My hon. Friend the Member for Torbay mentioned one: cases of great constitutional import for this Chamber and this country. My hon. Friend the Member for North West Hampshire (Kit Malthouse) referred to others, and made an excellent point about the consultation on the congestion charge in London—a matter of wide regional interest. The cost of that consultation was borne to ensure that the relevant authorities had a proper appreciation of the views of the electorate, which was a wise step in those circumstances.

There are also circumstances in which consultation is appropriate at a local level. One such case in my constituency related to school catchment areas, which matter greatly. It is important that those consultations are carried out properly, and that all those who will be affected by, or in this case, whose children will be affected—are able to contribute to those consultations. Not every consultation is conducted to as high a standard as we would all wish.

The amendments are extremely technical. I urge my hon. Friend the Member for Mid Dorset and North Poole to reconsider his amendment 4, as it would place a huge burden on the Secretary of State and on the trustees to go through a process of consultation on highly technical issues that are not matters of constitutional, regional or local import affecting individuals. Although I greatly respect my hon. Friend, going through a process of public consultation is unnecessarily burdensome, particularly where the matter will be reviewed and can always be brought to the attention of this House through the normal procedure. We should empower the trustees to take decisions.

Understandably, my hon. Friend was not able, although pressed by my hon. Friend the Member for South East Cornwall (Mrs Murray) and by me, to give an approximation of the costs or who may bear them. That should be a point for consideration by the House.

Michael Tomlinson: I am grateful to my hon. Friend for not being quite so cynical about public consultations as other hon. Members have been during the debate. Perhaps he should cite one further consultation: that which was the foundation of the Bill. On cost, he does not press me to come up with a precise figure, I know, but does he accept the broad point that if public consultation is right in principle, the cost will have to follow, come what may?

Jeremy Quin: I am grateful to my hon. Friend for clarifying his views. I have no problem with paying for consultations when they are necessary and appropriate, but I do not believe that the circumstances likely to pertain to the Bill will be in that category. Issues worthy
of consultation are those described by my hon. Friends the Members for Torbay and for North West Hampshire, and the local issues to which I referred.

On amendment 2 tabled by my hon. Friend the Member for North West Hampshire, I hope he will not be upset if I refer to it as the magic circle amendment—now you see it in the Bill, now you don’t—hey presto. With one stroke, his amendment would remove a power that is at the core of the Bill, as it creates clarity for the charities concerned. I know that every hon. Member who has tabled an amendment today is a passionate supporter of those charities, as are we all. The benefit of the Bill is that it provides clarity to the charities. Under the Bill, trustees will become fully independent. They are left in no doubt about who is responsible for the conduct of the charity and about their own corporate governance. That is a good thing, which empowers them and encourages responsibility.

Jeremy Quin: I am grateful for my hon. Friend’s knowledge of pantomimes. No doubt Captain Hook is in there somewhere. I certainly accept the pith of his remarks. By making the charities fully independent, we provide clarity not only to the trustees by empowering them, but to donors, who will know that their generous gifts to the charities will be looked after by independent trustees.

My hon. Friend the Member for South Ribble (Seema Kennedy) referred to the sad state of current polling on Government Ministers. I think we would all agree in this House that those who fulfil the functions of charity trustees are good people doing a good task, and are recognised as such. They are the people whom the trustees are good people doing a good task, and are recognised as such. They are the people whom the charity funding of Salford Royal NHS Foundation Trust has been put to good use. In the past year, it has raised over £450,000, which was used to provide additional services at the hospital. As with other NHS charities, the majority of its funding comes from donations and legacies, with some from investment income; there has been a great deal of debate about how donors feel about that. In some cases, however, donations come from patients and their families who are grateful for the care that they have received. Salford Royal is an excellent hospital, so it is very good that patients and their families are able to make donations via the charity to express their thanks. That is a very important aspect.

The charity funding of Salford Royal NHS Foundation Trust has been put to good use. In the past year, it has provided additional staff training and supported medical research, with the aim of promoting health and improving the treatment and care of patients. There has been a negative aspect to this debate, with doubt being cast on the value of NHS charities, but I do not agree with that. I agree with the hon. Member for Aldridge-Brownhills that the various amendments will not improve the Bill, and I am happy to support that position on behalf of the official Opposition.

The Parliamentary Under-Secretary of State for Health (Jane Ellison): What a fascinating morning this has been. I add my congratulations to my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), who has dealt with some of the amendments. I hope to add some additional information and clarification, and to
provide the useful history behind the need for and origins of the Bill. It is good that it has been debated with such thoroughness and that it has been given clear attention.

Michael Tomlinson: I am grateful to the Minister for mentioning the thoroughness of this debate. Does she agree that one of the reasons for the short Committee stage was that this House was debating the important matter of Syria? The Bill is important, but some might argue that the Syria debate was more important. Perhaps that explains why the Committee stage was so short.

Jane Ellison: That is probably a helpful thing to put on the record. All Members have to use their time wisely and appropriately, whatever the business of the House is at any one time. That seems to have been a sensible thing to do. Thankfully, we have been able to give this small but important Bill the time and attention it deserves this morning.

I thank my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) for tabling amendment 4, which seeks to oblige the Secretary of State to carry out public consultation that he considers appropriate—we have dwelt on that somewhat—before making regulations that make provisions consequential on the removal of the Secretary of State’s powers to appoint trustees to NHS bodies and to appoint special trustees. I do not believe that the amendment is necessary, for some of the reasons covered by others and on which I will try to elaborate.

Schedule 1 already makes a range of amendments to primary legislation that are consequential on the removal of the Secretary of State’s powers. They remove references to trustees in other legislation, because they would no longer make sense given that such trustees will no longer exist. The regulations that the Secretary of State does have the power to make under clause 1(2) are technical and remove any outdated references to such trustees, so that, in effect, tidies up all related provisions in primary or secondary legislation that might come to light in future.

It would, therefore, be unusual to consult the public. Members have given interesting examples of consultations in their own constituencies. It is fair to say that a degree of cynicism has been expressed, perhaps unduly, but I certainly agree with the principle that one should go into a consultation with an open mind. I assure the House that the Government seek to do that when they enter into consultations.

The situation with technical issues, however, is slightly different. The amendment seeks to consult the public on regulations that make technical, consequential changes, but proper scrutiny of such consequential changes is undertaken by Parliament. Indeed, Members have referred to such occasions. That is especially the case when consequential amendments are made by regulations to primary legislation, as the regulations are subject to debate and approval in both Houses. I hope that that gives some comfort to those who were concerned about the consultation issue.

Amendments 1 and 2 propose the retention in one form or another of the Secretary of State’s powers to appoint trustees, and we have had a good debate about that. Amendment 1 would give the Secretary of State the power to make provision, by secondary legislation, to re-establish the Secretary of State’s powers to appoint trustees to NHS charitable trusts. It would make such secondary legislation subject to the affirmative procedure and require that the draft secondary legislation be published three months before it is laid before Parliament.

Amendment 2 makes provision for the Secretary of State to appoint one or more trustees where he or she is satisfied that “exceptional circumstances exist, or...all the trustee positions in relation to a particular charitable trust have been vacant for a period exceeding three months”.

As has been said, independence is the next stage in the evolution of NHS charities. Now that NHS charities have the choice to become independent or to remain as NHS charities with corporate trustees, the Secretary of State’s powers to appoint trustees have served their purpose and are no longer necessary.

Before the Government’s reform of the regulation and governance of NHS charities, nearly all the largest NHS charities had trustees appointed by the Secretary of State. As other hon. Members have said, particularly the Bill’s promoter, my hon. Friend the Member for Aldridge-Brownhills, such charities were frustrated by the dual regulation of NHS and charity legislation, and one can quite understand why they felt limited in their ability to best support their beneficiaries. Many of the charities wanted the opportunity to become independent so that they could fully realise their potential. Other hon. Members have made good points about their need to express their independence and distance from the Government.

The Government’s reform of the regulation and governance of NHS charities has given those that wished to do so the opportunity to convert to independent status under the sole regulation of the Charity Commission. Six of the largest NHS charities with trustees appointed by the Secretary of State have already converted to independence, having decided that that is their best option for the future. The vast majority of the remaining 15 NHS charities with trustees appointed by the Secretary of State have indicated that they, too, plan to convert to independence in the near future. Three NHS charities with corporate trustee arrangements have also indicated that they wish to convert to independence.

At this point, it might be useful for the House and assist hon. Members who have tabled amendments that question some aspects of the Bill if I go a little into the history of this reform. It has always been a challenge to develop a system of regulation and governance that is workable for both the small number of very large NHS charities and charities with income of only a few thousand pounds a year. Within the sector, income is heavily skewed towards charities linked to large, high-profile hospital trusts, some of which have been mentioned during the debate. In 2012, the top five NHS charities accounted for more than a third of the total income, the top 15 for more than half of the total income and the top 30 for more than two thirds of the total income. However, the 50 smallest registered NHS charities had an average annual income of less than £10,000. The largest NHS charities require a different level of professional management.

Pauline Latham: Does my hon. Friend agree that NHS charities helping to put defibrillators in public places are doing a good job for the country? I am trying
to persuade all my churches to have defibrillators outside their buildings for the benefit of the community, and some have already done so. It is an important fact that charities within the health service do a huge amount of good out in the community, as well as in hospitals.

Jane Ellison: My hon. Friend is absolutely right. Several hon. Members have mentioned charities in their area that are doing great work to increase the public availability of defibrillators. Perhaps I may take a moment to update the House on that matter. The Government were delighted, in partnership with the British Heart Foundation, to provide £1 million for defibrillators, meaning that this life-saving equipment will be given to communities right across the country—we have heard about several examples this morning, and my hon. Friend has mentioned another great example in Derbyshire—and that more people can be trained in cardiopulmonary resuscitation. That will make it easier for people to act in an emergency, and ultimately it will of course save lives.

I can update the House by saying that applications opened last October and interest was very high. The British Heart Foundation allocated funding to applicants who could demonstrate that the criteria had been met, and the application process has now closed. We look forward to hearing more about all the places around the country—I am sure that some of them will be in constituencies of hon. Members in the Chamber—where such life-saving work will be enabled.

Kevin Foster: I am interested to hear the Minister’s remarks. Given the slightly negative perceptions of charitable work and the descriptions of things that could go wrong that we heard earlier, would she like to comment on the things that are going very well? Will she put on the record her thanks, on behalf of Her Majesty’s Government, to the Torbay Hospital League of Friends? Over 62 years, it has raised millions of pounds to support local people and it is currently running its “This Is Critical” campaign to provide equipment for the new critical care unit that is under construction at Torbay hospital.

Jane Ellison: My hon. Friend is exactly right. At times, the debate has moved into rather gloomy territory. He used the “EastEnders” analogy. During the contribution of my hon. Friend the Member for North West Hampshire (Kit Malthouse), I began to think he was speaking to the Private Frazer amendment—the “We’re doomed!” amendment.

My hon. Friend the Member for Torbay (Kevin Foster) is right to bring us back to the great work that is being done. My experience of a local league of friends is similarly positive. Often, in the cut and thrust of our debates on legislation from Monday to Thursday we do not have time to put on the record the thanks of Parliament and the Government for the efforts of groups like his league of friends. It is welcome that this morning, when we have a little more time, we are able to put on the record our thanks to people who are not in the spotlight, but who are doing wonderful work in all our constituencies. I congratulate him on doing that and join him in praising the Torbay Hospital League of Friends.

Jeremy Quin: On that note, may I draw to the Minister’s attention one charity in my constituency? Like my hon. Friend the Member for Torbay (Kevin Foster), we have charities that support the local hospital, but we also have Action Medical Research, which does a wonderful job for children. It was formed back in 1952 and has the distinction of being supported by Paddington Bear, which is wonderful. It runs the largest regular London to Paris bike ride to raise funds to support research into diseases that affect young children. It is not directly linked to the NHS, but it is a wonderful medical charity. I hope that the Bill will empower many more such charities to get going.

Jane Ellison: How nice it is to hear about that charity. I congratulate my hon. Friend on taking the opportunity to praise it and to shine a spotlight on a charity that so richly deserves it. Indeed, well done to him for name-checking Paddington in a debate that has been otherwise dominated by Peter Pan. We will see whether any more well-loved characters make an appearance before the end of the debate.

Maggie Throup: I cannot lay claim to any characters in my constituency. It is not just the work that charities do in hospitals that is important, but the work that they do outside hospitals to make sure that people do not go into hospital. One of my local charities, Community Concern Erewash, recently linked up with the Alzheimer’s Society to work in the community to help people suffering from Alzheimer’s to cope in their own homes and stay in their homes a lot longer. Will my hon. Friend praise that charity and recognise the contribution that such charities make to our society?

Jane Ellison: I am delighted to add my praise for my hon. Friend’s charity. I was honoured after the election to have dementia policy added to my portfolio as public health Minister. She is right to draw our attention to the need to work outside hospital to keep people safer in their own homes. As I know from working with dementia charities, large and small, much of that work is done by small local charities. I am delighted to echo her praise for the charity in her constituency.

To return to the amendments, although the largest charities require a level of professional management, the same is not required by many of the smallest ones. The corporate trustees arrangement, whereby the board of the trust or, prior to that, the board of the hospital acts as the trustee, is not sufficient to manage the large sums that are held by the largest NHS charities. They need a more professional approach, in many cases. The Government first took steps to address that issue in 1973. The Secretary of State took powers to appoint so-called special trustees to manage charitable property on behalf of hospital boards. Three hospitals—Moorfields, the Royal National Orthopaedic hospital and Great Ormond Street—appointed such special trustees to manage their charitable funds.

12.45 pm

With the advent of NHS trusts in 1990, the Secretary of State acquired powers to appoint trustees to them. Those powers have since been extended to other NHS bodies, although they have been used to appoint trustees only to NHS foundation trusts as well as NHS trusts.
Corporate trustees, who consider that separate trustees might be appropriate, can approach the Department of Health to ask the Secretary of State to use his powers to enable the appointment of separate trustees. The size of the charitable funds was the key determinant in deciding whether separate trustees were appropriate.

Guidance that the Department issued in 2011 stated that assets of more than £10 million and an annual income or expenditure of £1 million would provide a clear case for the appointment of separate trustees. It was considered that charities of this size had the critical mass to benefit from the cost of employing specialist expertise in administering the fund. I think that we all recognise the common sense of that. In total, 18 NHS charities have separate trustees appointed by the Secretary of State.

Although separate trustee arrangements enabled the largest NHS charities to benefit from more expert management, there were still frustrations. Several of the largest NHS charities called for reform because of concerns that the NHS legislative framework limited charities’ freedom to grow and develop their charitable activity to best support their beneficiaries. They cited a number of issues with separate trustee arrangements.

The fact that the Secretary of State appoints the trustees made it difficult to demonstrate visible independence from Government to potential donors. Several colleagues made that point well in the debate. Donors feared that charitable donations would simply be swallowed up in running the trust rather than giving a clear charitable benefit.

Being bound to NHS legislation prevented the charities from adopting different legal forms appropriate to their specific needs, particularly those offering limited liability. There has been a good debate this morning about the specific needs, particularly those offering limited liability. There has been a good debate this morning about the need to embrace that opportunity and also what might encourage people to consider that option. Donors feared that charitable donations would simply be swallowed up in running the trust rather than giving a clear charitable benefit.

The “Agenda for Change” arrangements that govern NHS staff pay and conditions are often not a good fit for NHS staff who support NHS charities. In addition, the Charity Commission believes that dual regulation, under both NHS and charity legislation, made it difficult for NHS charities to achieve and demonstrate independence.

As a result of the concerns, the Department conducted a review of NHS charities in 2011, consulting publicly, although not especially fashionably, on its proposals in 2012 and publishing its response in 2014. I do not want to labour this point but, as we all know, the Government announced that they would allow NHS charities to move to independent charity status. Charities that decided to become independent would no longer be NHS charities, but independent charities, regulated solely by the Charity Commission and responsible for appointing their own trustees. The Department put safeguards in place to preserve the unique relationship between the charities and the trusts with which they are associated.

I think that a concern was in the back of some hon. Members’ minds as they discussed the possible unhelpful directions in which independent charities could go. The funds that are transferred to the new charity can be used only for the same charitable purpose as originally intended. I hope that that gives hon. Members some comfort. The NHS body should have some involvement in a new charity’s governance arrangements, for example, by having a specific place on the board. The Department and the Association of NHS Charities—I know that that body is well respected; my hon. Friend the Member for Aldridge-Brownhills has worked closely with it and she might say more about that on Third Reading—have published detailed guidance for charities on that policy.

The Department concluded that, in view of the responses to the consultation and the new freedom for NHS charities to become independent, the Secretary of State’s power to appoint trustees was no longer necessary. We would all—certainly Government Members—agree that we do not want unnecessary legislation.

As I have set out, NHS charities with separate trustees have seized the opportunity to become independent. Independence is also attracting strong interest from some of the larger NHS charities with corporate trustee arrangements, and we will see further movement over the next few years.

Let me say a little about why amendments 1 and 2 are unnecessary. There are a number of policy and technical legal issues, which is why I believe that the amendments should be withdrawn. The Government gave a clear commitment in their consultation response that the Secretary of State’s powers to appoint separate trustees would be repealed at the first legislative opportunity. It would therefore be unusual to remove those powers now, and then include a power to re-establish them in the same Bill. That would demonstrate indecision, and send a mixed message to the charity sector and to donors—the opposite of what we are trying to achieve.

Clear independence from the Government was one of the main drivers for the charities involved—again, that has been drawn out in our debate. What message would it send to donors if charities could revert to having trustees appointed by the Secretary of State? Such a measure would also undermine the process set up to move all NHS charities with separate trustees to independence, or back to corporate status. We do not want to give the impression that continuing with the status quo might be acceptable when that is not the case.

There are also technical problems with the amendments. Amendment 1 would not work because the Secretary of State’s current powers allow them to appoint trustees to particular NHS bodies, or to appoint special trustees, and not—as the amendment suggests—to appoint trustees to NHS charitable trusts. That is a technical distinction. As has been said, the appointment of trustees is already governed by charity law for independent charities, or, for NHS charities with corporate trustee arrangements, by the provisions that govern appointment to the board of NHS bodies.

A difficulty with amendment 2 means that it too would not work. Regulations in clause 1(2) are aimed at enabling the Secretary of State to make consequential amendments to legislation that are necessary as a result of the removal of the Secretary of State’s powers to appoint trustees to NHS bodies, and to appoint special trustees. To extend the scope of those regulations to empower the Secretary of State to appoint trustees in particular circumstances is entirely inappropriate, as such a provision would not be considered consequential on the removal of the Secretary of State’s powers.
Rather, it is a direct contradiction of that position. Equally, it is unclear in the amendments to which bodies the Secretary of State would have the power to appoint trustees.

For amendment 3 my hon. Friend the Member for North West Hampshire invoked the Private Frazer-style of debating, and made us all feel—hopefully not people outside the House—that they might be doomed were they to engage in what we all know to be a particularly satisfying form of charitable and public service, which is serving as a charity trustee. My hon. Friend the Member for Torbay (Kevin Foster) was effective in giving some of the reasons why many of us were unconvinced by that.

Kit Malthouse: Will the Minister give way?

Jane Ellison: I will; it is only fair.

Kit Malthouse: By no means was I trying to give the impression that charity workers and trustees across the UK are not doing brilliant work. Most of them are well-minded, and efficient in discharging of their duties as they should. As I am sure the Minister will agree, much of our legislation involves dealing with exceptions. Most people live their lives largely untouched by legislation in this House—although more and more they are touched by legislation from over the water in Europe—but we are dealing with exceptions. All I was trying to do was to deal with an exceptional circumstance where a negative situation may arise, and I have nothing but admiration and optimism for the vast majority of charities, charitable workers and trustees.

Jane Ellison: That is a helpful note of clarification. I sense we all felt that beneath the Private Frazer amendment lurked a Private Walker amendment instead. My hon. Friend is right to draw our attention to some very high-profile exceptions to the general rule. His exposition of the challenges that some high-profile charities face was compelling. It is helpful for us to have that on the record and to go forward with consensus on the merits of being a charity trustee.

Amendment 3 seeks to give the Secretary of State the power, in the regulations he may make, to make provision consequential on the removal of the Secretary of State’s powers to appoint trustees in clause 1(1) to make “provision for one trustee to be appointed by the NHS institution, service or function for whose benefit the charitable trust exists.”

The guidance to NHS charities, produced jointly by the Department of Health and the Association of NHS Charities, suggests that the constitution of the new independent charity could provide for at least one trustee on the board being appointed by, or from, the NHS-linked body. It is a suggestion, rather than a binding obligation, that the new charities constitution should make this provision. The constitution of the new independent charity is a matter best decided by those nearest to the beneficiaries. In the case of an NHS charity with separate trustees, the board of the linked NHS body must support the terms of the conversion, including the terms of the new charity’s constitution, for the Secretary of State to agree to the revocation of their appointment. In the case of a charity with corporate trustee arrangements, it is self-evidently the board of the relevant NHS trust or NHS foundation trust that agrees the constitution of the new charity—again, offering that safeguard.

Ultimately, this is all about independence and local autonomy. The level and the nature of the agreement between the NHS body and the new charity needs to be a matter of local agreement. It is a matter for the local NHS and the charity to agree a constitution for the new independent charity that best meets the needs of beneficiaries.

Amendment 3 has similar technical difficulties to those I outlined in relation to amendments 2 and 4. It is unclear to which bodies amendment 3 relates, and what is meant by “the NHS institution, service or function”. A service or function referred to in the amendment cannot appoint a trustee. Again, I am afraid that such regulation-making power would not be workable.

Amendments 5 and 6 seek to remove the requirements that the regulations, which may make provision consequential on the removal of the Secretary of State’s powers in clause 1(1), would have to be subject to the affirmative resolution procedure if they amend legislation. Instead, the two amendments propose that the removal of the Secretary of State’s powers should be subject only to the negative resolution procedure. We believe that the affirmative resolution procedure is the appropriate form of oversight for these regulations. Parliament should have the opportunity actively to debate and vote on secondary legislation that amends primary legislation. Making such regulations subject only to the negative resolution procedure would not provide an appropriate level of parliamentary scrutiny.

There has rightly been much discussion this morning about the appropriate level of parliamentary scrutiny—and indeed the meaning of the word “appropriate”—but I think there was a strong feeling in the House that there are moments when parliamentary scrutiny is very important, particularly when it can be done with the level of detail we have seen this morning. I believe the current level of parliamentary scrutiny provided for in the Bill for this regulation is appropriate, and there are a huge number of precedents to support this approach.

I thank my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) for tabling amendments 7 and 8. The amendments seek to provide that the regulations that may be made by the Secretary of State under clause 2(1) to transfer trust property from appointed trustees for an NHS trust or NHS foundation trust back to the NHS trust or NHS foundation trust, should be subject to the affirmative resolution procedure. The amendments would also require that such transfers be accompanied by a statement by the Comptroller and Auditor General—again, a title that attracted a bit of debate in itself—that he is satisfied with the treatment of public assets and funds envisaged in the regulations.

1 pm

Clause 2 provides that those regulations would be subject to the negative resolution procedure, which we consider to be the appropriate level of public scrutiny in this case. Any regulations made under this power would be simple and technical, transferring all the trust property held by the appointed trustees back to the NHS trust or NHS foundation trust to which they were appointed. We do not think that such regulations would require
active debate in both Houses or a report from the Comptroller and Auditor General. The National Health Service Act 2006 contains several equivalent powers for the Secretary of State to transfer property between NHS bodies by means of secondary legislation subject to the negative resolution procedure, as the regulations in clause 2 would be. I hope I have reassured my hon. Friend that an affirmative procedure is not required in this regard.

Mr Rees-Mogg: I am grateful for the Minister's reassurance, and I am more than happy to accept it.

Jane Ellison: I thank my hon. Friend for his question about the use of the NHS logo. I know from his contribution on Second Reading that he has interest in its licensing. I hope I can put his mind at rest by confirming that independent charities, including former NHS charities, can use the localised NHS logo of the NHS organisation for which they raise funds. Independent charities can arrange permission to use the logo, if they are working in partnership with it. An independent charity will often set up an agreement with a local NHS organisation to fundraise on its behalf. We have already heard some examples of close, long-standing links between charity organisations and the NHS, and I am sure that Members will be aware of many more in their constituencies. It is possible for a local organisation to use the NHS's identity in a supporting position with respect to promotional and fundraising materials—on the proviso that there is a local agreement in place for the fundraising activity to benefit solely local NHS services.

It is fair to say that there has been some slightly wild speculation in the course of our debate about some of the far-flung places to which people might go, using NHS charity resources inappropriately. It is important to ensure that the association with the NHS is guarded. From a legal perspective, however, the amendment would make no change to the current position. The Secretary of State is the registered owner of a number of NHS trademarks. As such, the Secretary of State is already free to license trademarks to independent charities in accordance with his statutory powers and duties. Furthermore, as the registered trademark owner, the Secretary of State may set the terms of any such licence as he chooses, including specifying the notice period required for termination—an important power, as I think Members would agree. In some circumstances, it may be more appropriate to make provision for a licence to be terminated at shorter notice or immediately—where, for example, a charity is in breach of the licence terms.

On that important point, about which Members were rightly expressing a degree of concern, I hope I have been able to provide reassurance. I hope, too, that I have provided clarity as well as reassurance on some of the other amendments.

Mr Rees-Mogg: May I ask the Minister about one further point? When the NHS logo is licensed to small charities, I hope the process will not be too bureaucratic or onerous for them and that the application of the regulations will not be too pettifogging.

Jane Ellison: My hon. Friend is wholly consistent on this issue. Since he came here in 2010, I have been delighted to hear him stand up on many occasions for people who find overbearing state bureaucracy at either the national or local level. He seeks to ensure that any such bureaucracy is always light touch and appropriate. He rightly seeks reassurance and I think I can give him that. We would never seek to make the process overbearing. It would obviously be inappropriate, given that the central drive of the first part of this important private Member’s Bill is to bring clarity and to avoid double-regulation. It would be nonsense if any aspect of what we have discussed this morning added to the bureaucratic burden. We are trying to head in an entirely different direction—one of which I hope my hon. Friend, given his long-standing role as a champion in this House, will approve.

Pauline Latham: My hon. Friend has twice referred in her speech to defibrillators and the money that the Chancellor has given to the British Heart Foundation to provide more of them. I urge her to continue to lobby the Chancellor on this issue. In his forthcoming Budget,
he might be prepared to consider adding to that fund so that more people in the community could benefit from defibrillators.

Jane Ellison: My hon. Friend has effectively just undertaken such an act of lobbying. The take-up of this fund is extremely encouraging, and I would be happy to give her more information, as I know she has spoken about this subject here on many occasions—as, indeed, have other Members. We had Backbench Business debates on it in the last Parliament, and I am sure it is one to which we will return. It is an area in respect of which parliamentarians can be great champions in their local areas. I greatly welcome hearing my hon. Friend speak with such enthusiasm about this matter.

Nigel Huddleston: May I encourage the Minister to continue her lobbying efforts in that regard? In my area, the west midlands, just 12% of the population feel confident enough to use a defibrillator. What is important is not just the provision of defibrillators, but the training that accompanies it, which I know is being promoted by the British Heart Foundation.

Jane Ellison rose—

Madam Deputy Speaker (Natascha Engel): Order. Before the Minister responds, I should point out that the subject of defibrillators is some distance away from any of the amendments. The hon. Gentleman might like to save it for Third Reading.

Jane Ellison: I am sure we all recognise the truth of your judgment, Madam Deputy Speaker, but the example was given earlier of an NHS charity that had championed defibrillators in the local community, and I think that is how the topic was introduced. My hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) has made a good point, and I shall be happy to give him more information about the proportion of the fund that the British Heart Foundation has been able to spend on the training that he described.

I hope that what I have said about the amendments has been of assistance to the House.

Michael Tomlinson: In the light of the reassurances that have been given, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Third Reading

1.11 pm

Wendy Morton: I beg to move, That the Bill be now read the Third time.

Let me begin by thanking Members who are here today for giving up another constituency Friday to take part in the debate. Some of them were also present on Second Reading, including my hon. Friends the Members for Erewash (Maggie Throup) and for North East Somerset (Mr Rees-Mogg), who is no longer in the Chamber. I also thank those who served on the Public Bill Committee, absenting themselves from the debate on Syria to be present on that day, and, again, I thank Members on both sides of the House who sponsored my Bill last summer after my name had been drawn in the ballot, allowing Peter Pan to find his Wendy—or, at least, I hope so. I thank the Department of Health for its help, and, as a new Member, I thank those in the Public Bill Office, whose patience has been admirable. I should also record my thanks to the hon. and learned Member for Holborn and St Pancras (Keir Starmer) for supporting the Bill; sadly, he is not present today.

I welcome my new Tinker Bell to the Dispatch Box. I feel duty bound to reassure her that I remain on my guard for ticking crocodiles, Captain Hook and, of course, those unruly Lost Boys, although they are not here at the moment.

I am, of course, delighted that my NHS (Charitable Trusts Etc) Bill—commonly known, I hope and believe, as the Peter Pan and Wendy Bill, without brackets or etc—has safely arrived at its Third Reading. There has been no exit stage left, or right, taking it directly to Neverland; it is still en route to another place, and, I trust, to Royal Assent.

On Second Reading, we were given many examples—some based on personal experience—of the importance of NHS charities and their role in supporting hospitals, patients, parents and staff. That has been underlined by the accounts that we heard today of the tremendous work that NHS charities do, and it also demonstrates the Bill’s importance in helping those charities to continue and flourish.

As I have mentioned before, NHS charities are regulated under charity law, but they are also linked to NHS bodies and bound by NHS legislation. They are charitable trusts, established under NHS legislation, and have as their trustee an NHS body such as a foundation trust, or trustees appointed by the Secretary of State for an NHS body. It should be borne in mind that NHS charities are distinct from independent charities established solely under charity law.

Funds donated to the NHS must be held separately from Exchequer funding provided by the taxpayer. These charities exist to support their beneficiaries, and there is a special relationship between them and the trusts with which they are associated. Some wonderful examples have been given today of local hospital charities and the special relationship that they have with their local NHS trusts.

The first part of the Bill makes provision to remove the Secretary of State for Health’s powers to appoint trustees for NHS charities in England and makes amendments to primary legislation concerned with this. It is important to remember that this fulfils a commitment by the Government in 2014, subsequent to a DoH review and consultation on the governance of NHS charities. The outcome of the consultation was that NHS charities would be allowed to convert to independence if they chose to do so and the Secretary of State for Health’s powers to appoint trustees to NHS charities under the National Health Service Act 2006 would be removed at the earliest opportunity.

It is fair to say that a number of the larger NHS charities called for reform because of concerns that the NHS legislative framework limited their freedom to grow and develop their charitable activity to best support their beneficiaries and to demonstrate to potential donors a visible independence from Government. That is an important point, and some have already grasped the
opportunity to become independent while others are in the process and some are planning to do so in the future.

Collectively across the country about 260 charities currently exist to receive and manage charitable funds on behalf of NHS charities. I am sure Members will be interested to know that just over £345 million was raised by these charities in the last financial year, supporting patients and staff right across the country, so we should be doing all we can to support them. They make an outstanding contribution, yet their work often goes unheralded. I hope that today’s debate helps to publicise their work and the valuable contribution they make to hospitals as well as to the lives of patients, their families and clinicians. But just as healthcare moves on, so does the charitable environment, and there is a real need to place certainty in an already complex structure. I hope, and believe, that that is what this Bill will do.

There are currently 16 NHS charities that have trustees appointed by the Secretary of State for Health, and all of them are affected by my Bill. They are bound by charity law and NHS legislation. They are unincorporated and their trustees have unlimited liability.

Maggie Throup: My hon. Friend mentions that NHS charities are bound by charity law as well as other legislation. We both sat on the Charities (Social Investment and Protection) Public Bill Committee. Can she expand on why her Bill should be a separate Bill and why its measures cannot go through as part of that Bill?

Wendy Morton: My hon. Friend makes an interesting point. I also sat on the charities Bill Committee, and it comes back to the House next week. I believe. My Bill is a specific piece of legislation. It came about because of Great Ormond Street hospital and the need to move the right to the royalties. It also comes under the remit of the DOH, whereas the charities Bill is under the remit of the Minister for Civil Society and the Cabinet Office. My Bill, at its heart, goes to the fact that the original Act on the Peter Pan royalties and the extension to the signed copyright patent was unique—and so that unique bit of legislation needed another unique bit of legislation.

Sixteen of the charitable trusts have chosen either to revert to a corporate trustee model or to become independent. Most hospital charities operate the corporate trustee model anyway, and we have heard a lot about that today. Many have indicated that they are seeking to make this transition and many others are also considering it.

Six charities have already completed the transition to independence. These include Barts Charity, which raises money for Barts Health NHS Trust, including St Bartholomew’s hospital. This was the first to receive an independence order. The others are Alder Hey in Liverpool, Birmingham Children’s Hospital Charity, which is close to my own constituency of Aldridge-Brownhills, Guy’s and St Thomas’ Charity, and the Royal Brompton and Harefield Hospitals Charity. They are all now able to benefit from greater independence and less bureaucracy, and that further demonstrates the benefits of the Bill. Great Ormond Street’s is one of the six to have converted to independence. I will come back to that, as well as to its unique status and the need for specific legislative change to remove the statutory obstacle currently preventing the charity from becoming fully independent. Of the remaining NHS charities, about half have agreed to convert to independence but have not yet formally informed the Department of Health, while the others are in discussion with their trustees and hospital boards.

Importantly, the Bill is supported by Great Ormond Street hospital and NHS charities more generally. It also has the support of the Association of NHS Charities, and I would like to put on the record my thanks to it for its help. Let me provide a quote from a chief executive of an NHS charity, as that is a good way of explaining why the Bill is important. This chief executive said that “this is exactly the right move for us as it deals with a peculiar anomaly in our status. Moving to full independence will mean that we can compete on a level playing field with other health and social care charities in our fund raising and other activities. No longer being seen as part of government.”

On Report, we received some interesting amendments from hon. Members, who gave us the opportunity to explore and question a number of points in relation to the Bill. Although I am pleased they were not pressed to a vote and were not accepted, I believe each was worthy of our sincere consideration.

Turning now to the second part of the Bill, it is important to remind ourselves of the special link that Great Ormond Street hospital has with J. M. Barrie, who made a very generous bequest to it of the right of royalties to the “Peter Pan” stories. As I explained on Second Reading, J. M. Barrie bequeathed all rights to “Peter Pan” to GOSH in 1929. He died in 1937, with GOSH enjoying a further 50 years of royalties. On the eve of the copyright expiring, the J. M. Barrie bequest acquired its unique legal status as a direct result of Lord Callaghan’s amendments to the Copyright, Designs and Patents Act 1988. That reserved royalty income to the hospital trust and carried the stipulation of the creation of a special trust at that time. Though now held in perpetuity by GOSH, legislation is needed to enable the receipt of royalties to move to the new, independent Great Ormond Street Hospital Children’s Charity. My Bill, with its provision for amendments to the 1988 Act, will do that. It will enable GOSH to take full advantage of this move to independent status, thereby giving it greater freedom to attract additional funding. It will also reduce the burden of bureaucracy by leaving it under the sole jurisdiction of the Charity Commission.

I am sure Members will be interested to know that I have met representatives from the GOSH Children’s Charity, and, as I reported on Second Reading, I have visited the hospital to see for myself the work the charity does and the huge contribution it makes. I have also met members of staff and clinicians to hear about some of the cutting-edge research and treatments they are working on. My visit to GOSH further emphasised the importance of this Bill. One cannot go there and fail to be touched by the work that goes on there, the commitment, the dedication and the inspiration—it is truly amazing, as indeed is the work of all our NHS hospitals and charities.

As we all know, the work and influence of Great Ormond Street children’s hospital stretches way beyond Greater London, which is why so many Members are in the Chamber to support and watch the progress of this
In the financial year 2014-15, the GOSH charity raised a staggering £80,981,000, an increase on the previous year’s figure.

In November, I am sure that avid newspaper readers will have noticed that The Independent and the Evening Standard launched their Gift to GOSH Christmas appeal, attracting celebrity backing as well as a pledge from my right hon. Friend the Chancellor of the Exchequer to match donations pound for pound from the Treasury with up to £1.5 million. I am fortunate enough to have an update from Great Ormond Street hospital, which tells me that to date £2.7 million has been raised as a result of that appeal. That reflects the warmth felt by the British public towards Great Ormond Street, as well as their generosity. The campaign still has not ended—it runs until 14 February—so who knows what the final total will be. Those funds are going to support things such as paediatric research and a new specialist unit for children with heart failure.

One of the most generous donors over the years has been, of course, J. M. Barrie, whose bequest of the royalties from “Peter Pan” is one of the reasons we are here today. It is amazing that even today, 79 years after the death of Barrie, the bequest is still a crucial source of income to the charity, which demonstrates that “Peter Pan” remains a firm favourite of us all. I must confess that I watched it over Christmas and, as one might expect, the book has had a permanent place on my desk for number of months. It is probably in my handbag in the Chamber today.

By supporting the Bill today, I believe that we are all doing a little bit to help the work of Great Ormond Street Hospital Children’s Charity by securing the J. M. Barrie income stream for the new independent charity. Without this Bill, it would be unable fully to complete its conversion to independent charity status. Without it, I believe that there could be risks to legacies to the charity, and I would not wish to see that happen. It also creates further complications, because operating two charities side-by-side requires a duplication of governance, separate accounts and, potentially, duplicate returns to the Charity Commission. The Bill is not just needed, it is wanted, and Great Ormond Street Hospital Children’s Charity has confirmed this. It is also supported by the chair of the hospital trust, Baroness Blackstone, who I must also thank for her support, and the charity’s chair of trustees.

To summarise my Bill, it has received support from Members on both sides of the Chamber, for which I am grateful, from Great Ormond Street Hospital Children’s Charity and from the Association of NHS Charities. It delivers on commitments that followed a Department of Health review and consultation on the governance of NHS charities, whereby charities were given the opportunity to seek greater independence under the sole regulation of the Charity Commission and the Secretary of State’s powers to appoint trustees were no longer necessary. It paves the way for sensible housekeeping.

We listened to some interesting amendments today that enabled further scrutiny of the Bill, for which I am grateful. I hope that this Bill, which I have believed in from the outset, does not end up in Neverland but heads that enabled further scrutiny of the Bill, for which I am grateful. I am happy that the Bill will ensure that the trust charity will continue to be able to benefit in perpetuity from royalties and other payments in relation to performances or publications of the play “Peter Pan”. I can assure the hon. Member for Aldridge-Brownhills (Wendy Morton) that the hospital’s research and care stretch well beyond Greater London.

The Bill will also remove the requirement for the Secretary of State for Health to appoint trustees of NHS charities. I hope that reducing the involvement of the Department of Health in NHS charities will provide the organisations with more freedom to grow, and with clear independence. I hope they will be able to attract additional donors; that is important for NHS charities such as the Salford Royal NHS Foundation Trust, which I mentioned earlier. The research that it has helped to fund spans a wide range of departments, from physiotherapy and urology to a joint project with the University of Manchester looking at factors that lead to complications for patients with type 2 diabetes. That shows what an important role our NHS charities can play in potentially life-saving research. Like many others, the charity has also focused on improving patients’ experience in the hospital. Equipment has been purchased by the charity to aid patients in their recovery. For example, the charity purchased reclining chairs for patients recovering from neurosurgery, which enable them to sit in a more comfortable posture.

NHS charities play a significant role in our hospital trusts. They provide funds for life-saving research and help NHS staff to provide the best care possible for patients and their families. On behalf of the official Opposition, I am pleased to support the Bill on Third Reading. It will help to ensure that NHS charities can continue their vital work supporting patients and staff in the NHS.

Nigel Huddleston: I congratulate my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) on choosing to introduce this important Bill. I felt compelled to speak today because I do not think my children would ever have forgiven me if I had failed to speak in a debate on a Bill dubbed the Peter Pan and Wendy Bill.

In supporting the Bill, I am reminded of the remarks of one of my predecessors as the MP for Mid Worcestershire, the late Eric Forth, who said that for a private Member’s Bill to be successful, it should essentially be uncontroversial and fairly obvious. By my reckoning at least, this Bill solidly passes that test. It has support not just from this House, but from NHS charities and their representative bodies. It will help to deliver the operating model they require and the freedom that the charities themselves have asked for. It should give them greater independence and greater money-raising potential. As my hon. Friend the Member for Aldridge-Brownhills mentioned, although the Great Ormond Street Children’s Charity is deservedly the most famous,
there are 260 such charities around the country with around £2 billion of assets and a combined income of more than £340 million a year. Many are large, but many are small, including in Worcestershire the local NHS charity, the Worcestershire Acute Hospitals NHS Trust Charitable Fund.

The work of the charitable fund, like many NHS charities, is to go over and above current NHS provision and improve the experiences of all patients within Worcestershire and the surrounding areas. One of the fund’s recent appeals is the £1.6 million Rory the Robot appeal, with funds raised going towards the cost of a state-of-the-art da Vinci robotic surgical system, primarily to treat patients with prostate cancer. In Worcestershire alone, 125 to 150 radical prostate cancer operations are carried out each year, and there are approximately 2,500 men in the region surviving prostate cancer at any one time. There is an obvious need that the charity is helping to fill.

People from our region and beyond have got behind this campaign. In September last year, more than 80 cyclists from across the county were joined by Team GB star Hannah Drewe on three cycle routes to raise money for the Rory the Robot appeal. There have also been charity golf days, a theatrical extravaganza and even a local production of “The Full Monty”; hon. Members will be relieved to know that that show was in the constituency of my hon. Friend the Member for Redditch (Karen Lumley) and not mine, so fortunately I was not required to participate.

This Bill fulfils a Government commitment made in 2014 following a 2012 consultation. Respondents to the consultation were clear that, first, they wanted NHS charities to be allowed to convert to independent status, and secondly, that the powers of the Secretary of State for Health to appoint trustees to NHS bodies should be removed. NHS charities were concerned that the current legislative framework was limiting their freedom to grow, develop and raise money. Change was therefore clearly needed.

I am very pleased that my hon. Friend the Member for Aldridge-Brownhills has brought forward this Bill. She has given the House the opportunity to deliver what NHS charities want. If we divide, I will support the Bill, and I encourage all Members present to do the same.

1.34 pm

Maggie Throup: I congratulate my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) on getting this very important Bill to its Third Reading, and I am delighted to support it in this debate. It is great to see a private Member’s Bill get to this stage with the support of everybody in the House.

As I have said in this place before, our nation would be a poorer place without the thousands of charities and trustees who contribute their time and expertise without fear or favour. Close to my heart are the many hospital-related charities that play such an important role in supporting our free-at-the-point-of-care national health service, which has served us so well. It is vital that those charities are allowed to conduct their amazing work with as few barriers as possible.

I am often asked by people in this place and elsewhere, “Where exactly is Erewash?” My reply is that it is in Derbyshire, between Derby and Nottingham; for that reason, many of my constituents help to raise money for Nottingham hospitals for their care, as well as to Royal Derby hospital and our local Ilkeston community hospital. I know that my constituents will be pleased that I am supporting this Bill, as it will have an impact on the nearby Nottingham Hospitals Charity, which raises money to improve facilities and fund new equipment. It provides important additional services, supports staff development, and initiates local medical research at Queen’s medical centre and Nottingham children’s hospital, as well as at City hospital, Ropewalk House, and Hayward House. On its website, the charity outlines that “thanks to the generosity...of its donors and fundraisers, it is able to fund the ‘added extras’ to make the experience of being in hospital better for people of all ages.” It truly is at the heart of care for patients.

Examples of how the charity’s money has been spent include £15,000 for a heart function monitor for sick children, which helped to save the life of a six-month-old baby within hours of its being installed; £1.1 million for better ward facilities for children with cancer; £150,000 to kick-start medical research projects with the aim of improving treatment and services for a whole host of conditions and diseases; and £2.1 million towards a new centre to transform the care of cystic fibrosis patients. The charity currently has two main ongoing appeals: first, raising funds for an on-site helipad at Queen’s medical centre, which is the east midlands’ trauma centre; and secondly, raising money for a beautiful and serene courtyard garden for those suffering with ear, nose and throat cancer.

No doubt the general public would think that Nottingham Hospitals Charity, like the majority of charities, is free to appoint its own trustees, but under current legislation this is likely not to be the case. Yet nearby in Ilkeston, at our community hospital, there is a very active league of friends that does have complete freedom to appoint its own trustees. We have heard today about the good work of leagues of friends across the whole country, and Ilkeston community hospital is no exception. It raises money with the same aims as Nottingham Hospitals Charity—to fund the added extras to make the experience of being in hospital better for people of all ages. It is also at the heart of care for in-patients and out-patients at Ilkeston community hospital.

The league of friends is a dedicated group of people who, in addition to making cups of tea for patients and visitors, hold a wide array of fundraising events. For a busy person anywhere near Ilkeston next December, I recommend that they visit the Christmas fair, as I am sure there will be a stall there, as there was last December, selling really nice Christmas cakes. As I had not had time to make my Christmas cake, one of those cakes saved my life; the people who came to my house were able to sample its delights. Recent fundraising has resulted in the charity buying a scanner for the Valerie Jackson scanner suite at the hospital, to name just one successful project that the group has supported.

So why do we need this Bill? As I see it, there are three main disadvantages to the current structure of NHS charitable trust status. First, potential donors may perceive that the charities lack independence from Government, and that may put them off donating. Secondly, being...
bound by legislation prevents the charities from adopting different legal forms specific to their needs, particularly those offering limited liability. Thirdly, the Charities Commissioners believe that dual regulation under both NHS and charity legislation makes it difficult for NHS charities to achieve and demonstrate independence. It is therefore vital that NHS charities have the opportunity to move to independent charity status. My constituents in Erewash, like so many others across the UK, are extremely generous in their support for charities. It is important that every barrier, whether perceived or real, is removed, to allow maximum generosity and altruism.

I want to touch on Great Ormond Street Hospital Children’s Charity. As my hon. Friend the Member for Aldridge-Brownhills has said, despite the hospital’s location in London, and owing to the specialist nature of its work, it provides a truly national resource for children with some of the most severe and complex illnesses imaginable. I am sure that at least one child in at least one family in every constituency has benefited from the healthcare provided by Great Ormond Street hospital. Like every hospital, whether generalist or specialist, it has fantastic doctors and nurses, and a whole host of healthcare professionals who together make our NHS the envy of the world. I am sure that the whole House will agree that we owe them a great debt of gratitude for the work they do.

A number of years ago, I had the privilege of seeing at first hand, in a professional capacity, the work of Great Ormond Street hospital. We often see news of the groundbreaking work it does. There was a good news story recently about the innovative work carried out on gene editing, which means that a one-year-old girl is now in remission from blood cancer. That is fantastic news for the girl and her family, and it also gives hope to other families in similar situations. I am sure that, without J. M. Barrie’s generous and powerful donation of the rights of “Peter Pan” to Great Ormond Street, such work would not be possible.

The first time this Bill came before this House, I was rightly corrected by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) when I suggested that J. M. Barrie would have been cheering from the Gallery if he had been able to hear that his wishes are to be continued as a result of this Bill. My hon. Friend pointed out that the good author would have been ruled out of order for cheering from the Gallery, but I am sure he would have been cheering very quietly if he had been here today.

The Bill provides for some much-needed changes to legislation, and it will benefit NHS charities generally and Great Ormond Street hospital specifically. I commend it to the House.

1.42 pm

Kevin Foster: It is a delight to be called to speak in this Third Reading debate. I will keep my remarks relatively short, given the time.

It is a delight to speak again about the “Peter Pan” Bill promoted by Wendy. Although it is amusing to allude to “Peter Pan”, this debate is backed up by the serious work done by the charities affected. Securing the royalties for the future will ensure that one of the world’s best places for treating sick children—a place that does groundbreaking work and allows people who would otherwise not have survived to see their adult years, not to mention to have a full chance in life—will be able to continue. That is so important, which is why I am pleased to support the Bill.

The Bill also sends a powerful message about the independence of charities. The charities affected will not be seen as arm’s length parts of Government, but as independent organisations that offer something additional to what the NHS provides. I opposed a number of amendments because they were not in keeping with the Bill’s golden thread: the idea that NHS charities are independent organisations that add extra to the NHS, not arm’s length Government bodies trying to collect donations to do what many people feel the NHS should either be doing already or looking to be doing in the future.

I know from my experience of working with charities that work closely with the NHS—I touched on that earlier—that some of the fears associated with the independent status of the charities are false. Many charities work very well in collaboration with local authorities, the NHS and other public sector bodies to deliver services and make a difference in their communities. That is what this Bill will fundamentally allow such charities to do.

It has absolutely been worth while giving the Bill the level of scrutiny it has received today, given that the Committee was truncated by the Syria debate. It is important to send to the other place a very strong message about our support for the Bill, the fact that it makes sense to enact it, and the fact that it should not head off into the Neverland of endless debate, but should in due course receive Royal Assent.

The Bill is the right step to take with regard to monitoring NHS charities. It frees them from being part of the Government, but not from the overall provisions regulating charities, or from the overall duties of trustees under laws passed in Parliament. The charities will still have to follow those laws and are not free to do anything they want, but they can say to someone who is honestly thinking of making a donation, “We are not part of the Government or an arm’s length part of an NHS organisation; we are an independent charity that provides extra services to support the work of the NHS and the local hospital to which we are affiliated.” What the Torbay Hospital League of Friends does in my constituency should be done across the whole country.

It has been a pleasure to be in the Chamber today, and to speak on Third Reading. I hope that it will not be necessary to have a Division, but that the Bill will receive unanimous support from all parts of the House.

1.46 pm

Seema Kennedy: I pay tribute to my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) and commend her efforts in bringing the Bill to Third Reading.

Clauses 1 and 2 remove the Secretary of State’s power to appoint trustees to certain NHS bodies, which is only right and proper. Many charities predate the national health service, and even the hospitals and hospices that they now support. They are deeply rooted in their communities, and they receive strong and consistent support from the towns and villages they serve. It is therefore only right that local people, not the Secretary of State in Whitehall, should decide who sits as trustees.
The Bill responds to calls from charities about how they should be regulated. They have said that they want to grow and develop freely. We all know how different fundraising is from when we were growing up, in the days of jumble sales and potato pie—bring your own fork—suppers. Charities need to compete with others for people’s time, attention and, crucially, money, so they need to be nimble.

Clause 1 gives charities independence from the Government, which is important if they are to appeal to the widest possible range of donors. I am especially thinking of local health charities, such St Catherine’s Hospice Care and the Rosemere Cancer Foundation, which so ably serve my constituents in South Ribble. Independence from the Government can only enhance their reputations, and thereby their fundraising potential.

Clause 3 has given the Bill the name by which posterity will no doubt remember it—the Peter Pan and Wendy Bill. Many Members will remember the Disney version of the “Peter Pan” story, with comedy pirates and a flying fairy—Great Ormond Street hospital has benefited greatly from that retelling of the tale in its myriad merchandised and marketed forms—but anyone who saw the 2015 version of the film “Pan” will recognise a much darker side, with orphaned boys left to fend for themselves in a poorhouse by joining a gang. J. M. Barrie, who lived in Edinburgh and London in the late 19th and early 20th centuries, will have seen such boys around him every day. The story starts so sadly, but the conclusion is a happy one, with Peter and the lost boys adopted by the Darling family.

Barrie did not have children of his own, but was determined that, in real life as well as in fiction, the children of London and, indeed, of the whole of the UK, should have better lives. He had love, respect and, most importantly, hope for children. His great hope was that their lives be better than those of the lost boys. Such a hope lives on in the heart of every parent and in the heart of every child treated at Great Ormond Street hospital. The Bill will embed that hope for the future. With the Bill, we honour Barrie’s legacy today. I am delighted to support it on Third Reading.

I must declare a special interest as a former doctors’ receptionist in my constituency for more than 20 years. I witnessed several occasions when patients needed treatment that was not classed as a priority, but was naturally very important to them. This is where NHS charities can play, and have played, a vital role.

I also pay tribute to the Seafarers Hospital Society and commend the work it does. It was established about 200 years ago and still provides services to seafarers and fishermen, who “in St Thomas’s hospital, just across the Thames. It provides vital services for those very brave men who operate in very dangerous conditions.

We must not forget the wonderful work, which many Members have mentioned today, of the leagues of friends, which provide comfort and support to patients and their families, often at difficult times in their lives. Staff in my South East Cornwall constituency and across the country benefit considerably from their work.

I want briefly to mention the way in which the family of one of my constituents benefited directly from the amazing work of Great Ormond Street’s charitable fund. It meant that essential treatment was provided to their daughter at a critical time. I put on the record my thanks to Great Ormond Street Hospital Children’s Charity and to the hospital and its staff for their work at what was a very difficult time for that young lady and for improving her life so considerably.

There are some outstanding NHS charities in the south-west. Obviously, I could not sit down without mentioning the fantastic work of Cornwall Partnership NHS Financial Trust charitable fund and Plymouth Hospitals General Charity, which enables Plymouth Hospitals NHS Trust to improve services for patients, many of whom are my constituents.

To conclude, I warmly welcome the Bill and offer my support and congratulations to my hon. Friend the Member for Aldridge-Brownhills. Her vision and tenacity will help NHS charities to continue, thrive and evolve.
that they need those changes. The Charity Commission believes that dual regulation—being under both NHS and charity law—can make it difficult for NHS charities to achieve and demonstrate independence. That is why in 2014, following the public consultation, the Department announced its intention to allow NHS charities to move to independent charity status under charity law. Charities that decide to become independent are no longer NHS charities, but independent charities that appoint their own trustees.

The Department also made it clear in its response that, given the new freedom for NHS charities to become independent, the Secretary of State’s powers to appoint trustees were no longer necessary. The charities with trustees appointed by the Secretary of State need to decide whether to move to independence or revert to corporate trustee status before the powers are removed. Independence is not an option solely for NHS charities with trustees appointed by the Secretary of State. Many of the charities that we have discussed with corporate trustee arrangements are large enough to be able to consider independence as a viable option for the future. Corporate trustees should also actively consider whether independence is in the best interests of their beneficiaries.

The Department has indicated that the powers to appoint trustees will not be revoked before April 2018 to provide a period of grace for trustees appointed by the Secretary of State to determine the most appropriate legal form for their charity.

Should any NHS charity not have resolved its future by the time the powers are repealed, the Bill confers powers on the Secretary of State to make regulations to transfer charitable property from the trustees of an NHS trust or NHS foundation trust to the trust itself. There are strong grounds for believing that those powers will not need to be exercised. However, it is necessary to take such powers to ensure that all NHS charitable assets are appropriately protected and dealt with before the powers for the Secretary of State to appoint trustees are repealed.

The Government have listened to NHS charities and delivered what they asked for: the choice to become independent under the sole regulation of the Charity Commission or to remain NHS charities. Some of the largest and most successful have already taken the opportunity to become independent; others are preparing to follow in their wake. The vast majority of NHS charities with trustees appointed by the Secretary of State have indicated that they intend to become independent. All are actively considering the legal form that most favours their beneficiaries. It is therefore clear that the Government’s decision to repeal the Secretary of State’s powers to appoint trustees at the earliest legislative opportunity is right. The powers are no longer necessary and should therefore be removed from the statute book.

As we have heard from the measure’s promoter, the Bill will also secure Great Ormond Street Hospital Children’s Charity's rights in perpetuity to royalties from performances and publications of the play “Peter Pan”. The hospital has always relied on public support, even after the founding of the NHS in 1948. It is important that that can continue.

The mission of Great Ormond Street Hospital Children’s Charity is to raise money to enable the hospital to continue to provide the very best care for its young patients and their families and to do all the groundbreaking work that we have heard about in the debate. Great Ormond Street Hospital Children's Charity was eager to take the opportunity to become independent and it became partially independent on 1 April 2015. However, it was unable to complete its conversion to become an independent charity as the NHS charity had to remain in existence until the Copyright, Designs and Patents Act 1988 was amended, to avoid its statutory rights to “Peter Pan” royalties being lost. The Bill confers the rights to royalties from the play “Peter Pan” on the new independent charity for Great Ormond Street hospital.

The two parts of the Bill are very much related in that Great Ormond Street Hospital Children’s Charity needs to be able to complete its conversion to independent status without losing its rights to the “Peter Pan” royalties so that the Secretary of State’s powers to appoint trustees to NHS bodies may be repealed. The Government would not remove those powers until the charity no longer needed its Secretary of State-appointed trustees to receive royalties from “Peter Pan”.

The Bill is about completing the reform that NHS charities asked for. The Government have enabled NHS charities to become independent if they decide that that is in the best interests of their beneficiaries. Great Ormond Street hospital is one of the most cherished institutions in the NHS. The royalties from the play “Peter Pan” have been a hugely valuable source of funds for Great Ormond Street Hospital Children’s Charity in its support of the amazing work that we have heard about today. We want the charity to continue to receive those royalties in perpetuity, as J. M. Barrie would have wished. The Bill will secure the charity's rights to the royalties from the play “Peter Pan”, enabling it to complete its conversion to an independent charity.

My hon. Friend the Member for Aldridge-Brownhills has shown, in steering the Bill so ably through the House, what we all know from our childhoods: Peter Pan and Wendy make a great team.

*Question put and agreed to.*

*Bill accordingly read the Third time and passed.*
Local Area Referendum (Disposal of School Playing Fields) Bill
Second Reading

1.59 pm

Tom Pursglove (Corby) (Con): I beg to move, That the Bill be now read a Second time.

On 29 June 2015 when I first introduced this Bill, we were coming up to our great British summer. It is a time when we see increased use of our open spaces for sports such as tennis and—more importantly, in my view—cricket, as well as walking and other activities. The Bill’s Second Reading comes at the start of the new year, when everyone has probably eaten a little too much over Christmas and is motivated to kick the year off by exercising, or perhaps by joining a new club or team—organisations that take pride in using local pitches and playing field facilities. Dare I mention last year’s rugby world cup? Although England did not make the final rounds, many young people were captivated, and the players of tomorrow are now halfway through the rugby union season.

School playing fields are a vital part of local life, and in many cases they bring together communities through their use by local sports teams, as well as by school pupils at breaks, lunchtimes and PE lessons. The Bill will give residents a real say over the future of their local recreational ground—something that currently is explicitly limited to a local authority decision.

Craig Whittaker (Calder Valley) (Con): I am sure that we all have a degree of sympathy with the aim of this Bill. My hon. Friend just said that such matters are down to the local authority, but that is not quite the case. There is already a rigorous process, and a whole raft of protocols, hoops and public consultation to go through before the Secretary of State gives their consent for a disposal. In the light of those already strict criteria, does my hon. Friend think that this Bill is a little like overkill?

Tom Pursglove: My hon. Friend and I agree on many things but not on that point. The facts speak for themselves. Between 2001 and 2010, there were 242 disposals of school playing field land, and there have been 103 since 2010. I have great confidence in communities making decisions that are right for their area. For example, neighbourhood planning has been a positive step forward because it has allowed local people to determine the vision for their area. There is a lack of confidence in the way that the system currently works, and particularly in the mechanisms that work through the Department for Education, and as I said, a number of playing fields have been disposed of. Ultimately, once those spaces are gone they are gone for good, and I will return to that point later in my remarks.

Mr Peter Bone (Wellingborough) (Con): I am grateful to my hon. Friend for giving way, and he and I share the same county council. I am rather surprised by the attitude of my hon. Friend the Member for Calder Valley (Craig Whittaker), because he is speaking against Government policy. The Government are absolutely in favour of localism and in letting local people decide.

I am not sure his remarks were very career-enhancing, and I want to support the Government and get this Bill on the statute book.

Tom Pursglove: I always appreciate the support of my hon. Friend and neighbour on these matters.

In late November 2013, Public Health England launched the “Healthy People Healthy Places” programme, which aims to help improve health and wellbeing through better planning and design, and to reduce the impact of poor physical and natural environments. The priorities include incorporating physical activity, such as brisk walking and cycling, into everyday life and creating an environment where people actively choose to be mobile as part of their routine. That can have a significant effect on public health, by reducing inequalities in personal health.

The National Institute for Health and Care Excellence—it is shame that the Health Minister is no longer in her place—estimates that physical inactivity costs the national economy £8.2 billion a year, which is a significant sum. It is therefore ironic that although successive Governments have promoted the importance of healthy living and the role that sport and walking play in that, there has been a dwindling amount of open space in which to get out and get active, and an increasing number of playing fields have been sold.

Clearly, open spaces such as school playing fields are key to getting people active, and as many people as possible should have access to this land. Indeed, there are many excellent examples all over the country where schools open their doors and their grounds for use by the community, both out of term-time and out of school hours. In too many cases, however, the land is being sold off by public bodies for development purposes.

John Glen (Salisbury) (Con): My hon. Friend is making an interesting case, but does he not agree that the provisions in the National Planning Policy Framework mean that no school is able to get rid of any playing fields unless a suitable replacement is found elsewhere and there will not be a net loss of playing field provision to that school?

Tom Pursglove: I will make some progress, but I will come on to the specific issue of replacement later on in my remarks.

At the moment, the Government are being very bold in their commitment to additional housebuilding and the right to buy. Indeed, as the Minister knows, in Northamptonshire—not only in the county, but in my constituency—we are at the forefront when it comes to building new homes. In fact, Corby is the fastest-growing town in the whole country, a clear sign of our strong and stable economy built under a Conservative Government and evidence of the fact that our area has been quite ambitious in grappling with the Government’s agenda and in trying to support housebuilding where we can. I am, however, a very firm believer—in all the time I spent in local government prior to entering this House, I continued to stress this point—that alongside housebuilding there must always be the infrastructure in place to support it. By selling off school playing fields, not only do we lose the space for schools to expand—Education Ministers openly acknowledge the fact that we have far too many landlocked schools, and
this is a particular concern to my constituents in Oundle—but with housing growth we inevitably need more open space and greater pitch provision to meet growing local need.

Clearly, land for housing should be chosen carefully and not at the expense of land that exists to serve the local community. As such, the Bill comes at a good time to help to safeguard school playing field land. On a number of occasions since my election in May 2015, I have referenced a local case where Northamptonshire County Council has been working towards selling off part of the playing field at the site of Oundle Primary School. This has been met with huge opposition not only from local residents but from Oundle Town Council and East Northamptonshire Council. Unfortunately, this work is still ongoing, but luckily the local campaign against it continues to sustain its momentum. Indeed, the petition has now received over 4,000 signatories and is still growing—bear in mind that this is a town of 4,500 people. This point comes back to an earlier intervention: there is such overwhelming support for the playing field land not to be sold that it is wrong to ignore that fact through the statutory processes that exist.

I am led to believe that the case will go before the Secretary of State for Education to decide whether this playing field can be sold off. I am in the process of drafting my very strongly worded submission against the sale and I hope the Secretary of State will take it, and the monumental scope of the local campaign, into account when reaching her decision. The playing field continues to be well used by Oundle Primary School. Over the years, many sports clubs have used the land to fulfil weekend fixtures, and weekend and week-night training opportunities for adults and young people. The land will continue to be well used by the local community, as long as it is retained for that particular purpose. There is a real lack of sports provision, pitches and green open space in Oundle for people to get out there and get active. In Northamptonshire, we are already plagued by a situation in which far too many sports teams have to go out of county to fulfil home fixtures. That is very, very wrong. They should be able to play their home games in the vicinity of where they come from.

Craig Whittaker: I think there is a bit of confusion here. Prior to 2010, of course, the process my hon. Friend talks about was in place. Since 2010, however, the rules on the disposal of playing fields have been changed. The Secretary of State makes the final decision. He or she will take into account the statutory six-week consultation, four of which have to be in term-time. They will take into account local people’s views and they will say yes to disposing of them only if the sporting needs, not just of the particular school but neighbouring schools, are taken into account.

Tom Pursglove: That is a welcome step forward, but I maintain that it does not go far enough. How can it be right that 4,000 residents in a town could be ignored in the system? We have a referendum if council tax is put up above a certain level. I think it makes sense to have a referendum if local people are getting out there, getting motivated and running a well-organised campaign. That should be acknowledged, but I will come back to the detail later.

It is important that I say a huge thank you to Julie Grove and the Oundle recreation and green spaces committee for their efforts in support of the Oundle campaign and to the recently started campaign through the same auspices, to save Fletton field, which is a hot topic locally. The committee is not only continuing the fight to save Oundle Primary School’s playing field, but turning its attention to Fletton field, which is a community field for which Oundle Town Council has recently submitted an application for village green status. Around the same time, Northamptonshire County Council submitted an application to build 13 houses, with no prior consultation with the community, despite its being a well-used piece of land.

My Bill seeks to improve the consultation with communities when land is up for sale or when that is being considered by a local authority. Presumably, the county council is attempting to attract the best value for this land, which planning permission would help it to achieve, but in doing so it has shown no regard for the village green application. I find that unacceptable. How can it be right that the wishes of the local community can be ridden roughshod over and the land sold against its wishes?

I turn now to another part of my constituency. I was pleased when, at the end of last year, Kings Cliffe Active, a sports and recreation complex set on a 12-acre site in the village of Kings Cliffe, secured a grant of £74,000 from Sport England. The grant will go towards building and maintaining new tennis and netball courts.

The case of Kings Cliffe Active demonstrates that grants and support are available for sports provision and that the demand is clearly there, and I was delighted to visit this fantastic sporting facility to discuss its plan just prior to Christmas.

On a national level, I have spoken to many supportive right. hon. and hon. Members from across the House about similar issues in their constituencies. In fact, if one googles “MPs and playing fields”, one will find that many colleagues have championed local cases such as the one I am helping with in Oundle. The evidence is there and plain to see. I have also been contacted by an astounding number of local associations, sports clubs, charities and other organisations wanting to share their experiences and express their support for the Bill. In particular, I would like to thank Meryl Smith, the secretary of the National Playing Fields Association, for her continued help and support.

Interestingly, a national petition has also been set up in support of the Bill asking the Government to do almost exactly the same thing as the Bill seeks to do. This further demonstrates the strength of feeling not just in my area, but across the country. I thank James Allen Hardaker for his work setting up the petition.

I turn to the crux of the Bill. It seeks to build on the localism agenda and the Government’s excellent measures around protecting assets of community value. It would enshrine it in the law that should a public body wish to sell off school playing fields, it must go through a statutory consultation. One of the biggest complaints is that consultation on these sales nationally has been shockingly woeful. I propose, therefore, that a verifiable percentage of electors in any ward who are specially and directly affected sign a petition, it would trigger a local referendum, the result of which would be
binding for up to 10 years. Essentially, this would provide a genuine localist lock and ensure that the strength of local feeling is reflected in the decision taken.

John Glen: Does my hon. Friend concede that in some communities across the community an important case could be made for increasing provision in a school area and moving additional provision elsewhere and that this might be popular in terms of the school’s development, but that it could come up against opposition from people familiar with that space near the school? Is there not a risk of allowing vexatious and bureaucratic processes to enter into the system, when the National Planning Policy Framework already contains safeguards?

Tom Pursglove: I thank my hon. Friend for that contribution, which raises an important point—one that I intended to reach in a few seconds’ time. He has pre-empted what I was about to say. Clearly, there are concerns about that, which I shall address as part of my remarks.

At the moment, I believe that the provisions on neighbourhood planning in the National Planning Policy Framework are not yet tested and tried sufficiently to know for sure that they are watertight in respect of these issues. As I say, where such an overwhelming strength of local feeling can be demonstrated, local people should ultimately have a right of veto.

In other words, the Bill is designed to prevent a situation in which the 4,000 people in Oundle or electors anywhere in the country can be ignored in the way that they have been in the past. In short, this is about a community right to veto any proposal to sell a playing field where the local community feels strongly that doing so is not in the best interests of the area.

Kevin Foster (Torbay) (Con): My hon. Friend is delivering a most interesting speech. Would this right of veto be absolute if, say, a piece of national infrastructure were planned and the school attached to the playing fields was going to be closed? Would a referendum still apply in those circumstances or apply only if it were intended that the school would continue?

Tom Pursglove: I thank my hon. Friend, who always asks very difficult questions. A number of particular regulations are specified in the Bill that would require the Department for Communities and Local Government to do some consultation work. We could get to the crux of that sort of issue in a Bill Committee. Ministers would need to look at the provisions in some detail to get the Bill right. I am not saying that I have all the answers already. I view the Bill as offering a broad outline of something that could be done to provide greater protection for school playing field land. As for the finer regulatory details that would need to play a part in this, it is important to take account of the various case studies up and down the country and ensure that the arrangements are right.

Let me return to the issue of provision elsewhere. The Bill does not seek to stop the selling of playing fields per se. It merely allows those who use these important green spaces to make the case for them to be kept, and to have a real say over the decision. If, of course, it can be demonstrated that the benefits from selling any such land, such as a new school being built with equal or upgraded facilities or alternative provision being provided elsewhere as a direct swap, there is nothing to fear.

I am aware of a local case where this happened. In Kibworth in Leicestershire, David Wilson Homes was very keen to build a new development on a piece of land that included the site of the cricket club. An agreement was reached between the local community, the cricket club and the builders, which meant that the existing cricket club land was built on, but it was replaced elsewhere, delivering not only a better pavilion facility but an extra cricket square. There was a demonstrable benefit to the local community from that taking place, and local people came in behind that and supported it. I would not view that differently for anywhere else in the country where better facilities or direct swaps are being proposed. What we are seeing in Oundle, however, is the taking away of land in an area where there is limited open space for people to get out and get active.

Mr Bone: My hon. Friend knows that I have had exactly that experience. I would be delighted to have my hon. Friend the Member for Torbay (Kevin Foster) on the Bill Committee. He would bring a great deal of expertise, knowledge and interest to proceedings.

I think I have now dealt with the particular point about making alternative provision elsewhere. The balance is about right when it comes to protecting existing playing fields, but if enhancements and improvements can be delivered elsewhere, this Bill does not, of course, stand in the way of that happening.

Let me draw my remarks to a conclusion. The Bill is about ensuring that local communities have a genuine say and a real opportunity to influence the future shaping of their areas. It builds on many actions taken by the Government of which I am very proud, such as neighbourhood planning and community rights to bid and buy. Those initiatives have proved successful throughout the country, but I think the Bill would take that success a step further, and would be greatly welcomed everywhere.

Today I have stressed the health benefits and the community value that are associated with accessible school playing field land, but I hope that the Bill will also bring an end to the ignoring by public bodies and local authorities of local grassroots campaigns in which residents fight hard to protect their local playing fields. The Minister may claim that the planning system and the Department for Education procedures provide specific protection for school playing fields, but I am afraid that, as I have said before, people out there in the country simply do not share that confidence, owing to both past and present experience.
The outcome of the Oundle case remains to be seen, but I shall be submitting the strongest possible objection. People will be very disappointed if the sale is allowed. As I have said, there is already a lack of space, and members of the community are keen to become involved in trying to protect that piece of land. I have no fond memories of playing cricket on the site of Oundle Primary School, but I still think that the site has an important role in our community, and I want the land to be protected for cricketers—and, indeed, sportsmen of all kind—in the years to come.

I also think that the Bill is consistent with the Prime Minister’s localism agenda. It would provide a localist lock, and would put local people truly in the driving seat for perhaps the first time. We really do have a duty to protect school playing fields for future generations, and I commend the Bill to the House.

Dr Roberta Blackman-Woods (City of Durham) (Lab): I have some sympathy with the case presented by the hon. Member for Corby (Tom Pursglove). I think that Members on both sides of the House recognise the importance of school playing fields to the development of fitness in our young people, and also to the wider community. We want both sportsmen and sportswomen to benefit.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Given that the hon. Lady is now championing these sports fields, does she regret the fact that, according to research conducted by Fields in Trust, more than 2,500 were sold between 1997 and 2005? That is more than 26 sites per month.

Dr Blackman-Woods: I was just coming to that point. In 2004, the Labour Government introduced new measures to protect our school playing fields, and to ensure that such land was subject to a decision by the Secretary of State. The revised guidance contained a general presumption against the need to sell, dispose of or change the use of playing fields. It also maintained the existing presumptions that only sports pitches that were surplus to the needs of local schools and their communities should be sold, and all proceeds should be reinvested in the improvement of local sports facilities.

Furthermore, planning policy guidance note 17 sought to strengthen the protection of school playing fields through the planning system, and explained how such sites could be renewed, upgraded and extended to serve the needs of the whole community through dual use of facilities. I am sure that the hon. Gentleman will be delighted to know that, in 2012, the national planning policy framework updated some of the policy in PPG note 17, although not in quite as much detail as the hon. Member for Corby might like. The 2004 guidance was updated in May 2015, again to continue the protections that were already in place for school playing fields.

The Bill seeks to balance the power that rests with the Secretary of State with a greater say for the local community, and, as I have said, we strongly approve of that. However, it also provides for public consultation, a petition, and, if the threshold is met, a possible referendum. I think we should be given more detail about which members of the public will be consulted over what area, about who will pay for that, and about who will pay for the referendum if one is triggered. As we all know, local authorities, particularly in our more disadvantaged areas, are struggling because of Government cuts, and the Bill will obviously add to their responsibilities.

I wonder whether the hon. Member for Corby has concluded that the assets of community value provisions and neighbourhood planning are not quite up to the task of requiring greater consultation before there is a disposal of playing fields. They are clearly not adequate, or else he would not have to introduce this Bill. I also wonder whether he has looked at the provisions in the Housing and Planning Bill, under which, if a playing field is designated as brownfield, it could simply have permission in principle given to it, and it could be given planning permission for the development of housing without going through any process.

We very much agree with the sentiment behind the Bill. We would like to see greater community consultation before disposal is made, but some questions need to be asked.

Mr Bone: The Minister says that the Secretary of State will make a decision. Is he honestly saying that Secretaries of State will look at all these planning applications and make a decision—or is it bumped off to an official?

Mr Jones: I can reassure my hon. Friend. Friend the Member for Corby (Tom Pursglove) on securing this private Member’s Bill. I am afraid that while his aims at first glance seem laudable, for the reasons I am going to explain, the Government are not able to support this Bill.

School playing fields are important both as spaces for healthy exercise and as valuable community assets. That is why under existing legislation any local authority or school seeking to dispose of publicly funded school land must seek the Secretary of State for Education’s consent before doing so. The Government maintain particularly strict controls around the disposal of school playing field land. In addition, where a local authority is considering disposal of such an asset, the decision should be taken in an accountable and transparent manner.

Mr Bone: The Minister says that the Secretary of State will make a decision. Is he honestly saying that Secretaries of State will look at all these planning applications and make a decision—or is it bumped off to an official?
[Mr Marcus Jones]

an important contribution to the health and wellbeing of communities. The framework provides guidance for planning authorities in preparation of their local plans. It is also a material consideration in the determination of planning applications for individual development proposals. It states that planning policy should be based on robust and up-to-date assessments of needs for open space, sports and recreation facilities, and opportunities for new provision:

“Existing open space, sports and recreational buildings and land, including playing fields, should not be built on unless: an assessment has been undertaken which has clearly shown the open space, buildings or land to be surplus to requirements; or the loss resulting from the proposed development would be replaced by equivalent or better provision in terms of quantity and quality in a suitable location; or the development is for alternative sports and recreational provision, the needs for which clearly outweigh the loss.”

Existing open space sports and recreational buildings and land, including playing fields, should not be built on unless an assessment has been undertaken which has clearly shown that the open space, building and land is surplus to requirements; unless the loss resulting from the proposed development would be replaced by equivalent, or better, provision, in terms of quality or quantity, in a suitable location; or unless the development is for alternative sports and recreational provision, the needs for which clearly outweigh the loss. The importance of a robust evidence base is crucial to good planning and the achievement of sustainable development. We recognise the importance of open spaces, including playing fields, to communities—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Friday 11 March.

Business without Debate

RAILWAYS BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

WORKING TIME DIRECTIVE (LIMITATION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

PERSONAL, SOCIAL, HEALTH AND ECONOMIC EDUCATION (STATUTORY REQUIREMENT) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

DEPARTMENT OF ENERGY AND CLIMATE CHANGE (ABOLITION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

CROWN TENANCIES BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 29 January.

BENEFIT SANCTIONS REGIME (ENTITLEMENT TO AUTOMATIC HARDSHIP PAYMENTS) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

NEGLIGENCE AND DAMAGES BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

NO FAULT DIVORCE BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

MARRIAGE AND CIVIL PARTNERSHIP REGISTRATION (MOTHERS’ NAMES) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 5 February.

HOUSE OF COMMONS (ADMINISTRATION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 29 January.

MARRIAGE REGISTRATION BILL

Motion made, That the Bill be now read a Second time.
Hon. Members: Object.

Bill to be read a Second time on Friday 5 February.

HOUSE OF COMMONS MEMBERS’ FUND BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 29 January.

ACCESSIBLE SPORTS GROUNDS BILL

[LODRS]

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 March.

Free School Funding (Sixth Forms)

Motion made, and Question proposed, That this House do now adjourn.—(Guy Opperman.)

2.33 pm

Mike Freer (Finchley and Golders Green) (Con): Free schools are a notable achievement of the last Government and, of course, of this Government. My constituency has embraced the free school concept and we have many excellent examples. The Archer Academy is one of them: a free school providing inclusive education for secondary-age children in N2 and the surrounding communities of N3 and NW11. It opened in September 2013 after a long and persuasive campaign by local parents. It has been over-subscribed since day one, and currently has 452 students on the roll, across years 7, 8 and 9. In the most recent round, it received 915 applications for the 150 places available from September 2016.

The children come from diverse socioeconomic backgrounds but enjoy an ambitious and stretching curriculum, with an extended day enabling all to participate in creative, sporting and character-building activities. The success of the school was underlined by Ofsted, which recognised behaviour and safety as “outstanding” and gave the whole school a grade of “good.” Children at the school are making outstanding progress, and senior leaders estimate that 80% to 92% are on course to achieve A* to C grades at GCSE, or the equivalent, including in English and maths, when the first cohort takes those exams in summer 2017. Those high levels of achievement are a result of the relentless ambition and outstanding teaching being provided by the staff team. That is all the more remarkable given the mixed intake of children from a variety of backgrounds, many of whom face significant barriers to success as a result of deprivation, family breakdown and language challenges. It truly is a mixed London school.

When the founders applied to the Department for Education to establish the school, they evidenced the clear demand to provide much-needed spaces in the London borough of Barnet, given its acknowledged shortfall. The school was approved in July 2012 to serve 11 to 16-year-olds, and it opened to students in September 2013 on one site while a second site was acquired and works were completed in time for its opening in September 2015. The applicants made it clear in their original application that their aim was to provide sixth-form provision in time for the initial cohort, but they understandably focused initial efforts on developing the immediate key stage 3 and 4 phases. In the next academic year, the school will operate a lower and upper school using both sites. Barnet is one of the most popular boroughs for development, and one of the fastest-growing London boroughs in terms of population. Land restrictions in Barnet are the reason behind the need to operate across two sites and they contribute to the complications as the school seeks to offer a sixth form. Given the requirement from the Government for all children to remain in education to 18, the school is encountering significant pressure to meet need.

With the first cohort of children commencing their GCSEs, attention is turning to the post-16 offering, how to meet the needs of the pioneer cohort, and the continued demands of the local area. Discussions about options for expanding to include a sixth form started with the Education Funding Agency in 2015.
Barnet remains a net exporter of sixth-form age students. That highlights the continuing shortage of provision in the borough. Students have to travel some distance to get a sixth-form education. Provision is an issue most acutely felt in the south of the borough, where the Archer Academy is sited. Most of my constituency suffers an acute shortage of places and will continue to do so unless we can allow good free schools to expand. The local authority’s school place planning process recognises the shortfall across all ages, and its most recent strategic planning documents stated:

“The primary pressure will feed through to the secondary phase in the next few years and there is projected to be a significant shortfall in secondary school places by the end of the decade and beyond.”

The shortage is projected to continue through to 2029-30. All this is set against a growing population in Barnet, and in Finchley in particular.

Let us turn to the process of approval for a sixth form and the funding sources available. In theory, the decision to approve the extension of provision rests with the regional schools commissioner, with whom I am in touch, as is the school. I have arranged for him to visit the school next month. However, his power to approve such a change is hampered by the specific problems arising from current funding provision, and the barriers that the process puts in place for schools where there is a shortage of sites. While schools out of London may be able to expand their offer to include a sixth form by expanding their premises or re-profiling existing space, the pressures on the Archer Academy mean that a new site is the only way forward. It is the only way that children can continue their now compulsory post-16 education at a through-11-to-18 school.

Current funding is provided through the condition improvement fund, a competitive fund capped at £4 million. Try buying a site for a new school in Finchley for £4 million. That would be a struggle and it would take up the whole fund. The fund’s guidelines prioritise essential works, such as major repairs to boilers and roofs, from among all the applications received from schools across England.

Clearly, the provision of a sixth form is essential to enable the pupils of the Archer Academy to meet their need, but the competitive nature of CIF makes it inappropriate for funding such essential provision. The cap of £4 million means that schools in areas such as Finchley, and especially in London, which require capital investment to acquire sites and develop and build new provision are effectively barred, as the cost of land and the low availability of sites make such expansion virtually impossible. Furthermore, the guidance from CIF recognises its limited role as a route for sixth-form expansion. Its own document states:

“The core priority for CIF is condition: keeping academy and sixth-form college buildings safe and in good working order... Most CIF funding aims to address issues with significant consequences that revenue or Devolved Formula Capital (DFC) funding cannot meet.”

A second priority for CIF is expansion, providing a smaller proportion of CIF funding to support high-performing academies and sixth-form colleges that need to expand their facilities or floor space to increase the number of admissions in the main year of entry, or to address overcrowding. The CIF priorities do not specifically mention allowing existing cohorts to have an 11-to-18 education in one school. In 2015-16 CIF was four times over-subscribed. It is expected that over-subscription will continue in the coming financial year. Only applications that demonstrate a high project need aligning with those priorities are likely to be considered, let alone successful.

The guidance states that applicants preparing expansion projects should consider the alternative option of setting up a free school. I cannot believe that such a flagship policy that is working so well would say to successful schools, “The only way you can expand is by setting up another free school to meet that sixth-form need.” That cannot have been the Government’s original intention in supporting parents and meeting local demand by opening parent-led schools. Anybody who has tried to support parents through the process of opening a free school knows that it is cumbersome, lengthy and stressful for all involved.

Once again, this process of opening a new school or seeking to access CIF is not suitable for schools in densely populated areas where there are land shortages, and where the cost of that land is exorbitant. Also, forcing free schools to open an additional school to meet that need will deprive that school of any economies that arise from running schools on one site. Suggesting that the Archer Academy should run on three sites is nonsense. It would only create a less financially secure profile than is necessary or desirable. In the case of the Archer Academy, the need to address the issue is pressing. In two years’ time, 150 children will complete their GCSEs without an obvious and appropriate sixth-form offer—and there will be a further 150 in each year after that. Clearly, although the need and demand for such provision exists, the funding structure is weighted against those in London and densely populated areas. The current funding options will penalise a successful and thriving school.

I will finish by touching on the local area-based reviews. These are perfectly laudable in terms of trying to ensure that the DFE has the right capacity to meet the needs of students and employers in each area—capacity provided by institutions that are financially stable and able to deliver high-quality provision. The reviews are ongoing and establish a long-term picture. However, this approach will not deliver for Barnet and for Archer Academy in time. It will not allow the academy to meet the pressing need of the existing cohort, who need to start their A-levels in September 2018 and are looking to make their decisions on their sixth-form placements in the imminent future. For those reasons, it is urgent that we are able to secure clear guidance as to how funding can be made available, recognising the particular circumstances of this thriving free school.

I ask my hon. Friend the Minister to explore how funds in the existing financial settlement for free schools can support the expansion of good free schools, and to say whether he or a colleague will meet me and the chair of governors to look at what urgent support the Department can provide.

2.46 pm

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): I congratulate my hon. Friend the Member for Finchley and Golders Green (Mike Freer)
on securing this debate. He raises a very important issue surrounding the ability of good free schools to expand the educational provision they offer. I assure him that this Government fully support good free schools expanding, but we must make sure that such decisions are based on a rigorous and evidence-based process to ensure that the school will remain educationally and financially viable.

The Government have a manifesto commitment to create at least 500 free schools by 2020, creating 270,000 school places. We have revised the application process for new schools to encourage more applications from good and outstanding schools, and high-performing trusts and sponsors. We are encouraging businesses, charities, cultural and sporting bodies, community groups and parents to enter the free schools programme. As announced in the spending review, the Government are investing a further £23 billion in school buildings up to 2021. This comes after we changed the rules to make it easier for good schools to expand.

We are opening free schools quicker, and at a lower cost, than in previous school-building programmes. We have opened over 350 free schools, university technical colleges and studio schools since 2010, creating over 190,000 school places. We have opened 69 free schools since the 2015 general election, and have over 150 free schools aiming to open in 2016 and beyond, creating 100,000 places. I am pleased to say that almost half of free schools have been opened in the most deprived communities in our country. The vast majority of those approved in recent years have been in areas where there was a recognised need for additional school places.

As my hon. Friend is aware, the Government want every parent to have access to a good school place for their child. This means that all new places need to be of good quality. The Department therefore expects that proposals for new sixth forms should usually be put forward only by good or outstanding schools. The current guidance from the Department sets out the process that existing academies have to follow in order to add a sixth form. This starts with a local consultation process to ensure that all those affected are able to comment. A business case on the proposal is then made to the Department. The relevant regional schools commissioner will consider the case and make a decision on behalf of the Secretary of State. As part of this business case, the academy will need to show that it has funding in place for the expansion.

As my hon. Friend said, free schools, like academies and sixth-form colleges, are eligible to apply to the Department for the condition improvement fund for additional capital funding to support expansion. The core priority of the fund is to keep academy, free school and college buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency and health and safety issues. A smaller proportion of the fund is available to support the expansion of good or outstanding free schools, academies and sixth-form colleges. That includes cases of overcrowding as well as sixth-form expansions.

The 2015-16 allocations for the condition improvement fund provided funding for 1,482 projects across 1,170 academies and sixth-form colleges at a total of £421 million. All applications were considered against rigorous criteria and prioritised to ensure that projects with the greatest need were successful.

Once a new sixth form has been agreed, day-to-day funding for pupils is based on the national 16-to-19 funding formula. All institutions providing education for 16 to 19-year-olds are funded on the same basis, whether they are academies, free schools, maintained schools or sixth-form colleges.

We announced as part of the spending review that we will protect the national base rate of £4,000 per student for the duration of the Parliament. I am sure that my hon. Friend will welcome the stability that that will bring to the sector and the vote of confidence it represents in 16-to-19 education. Within that formula, funding for existing sixth forms is based on lagged student numbers—that is to say, the funding in one year reflects the number of students recruited in the previous year. That would clearly not work for new sixth forms, so in those cases funding in the first year is often based on a third of the capacity of the sixth form. However, in some cases, particularly some free schools, funding is based on the school’s estimated numbers.

I understand my hon. Friend's frustration at the challenges faced by Archer Academy in securing funding to add a sixth form. Archer Academy is subject to the same robust processes as all other academies and free schools that wish to expand. The Government do not perceive that process to be holding back good free schools from expanding; rather, it ensures that there is a need for high-quality places within the local area, and ascertains whether the school would remain both financially and educationally viable if it did expand.

My hon. Friend raised two particular questions towards the end of his speech. First, I assure him that the condition improvement fund is under review, as occurs annually, and the proportion of the fund available for expansion is also being reviewed. The Government have consistently supported good schools expanding, as I have demonstrated, but the process needs to be rigorous and evidence-based and we will consider applications on a case-by-case basis.

Secondly, I and my departmental colleagues and officials regularly meet headteachers and governors, and take great pride in doing so. I would very much like to meet my hon. Friend, headteachers and governors to discuss the specific issues in his constituency and those relating to Archer Academy.

I am grateful to my hon. Friend for raising this important issue. I hope he is happy with the confirmation that the Government fully support the expansion of successful free schools such as Archer Academy, which I look forward to seeing go from strength to strength.

Question put and agreed to.

2.53 pm

House adjourned.
Mr Philip Hollobone (Kettering) (Con): I beg to move,

That this House has considered renegotiation of UK membership of the EU.

May I say at the outset, Mr Percy, how delighted I am to see you in the Chair and what a pleasure it is to serve under your chairmanship? I can think of no one more suited to the role. What an excellent way to start the parliamentary year.

I thank Mr Speaker for granting me permission to have this debate and I thank the Prime Minister for his commitment to delivering an in/out referendum as part of the Conservative party manifesto. Let us not forget that if the Conservatives had not won last year’s general election, the Labour party, the Scottish National party and the Liberal Democrats would have denied us the referendum that the British people want to hold. There is a lot of speaking talent in the Chamber this morning, so I shall keep my remarks shorter than I would otherwise, because most hon. Members here know far more about this subject and are far more eloquent than I.

To keep things simple, the referendum question that we will face, either this year or next, is whether to remain in or leave the European Union. Repeated polls show basically the same pattern. About a third of people want to remain and about a third of us want to leave, whatever happens. In between, about a quarter to a third are uncomfortable with Britain’s present relationship with the European Union or are worried about the future, but they are also concerned that if we leave the EU, there might be bad consequences for their jobs or living standards. The lazy assumption of the establishment, the BBC and the CBI is that the UK will vote to remain.

I am privileged to represent the constituency of Kettering, which has the privilege of being the most average town in the whole country. I like to describe Kettering as middle England at its best. The people in Kettering will want clear explanations from both sides as to which way they will vote. It is true, I am sure we all agree, that people are wary of change, but a key point to get across is that whether we stay in the European Union or leave it, change will happen. My contention is that if we stay in, those changes will be bad for the United Kingdom, whereas if we leave, those changes will be good for the United Kingdom out of the charter of fundamental rights, which gives EU judges huge powers over us. We will not get a restoration of the UK’s right to make free trade deals under the World Trade Organisation. We are not going to get any reforms to the common agricultural policy or the common fisheries policy—I hope the SNP spokesmen are aware of that. We might get some changes to the common agricultural policy, but most EU migration targets has been the relative success of our economy. However, does he not also accept that it would be wrong simply to blame our membership of the EU for the fact that migration is at the highest levels ever? We have a huge amount of non-EU migration which comes in and, in many ways, we are all party to that; we all have constituents, particularly from the former Commonwealth countries, whom we represent when they want relatives to come to this country. It is that level which is unacceptably high and which has helped to ensure that our pledge to reduce the amount to tens of thousands has been fatally missed right the way through the last Parliament, and will be, I think, for many years to come.

Mr Hollobone: Yes, I think the two main factors behind the massive wave of immigration are, first, our membership of the European Union and the principle of free movement within it, and secondly, the Human
Rights Act 1998, both of which mean that we are effectively unable to control our borders. If we want to control our borders, however, leaving the EU is an absolute prerequisite. We now have the farcical situation in which an unskilled Romanian immigrant can come to this country without our being able to do anything about it at all, and they get a job perhaps as a cleaner, but a skilled migrant from India who has a degree in astrophysics will find it very difficult to come to this country. We are going to get a sensible immigration policy back only if we leave the EU and get rid of the Human Rights Act.

Tim Loughton (East Worthing and Shoreham) (Con): My hon. Friend is making a very good point, but there is another point to add. Take the example of Poland—there are something like 15 million Poles living outside Poland. It has one of the best education systems in Europe and yet it is exporting people to work in jobs well below their skill level in the UK and other countries like it. Is not the point that getting control of immigration is good for countries such as Poland, so that they can make sure that more of their people want to stay at home and contribute to their economies? This is about what is good not just for Britain, but for eastern Europe and other countries from which many people are coming to the UK.

Mr Hollobone: As always, my hon. Friend makes an extremely good point. I think we want to allow into this country Polish people who have the skills that our economy needs, and we do not need in this country Polish people who do not have the skills that we need. At the moment, because of our EU membership, we are unable to control that and that will have implications, as he rightly said, for the Polish economy as well as for ours.

Owen Thompson (Midlothian) (SNP): I am hearing a lot about immigration, but we are not talking in any sense about emigration and the almost equal number of people who have left the country to live and work across Europe, as opposed to those who have come in. I would argue that the situation is similar regarding the skill base of those going out, and that UK citizens are benefiting from the advantages of being part of Europe and being able to travel and work in such a way.

Mr Hollobone: If we left the European Union, having negotiated our exit, we could have arrangements under which we would allow into this country people from the EU whose skills we need and the EU would allow into the EU British people whose skills it needs. At the moment, without those controls, we have massive net immigration into this country. It may not be an issue in Scotland, but it is a big issue in middle England.

Daniel Kawczynski (Shrewsbury) (Con): My hon. Friend is making an extremely good speech. The media are focusing on benefits to EU workers and they are not sharing with our electorate some of the more important constitutional changes that the Prime Minister is trying to get agreement on. How does he assess the importance of the benefits issue for migrants among his constituents in comparison with constitutional changes they would like?

Mr Hollobone: My constituents are concerned about any migrant coming to this country and getting benefits to which they have not contributed, and that includes EU and non-EU citizens. The rules should be tightened and changed. For example, if a Polish person comes to live in this country and receives child benefit for his children back in Poland, that is clearly wrong and must change. The vast majority of EU migrants do not come to Britain for benefits. Some do, but the vast majority come here for work. It is important to change the rules, but in the scheme of things changes to the benefits system are not a massive issue.

Constitutional change is a big issue and would alter fundamentally our relationship with the European Union, but I am afraid that the Prime Minister will not deliver any fundamental constitutional reform. For both those reasons, it is likely that his constituents and mine will increasingly come to the conclusion that our future is better outside the European Union.

It has been suggested that the Prime Minister may be successful in getting the EU to drop a reference to “ever closer union” in the treaties. That would be great, but the principle of integration is embedded within all EU institutions and is a core principle of the European Court in all its judgments. Just tweaking the language will not change the institution’s philosophy or the Court’s practice. The European Commission has made it clear with the release of the infamous Five Presidents report and its proposals for a new EU army that if we stay in the European Union the prospects are for even more integration.

I am a committed outer, but many people in this country have yet to make up their mind. Among them is the British Chambers of Commerce, which wrote to the Prime Minister on 23 June 2015 setting out a very reasonable set of parameters for the negotiations. It stated:

“First…Britain must have absolute guarantees to protect our economic and other interests within the EU. Second, it is necessary to sort out the ‘common market’ so that it works for British business. The UK is by and large a service sector economy and yet there is no meaningful internal market in services within the EU…Third, we need a cast iron opt-out to make sure we do not stepwalk into an ‘ever closer union’. Fourth, we need to protect our businesses from the regulatory burdens imposed by the EU…we need a clear and balanced approach to immigration taking into account the need for stability and social cohesion and driven by the skills requirements of our economy, meaning businesses can access the talent they need.”

I contend that none of those five parameters will be met by the Prime Minister in his negotiations.

The second big point I want to make is that the UK is a big hitter in its own right. I am confident about the UK’s ability and future in the world. We are the fifth largest economy in the world. We are a member of the G7 and the G20, a permanent member of the UN Security Council and a member of NATO. If we left the EU, we would get back our seat at the World Trade Organisation. We are a member of the OECD, the International Monetary Fund, the World Bank, the Organisation for Security and Co-operation in Europe, the Council of Europe, Interpol and the Commonwealth. The idea that if we left the EU we would wither and die and have no international significance is absolute nonsense.

If there were a successful leave vote, the UK could negotiate a UK-EU deal based on free trade and friendly co-operation. That need not be acrimonious at all. The UK is the EU’s biggest trading partner.
Suggest that if we left the EU negotiating free trade deals with all the EU countries is proving impossible. I believe that the UK should be able to do so. Our membership of the European Union is not good news for the UK, as the world's fifth largest economy, would also be able to do so. Our membership of the European Union means that we are constitutionally unable to negotiate free trade deals of our own with other countries in the EU.

Many countries around the world already have free trade deals with the EU but do not have to accept the supremacy of EU law like we do and do not have to pay the EU a massive £10 billion and rising each year as a membership fee. If Chile, Peru and Colombia can negotiate successful free trade arrangements with the EU, surely the UK, as the world's fifth largest economy, would also be able to do so. Our membership of the European Union means that we are constitutionally unable to negotiate free trade deals of our own with other countries.

The EU has been in existence since 1957 and has yet to conclude a free trade arrangement with America or China because 28 countries are involved and getting them all to agree on every detail is proving impossible. I suggest that if we left the EU negotiating free trade agreements with the United States and China would be a top priority.

Daniel Kawczynski: My hon. Friend talks about an issue that is very close to my heart—British export strategy—and he referred to the United States of America. Does he believe that if we were outside the European Union we could use our special relationship with the Commonwealth—Canada has an agreement with the EU—to get preferential trading agreements with those countries that are more preferential than those that the European Union has?

Mr Hollobone: My hon. Friend is right. I think that many countries around the world that have been unable to negotiate a free trade arrangement with the EU would be all too keen to negotiate one with the world's fifth largest economy. We would have an appetite for doing exactly that were we to leave.

Mark Field: It strikes me that the one group that would be pleased if we left on that basis would be the new breed of civil servants that would be required in vast numbers to negotiate all those free trade deals across the globe. My hon. Friend alluded to the fact that one of the bigger concerns is not the economic issues in the European Union but political ones. Would he not at least recognise the risk—if we left the EU, given how calamitous that would be for the European Union as well as, in my view, not being good news for the United Kingdom—of retaliation, particularly in areas such as the City of London, an area that we both know well because we both worked there before coming here? For example, euro-denominated business would be largely out of Frankfurt and Paris instead of London. Retaliation would be a significant risk and the smooth path he has presented would not come into place.

Mr Hollobone: I am afraid that my right hon. Friend has been, as part of his constituency duties, spending too much time at too many big lunches in the City of London with the wrong crowd. I will give an example of what I am talking about. ICAP is the world's largest dealer broker for financial institutions. The chairman of ICAP, Michael Spencer, has said that the UK could "thrive" outside the European Union. We were told by my right hon. Friend's friends in the City of London that if we did not join the euro, all that euro-denominated business would go to Frankfurt, Paris and elsewhere. Actually, the City of London is today doing more euro-denominated deals than ever before in its history, so I do not take much notice of those scare stories, but I do suggest to my right hon. Friend that if his contacts want to continue to put out that sort of propaganda for our staying in the European Union, it demonstrates the weakness of their case. I do not want my constituents in Kettering, in middle England, to be unnecessarily scared by baseless scare stories from financial institutions that should know better.

Mr Steve Baker (Wycombe) (Con): I am always shocked and surprised by the argument about retaliation, because we are asked to believe that when the European Union project is about suppressing nationalism—the kind of economic and other political nationalisms that lead to war—yet we are also asked to believe that if we chose not to surrender our parliamentary democracy to that set of institutions, we would suffer exactly the kind of nationalisms and retaliation that the EU itself was set up to avoid. Can they make their minds up which way it is to be?

Mr Hollobone: My hon. Friend has hit the nail on the head.

Mark Field: I will not respond to that, but in the good-natured way in which we are having this discussion, I should perhaps point out that I have had many lunches in the City of London in the 14 or 15 years for which I have been the local MP, but my lunching activities go back a lot further, as my hon. Friend the Member for Kettering (Mr Hollobone) will know, because 30 years ago we began our political lives together as junior common room presidents in respective colleges and then as officers of the Oxford University Conservative Association. I have had lunch with him relentlessly over the last 30 years in the City and I do regard my hon. Friend as very much the right crowd, who I should be hanging around with, among many others whom I lunch with.

Mr Hollobone: I thank my right hon. Friend for that intervention.

The fact is that the EU is going in the wrong direction. As we know, it is planning a new treaty to save the eurozone from itself and to give the EU more control. In many respects, that is the right response for the eurozone countries to make, but it would be bad for the
United Kingdom. In truth, the EU cannot cope. In some parts of the EU, unemployment is already 25% and youth unemployment more than 50%—the worst situation since the 1930s. Debts are large and growing. Unfunded pension systems require large tax increases, immigration increases or both. Voting to remain would mean signing up to the new EU treaty currently being negotiated, which has been spelt out in the Five Presidents report. That will give the EU even more power over our economy and take our seat on key bodies such as the IMF. No new treaty has ever given powers back or saved us money.

My constituents in Kettering and people across the country will be increasingly alarmed to read the contents of the Five Presidents report, set out in July last year. Who are these pompous five Presidents? The first is Jean-Claude Juncker, the European Commission President. The second is Donald Tusk, the President of the Euro Summit. The third is Jeroen Dijsselbloem, President of the Eurogroup, whatever that is. The others are Mario Draghi, president of the European Central Bank, and Martin Schulz, President of the European Parliament. They do like to call themselves Presidents whenever they get the chance. Among their plans are a euro area Treasury and increasing control over Europe’s fiscal systems.

Graham Stringer (Blackley and Broughton) (Lab): I was not going to interrupt the hon. Gentleman, but if he consults the House of Commons Library, he will find out that there are seven European Presidents, but only five of them signed the document to which he is referring. That just shows what an absurdity this organisation is.

Mr Hollobone: The hon. Gentleman demonstrates that he is as well read as my hon. Friend the Member for Shipley (Philip Davies), and I am grateful for that—the situation is even worse than I had feared.

Daniel Kawczynski: My hon. Friend referred to Martin Schulz. Let me tell him that there is growing disquiet in certain smaller central and eastern European states about some of the language that Mr Schulz is starting to use in cajoling them on certain issues, particularly with regard to the crisis of immigrants from Syria. Will my hon. Friend join me in urging caution on this man in his interactions with sovereign nations along those lines?

Mr Hollobone: My hon. Friend needs to realise that these people are impervious to criticism, and the smaller nations in the EU need to wake up quick, because what few powers they retain are about to be taken away should these seven Presidents get their way. They aim to complete that, at the latest, by 2025. Apparently, we are already in the first phase—“Deepening by Doing”—and in spring 2017 there will be a white paper outlining the extent of their plans. To hold a referendum in this country on our membership before the spring of 2017 would be a big mistake, because it would be misleading the British people by not telling them now what is just around the corner. If we stay in the European Union, the future as outlined by these Presidents is that it will be very much in charge of Whitehall.

Our membership of the European Union is bad for us. It costs us each week a net £230 million. That is something like a quarter to a half of England’s schools budget. That money would be far better spent on reducing the national debt or on our NHS. Also, our influence in the EU is far less than it used to be. It is true that the Prime Minister has upped the UK’s game in opposing measures in the EU Council. For example, from 1996 to 2010, the UK voted against 32 measures in the EU Council; since 2010, the Prime Minister has tried to stop 40. However, we have lost all—each and every one—of those votes and we have only an 8% voting share.

Only 5% of UK businesses export to the EU, but 100% of UK businesses are subject to European rules. Four fifths of Britain’s economy has nothing to do with exports, but is in effect regulated by the European Union. We were told that being outside the eurozone meant that we would not be liable for propping up failing eurozone countries. That has proved not to be the case, with bail-out funds going from this country to Greece. Of course, if the global economy were a motorway, the European Union would be on the hard shoulder. The EU’s share of world trade was 40% in 1972, when we joined; it is set to be 20% by 2020. The accounts have not been signed off by European auditors since 1994. Of course, immigration is out of control, and that is set to get even worse. We can be sure that if Turkey, with a population of 85 million, were allowed into the European Union, the wave of immigration that we had from eastern Europe would be dwarfed by the wave of immigration from Turkey, and I predict that it would cause big social unrest in this country, but if we vote to stay in the European Union, there will in effect be nothing we can do to stop that.

Increasingly—we have already had a taste of this during the debate today—many bogus arguments will be made as to why it would be dangerous for Britain to leave the European Union. We have been told that we would lose 3 million jobs if we left the European Union. I would like my right hon. Friend the Minister to confirm today that that age-old claim is completely false and that 3 million UK jobs are not dependent on our membership of the European Union. It demonstrates the weakness of the case of those who want us to stay in that those scare stories are being put around. Of course, many people told us that we would be disadvantaged if we did not join the exchange rate mechanism and the euro. In fact, Britain has been far better served by coming out of the ERM and by not joining the euro. We currently have the biggest amount of foreign direct investment of any country in the European Union.

I will conclude shortly, because I want other hon. Members to contribute to the debate, but it comes down to this: I am confident about Britain’s future. We are the fifth largest economy in the world. We are a member of many prominent international organisations. Our influence in the world would increase if we were to take back our seat at the World Trade Organisation. It is time for the UK to come off the global hard shoulder and go back to doing what we always did best—being a trading nation around the world. If we remain in the European Union, we will have access to its single market, as we do now, but we will have to pay at least £10 billion a year net as our membership fee; EU judges will have supremacy over UK law; and we will have to submit to the free
movement of people, with no control over immigration. If we vote to leave, we will still be able to negotiate access to the single market through a free-trade arrangement with the EU, but we will not have to pay the membership fee; we will get back control over own laws; and, at long last, we will be able to control immigration, which is what constituents in Kettering and, I suggest, across the country want to see.

Several hon. Members rose—

Andrew Percy (in the Chair): Order. I do not propose to impose a time limit, but Members can see how many people are standing. I ask them to bear in mind the fact that, to get everybody in, speeches will have to be about four minutes in length.

10.1 am

Graham Stringer (Blackley and Broughton) (Lab): This country would be more prosperous, have more influence in world affairs and be able to take control of its own affairs as a sovereign Parliament once again if we left the European Union. I congratulate the hon. Member for Kettering (Mr Hollobone) on securing this debate so that we can explore the arguments that demonstrate the truth of those three desirable objectives.

First, we would be more prosperous if we left the European Union. At the moment, we are tied to the European Union, of which all but two countries are in, or have signed up to join, the euro. Quite frankly, the European Union is an economic basket case partly because of the euro. Many of the people who argue that we should stay in the European Union wanted us to join that terrible currency.

Secondly, we would have more influence in the world if we left the European Union. At the moment, the EU represents us at a number of world bodies, the most obvious being the World Trade Organisation, and negotiation between the 28 countries of the European Union dilutes any influence that we have. If we represented ourselves, we would have more influence.

Finally and self-evidently, I believe in parliamentary democracy and the fundamental principle that the people who make the laws should be subject to the electorate. In the words of the old phrase from American presidential elections in the 19th century, the people should be able to “throw the rascals out”. If we cannot do that, we do not have a democracy, and we cannot do that to the people who influence, propose and produce the laws in the EU.

Given the hon. Members who are present, one might think that only Conservative Members oppose our continuing membership of the European Union, but that is simply not true. Although a majority of Labour MPs are in favour of staying in the European Union, many Labour party members, perhaps a majority of Labour supporters, and ex-Labour supporters—people who have stopped supporting the party because of its position on the European Union—understand that we would be better off out of the European Union. There is clearly a left-of-centre view, in favour of democracy and control of our own rules, that we should leave the European Union. I have never understood, when there is a consensus across the Labour movement and the Labour party against extreme deflationary policies, why we would support the European Union when its policies of competitive deflation across eurozone countries are destroying its economy.

I start, in any debate on the EU, by looking at what is in the interests of my constituents. Their employment situation is threatened by more or less uncontrolled immigration. Unskilled workers are competing with people who have no history in this country, and they often fail to get employment. That is particularly true in areas where the legal jobs market overlaps with the illegal or black market, where many people hope to survive. Such people are increasingly at a disadvantage. As the hon. Member for Kettering has said, many skilled workers from Poland come over here and compete below their skill level, and that is not in the interests of my constituents. It is all right for Mr Rose to say that he can lead the in campaign, because he is financially okay and will be all right at the end of it, but that does not apply to my constituents, who are among the poorest people in the country.

I represent many constituents from parts of the Commonwealth, such as the Indian subcontinent and parts of Africa, which have a long history of helping and supporting this country, not least in the armed services. Why should it be more difficult for those people’s relatives to visit them, or to join them and find employment in this country when they have particular skills? As the hon. Member for Kettering has said, they find that very difficult, whereas people from Romania—I do not want to pick on Romania—or Croatia or Lithuania, which have very shallow links with this country, can simply walk in and out of the country. It is not often said, but it should be, that the EU’s immigration policies are explicitly racist, because it is usually Africans and people from the Indian subcontinent who are excluded from having a fair go at our employment market.

All the political parties recognise, and say explicitly, that the current operation of the EU is unsatisfactory, and therefore there needs to be renegotiation. The Labour party has a clear policy, which is at least consistent and honourable: whatever happens in the renegotiation, we will campaign to stay in. I will not; I will be on the other side of that debate, but the Labour party will do so. The Government’s position is much less honest. They say that there will be a fundamental renegotiation and treaty change to improve our situation. There is, however, no real negotiation taking place that will help my constituents and improve their economic situation.

I will run briefly—I am aware of the time—through four points. The first is the suggestion that we could have more parliamentary influence, because we could negotiate with other Parliaments and three, four or five Parliaments could give a red card to, or veto, decisions by the European Union. What an insult to parliamentary democracy it is to say that this Parliament has to negotiate with another Parliament before we can stop laws that might be against the interests of this country.

The second point is that there will be more competition, or that the competitive agenda will be increased. I was a Minister in 1999 when the then Prime Minister, Tony Blair, came back from Lisbon with a new competition agenda, which had zero influence. It was almost exactly the same as what is promised in these so-called negotiations.

The third point, which is at the core of where the future of the EU lies, is that this country needs protecting from being suppressed or oppressed by the majority of
countries that will be in the EU and that may take decisions that are not in this country’s interest. Whether there is treaty recognition of our separate interest or not, there is bound to be a different set of interests from countries that are in a monetary union and that will eventually move, inevitably, into a fiscal union and greater political union. There are bound to be huge risks for this country in that we will always be in a minority position in the EU. I do not believe there can be any protection against that.

The right hon. Member for Cities of London and Westminster (Mark Field) made a point about the risks if we leave the EU. Of course there are risks if we leave the EU; there is always risk in change. The question is where the balance of risk is. There is a much greater risk to the future of not only democracy, but the country’s economy and influence in world affairs by staying in the EU, where we will be in a perpetual minority, with a different interest from the rest of the countries.

The fourth point is where most of the publicity has been aimed—at in-work benefits. I do not believe that those benefits drive immigration into this country. What drives immigration into this country is that it is a fair, decent country where there is a real chance of getting employment, unlike many of the other countries, particularly those that have come out of the communist bloc. To say that somebody who comes here for genuine reasons—to work—will actually be in an inferior position to somebody who they are working next to in a factory, public service, or whatever position it might be, is not a desirable objective. It is a deeply nasty and unpleasant objective, and it will not do what it says.

I am getting looks from the Chair so I will finish on this point. There is a real opportunity for the country’s future to be better by leaving the EU and having more influence. I hope this will be one of many debates that we have between now and whenever the referendum is held that will allow the real arguments, facts and figures to come out.

Andrew Percy (in the Chair): I will now impose a time limit of three minutes, starting with Steve Baker.

10.12 am

Mr Steve Baker (Wycombe) (Con): This morning shows that this year could be a time of great blessing, Mr Percy. We are blessed indeed that the people of Kettering (Mr Hollobone) here so that he shows that this year could be a time of great blessing, which I am sure is intended to be helpful, to review the renegotiation and take a really good look at what we stand before the Prime Minister’s statement later today.

What do we want from this renegotiation?

“We are very clear about what we want: British judges making decisions in British courts, the British Parliament being accountable to the British people.”—[Official Report, 3 June 2015; Vol. 596, c. 582.]

That is what my right hon. Friend the Prime Minister said on 3 June 2015, albeit in relation to the European Court of Human Rights. However, as the European Scrutiny Committee has reported, the charter of fundamental rights is now in EU law, which means that we are in a horribly complex situation where exactly the kinds of decisions to which my right hon. Friend was objecting are now increasingly subject to the jurisdiction of the European Court of Justice.

It seems that the Prime Minister’s heart is in exactly the right place—British courts, British judges, and a transparent and accountable British Parliament answering to the people—but that the only way that one can achieve those obvious desires of the Prime Minister is to leave the EU or, at the very least, to request a fundamental change to exempt wide areas of public policy from the jurisdiction of the European Court of Justice, which is something that the Government are not doing.

The hon. Member for Blackley and Broughton (Graham Stringer), who I am glad to follow, talked about the yellow card procedure. I just checked while he was speaking, and the current yellow card procedure requires a third of Parliaments to agree with one another. Well, my goodness, if a yellow card requires a third of Parliaments, whatever will a red card system look like? Presumably it would be a supermajority, which seems an entirely worthless way of trying to assert the rights of national Parliaments. So why have we got to a position where the Prime Minister’s heart is very clear on the issue of British courts, British judges and the power of our Parliament, and yet we end up with such a thin renegotiation?

Over Christmas I was reading Hugo Young’s history of the EU, “This Blessed Plot”. On page 170, he writes:

“Along with serial inconsistency, this discrepancy between deeds and words is the political style that infuses, time and again, the history of Britain-in-Europe. Fatally aberrant, often counter-productive, these are practices the political nation has regularly adopted as its only way of coping with the project that dominates its existence.”

That is the problem we have. Time and again, we are locked into this futile hope that the EU project would be other than it is. With just 15 seconds remaining, I will refer to Vote Leave’s research, which shows that nine out of 10 of the Prime Minister’s pledges on the EU have been dropped. We are shut into a situation in which the referendum will be held on substantially the basis of the Lisbon treaty. That is not good enough. We should leave.

10.15 am

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Mr Percy. As I said to you earlier, does your position in the Chair mean that you have mellowed? I am not sure whether you have or not, but it is good to see you there anyway. I thank the hon. Member for Kettering (Mr Hollobone) for securing this debate, which we will contribute to in this very short time.

In a political lifetime, there have been divisions within parties and within the nation over our relationship with Europe. Indeed, some of the defining issues of 2015 were directly related to the UK’s membership of the EU. When we started 2015, there was a financial crisis. As the year moved on, there was the migrant crisis, to which EU members responded in their own ways.

Over a period of time, I have noticed a clear change of mood. According to the survey of large businesses released by Deloitte just this week, business support for
membership of the EU has narrowed from 74% six months ago to 62%. In total, 28% of those who were surveyed said that their decision depended on the outcome of the renegotiation of UK membership—up from 23% in the second quarter of last year. It is vital that the Prime Minister is as clear and transparent as possible about the renegotiation process. The public and the business community have to know what is going on. Uncertainty will only negatively impact upon business confidence.

Very quickly, in the short time I have, I want to mention some other points. The Prime Minister’s key aim is to get the EU to allow the United Kingdom to opt out from the EU’s founding ambition to forge an “ever closer union” of the peoples of Europe. I am at pains to understand just where the movement and the progress has been on that. It is hard to believe that one-twenty-eighth of the political union would be able to opt out of a core founding principle of the EU project. The Prime Minister needs to be honest and transparent in what he says.

When it comes to the Prime Minister’s renegotiation of benefits, again we need clarity. On the aim of restricting access to in-work and out-of-work benefits to EU migrants, the European Commission has said that such a move would be “highly problematic”. Does that mean impossible? Is the Prime Minister giving us—the Eurosceptics—false hope, or is there an actual chance that he will achieve his aim on this aspect of the renegotiation? The Prime Minister is seeking greater powers for national Parliaments to block EU legislation—something I totally agree with. Hon. Members have referred to the yellow card system and the red card system, but it seems unrealistic to put that forward when we do not see any evidence of it.

I will finish by mentioning the common fisheries policy, to which the hon. Member for Kettering referred. If we want to retain control and ensure the long-term sustainability of the fishing industry, it should be under the control not of Europe, but of regional bodies and Administrations. If we want to help the farmers—I say this as the MP for Strangford, where there is a fishing community and a large rural community—we need to take away the red tape and convince them that the money we are putting in from Europe can be used to help them. There is an argument and a battle to be won. I thank the hon. Member for Kettering for giving us all a chance to speak in the debate.

10.19 am

Sir Edward Leigh (Gainsborough) (Con): My hon. Friend the Member for Kettering referred to one of the first steps along that path.

Sir Edward Leigh (Gainsborough) (Con): My hon. Friend the Member for Kettering (Mr Hollobone) has given a consummate performance, in which he really summed up the arguments well. There is only time to give a few headlines. The first hero of this debate is, of course, our Prime Minister because, but for him, there would not be a debate. Even our heroine, Margaret Thatcher, never gave us a full referendum on Europe, so we should thank our current Prime Minister profusely for giving the British people the chance to make this historic decision. It will be a most interesting debate, and I will make one or two points about it.

First, the language should be relatively calm. Authoritative studies prove that leaving the EU, or staying in it, would make a difference of only 1% or 2% to gross national product, so leaving the EU would not be a great disaster that will cost 3 million jobs. If we leave the EU, I am not sure there will be an extraordinary nirvana. Let us have a measured debate and keep things in perspective.

Secondly, we do not want to have a debate based on nationalism. We Eurosceptics are not nationalists; we welcome political co-operation and friendship with all the nations of Europe. We welcome Poles, French and Italians coming to live and work here, but it has to be measured migration. Ultimately, when there is net migration of 300,000 into this country, the British Parliament has a right to try to make a decision on such matters.

This negotiation is a missed opportunity. My hon. Friend the Member for Kettering is probably right that perhaps a third of the population definitely want to leave, a third definitely want to stay and a third are in the middle. That last third probably want the comfort of remaining in some sort of relationship or partnership with the EU, but I believe they want to regain the supremacy of Parliament and regain control over fisheries, agriculture and, above all, migration. Given that we are the fifth largest economy in the world, and given that we are now a self-confident nation, we are no longer, as was the wartime generation, transfixied by the prospect of the loss of empire and the belief that we had to be part of a larger political union. We have moved on, and we are a self-confident, successful nation. I believe that we can create a dynamic, mid-Atlantic trading economy outside the EU that can move forward and increase prosperity for all our people. That is what I will be arguing in the EU referendum, and this debate is just one of the first steps along that path.

10.22 am

Andrew Percy (in the Chair): We have two speakers left—I left some time for interventions—so there will be about four minutes for each speaker before I call the Front Benchers.

Andrew Percy (in the Chair): We have two speakers left—I left some time for interventions—so there will be about four minutes for each speaker before I call the Front Benchers.

Philip Davies (Shipley) (Con): It is a pleasure to serve under your chairmanship, Mr Percy. I commend my hon. Friend the Member for Kettering (Mr Hollobone) for his brilliant speech. As usual, I agree with everything he said.

I will focus my brief remarks on the renegotiation itself to tell the Minister that we are not fooled, and that the British public will not be fooled, by the farce of this renegotiation. The Prime Minister has already pre-agreed all the things in his letter, and he certainly will not have risked writing a letter asking for things unless they had already been agreed. He has written a letter asking for things that have clearly already been agreed, but he knows that it would lead to more problems if the EU accepted it all straight away—people would say that he had not asked for enough, and all the rest of it—so he had to choreograph a farcical row with all these EU leaders: “Oh, he’s gone too far this time. He can’t possibly ask for all this. It is an absolute disgrace. He is going way too far this time.” And then, lo and behold, as the EU referendum approaches, we can expect that an equally choreographed agreement will be reached one by one in a domino effect across Europe. Hey presto! All the EU leaders will then say, “Actually, go on then. You can have what you’ve asked for.” The Prime Minister will come back saying, “This is a massive triumph for my renegotiation, and it goes to prove that
if you battle hard for such things in the EU, you can get exactly what you want. As a result of my great triumph in these renegotiations, we can now vote to stay in the EU.”

If the Minister and the Prime Minister think that we are all going to be fooled by such nonsense, they are sadly mistaken. The Prime Minister underestimates the British public if he thinks they will be taken in by such choreographed, farcical renegotiation. We all know that it will all be agreed and that the renegotiation is just a farce. If the renegotiation is really meaningful, presumably the Prime Minister, who for years berated the previous Labour Government for giving up our rebate, would have made it a key part of his renegotiation strategy to get the rebate back by seeking a reduction in the amount of money that we hand over each year. He is the one who has been going on about that so much over the last few years, yet he did not even ask for it. It is perfectly clear that this is not a meaningful renegotiation; it is not covering all the things that the Prime Minister wants to see. The document that he sent is a request for things that have already been agreed by EU leaders so that he can come back and say that his renegotiation is a great triumph.

As it happens, I do not blame the Prime Minister for his strategy to some extent. I have never known a Prime Minister to come back from a renegotiation saying, “Do you know what? I gave it my best shot, but it was a disaster and I didn’t get anything at all.” Every Prime Minister comes back from a renegotiation saying that it was a great triumph. Even Neville Chamberlain said that his renegotiation was a great triumph, so I do not blame the Prime Minister for doing so—that is just the way it is.

Like my hon. Friend the Member for Gainsborough (Sir Edward Leigh), I commend the Prime Minister for giving us the referendum that the British public have wanted for so many years. There is no question that we will fall out with each other—even everyone has their view, and I respect people’s opinions. All I will say to the Minister is: please, do not treat us like fools. Please, do not pretend that this is a meaningful renegotiation; it is not covering all the things that the Prime Minister wants to see. The document that he sent is a request for things that have already been agreed by EU leaders so that he can come back and say that his renegotiation is a great triumph.

I know a little about what they want because I asked my hon. Friend the Member for Kettering (Mr Hollobone) about his views on that issue. Our renegotiation should not boil down to whether EU migrants get the same benefits as our own citizens. No, I believe that what my constituents in Shrewsbury want—I know a little about what they want because I asked them about their views—is fundamental reform of our membership of the European Union to back up what he said earlier about who governs Britain and how Britain can make such decisions and be accountable to the electorate.

I am worried that Warsaw is trying to conflate the issues of potentially supporting us in exchange for our support for permanent NATO bases in Poland. What is the Minister’s view on that? I am a great supporter of NATO bases in Poland, and I raised the issue with the Secretary of State for Defence at the 1922 committee. We should be helping our NATO allies and protecting them from any aggression from Russia, but the two issues should not be conflated in these important EU negotiations.

Lastly, I have been to villages and towns in Poland that have been completely depopulated. The risk is that there will not be enough people to look after the vulnerable and elderly, because so many young and talented people have left Poland to come to the United Kingdom. If the free movement of people is to work, it must be more equal among the nations. Something must be done to address the massive flows of people coming to the United Kingdom, because it is a concern for my constituents in Shrewsbury.
The Scottish National party would like to say to all Members, in the debate on European Union membership, that we believe that the United Kingdom can be a successful, independent country outside the European Union but we want to debate whether it should be outside it. Those are the parameters of debate within which we should work. I have several questions for the Minister that I will ask later, but I do not want to give him too much of a hard time; his own party is doing that already. We heard this morning—he can tell us whether or not it is true—that Ministers will be given a free vote in the European Union referendum. I look forward to his comments on that.

Mr Baker: It is of course a secret ballot; the crucial issue is whether Ministers will have the freedom to campaign from within Government.

Stephen Gethins: I thank the hon. Gentleman for the correction. Based on that, will the Minister tell us on which side he will be campaigning in the forthcoming referendum? Similarly, I do not want to be too hard on Labour Members. I sincerely hope that the right hon. Member for Wolverhampton South East (Mr McFadden) will be with us on the European portfolio by the end of today. I know how committed he is to the European perspective.

Tim Loughton: The hon. Gentleman makes an interesting point about what Ministers might be able to do. What will SNP spokesmen be able to do, and is it the policy of every single SNP Member that they are in favour of our continued membership of the EU?

Stephen Gethins: I thank the hon. Gentleman for that intervention, which leads me nicely on to the position of the only party in this House that is united on the European Union—Interruption. —notwithstanding our colleagues in Northern Ireland. The SNP has set out its position clearly. First, we are against a referendum, because we do not think that it would bring substantial change; Conservative Members seem to agree. The other reason, and a smaller point, is that it was in our manifesto not to have a referendum on the European Union. Since we won the election—it was the worst election result for the Conservatives in Scotland since 1865, 150 years ago—we have stuck to our manifesto commitments, revolutionary as that might seem, by voting against a referendum.

The SNP Government, joined by their partners here in London, have set out their position. The First Minister made a very good case in a speech on 2 June to the European Policy Centre. At the moment we see an opportunity for renegotiation, but as many Members have said, we think that the Government are doing a great job of losing friends and influence throughout Europe. Areas for renegotiation set out by the Scottish Government include public health; the Scottish Government have so far been unable to implement minimum pricing for alcohol. Whether or not others agree with it, it is the democratically elected Scottish Government’s way of tackling a specific public health issue.

Another area is fishing; obviously, although the Minister can confirm this, there will be no treaty change. Scottish fishermen can tell of the failings of the common fisheries policy; they were of course described by the UK Government when we entered the European Union as expendable in the pursuit of the UK’s broader interests, so they are well aware of the impact of UK membership of the European Union.

Jim Shannon: The hon. Gentleman is aware of the opinions of Scottish fishermen who are opposed to Europe and want out. How will the Scottish National party represent that viewpoint?

Stephen Gethins: The hon. Gentleman makes a good point. We say that an opportunity to renegotiate on that issue and more broadly has been squandered. We think there is another squandered opportunity, in that any renegotiation should be a two-way process. Yes, we should examine some of the powers that we have and institutional changes, but we should also consider working more closely with our European partners on some issues. Will the Minister discuss those?

I refer, of course, to issues such as energy. At the moment, we are on the cusp of spending billions on French and Chinese nuclear technology, while our renewables industry, in which Scotland could have led the way, is suffering as a result of UK Government policy. Energy union would have had huge benefits across the continent, not least for our economy. What about climate change? Does the Minister think that we should be working more closely with our European partners?

Finally, on security issues, no country—not the UK, and not Germany—can deal alone with the challenges of Ukraine, Syria, Yemen or the biggest refugee crisis since the second world war. We contend that we can and should be working more closely with our European Union partners, as well as our NATO partners, on those challenges. They are also issues on which the Scottish Government have a great deal more in common with many of our European Union partners than with our partners in the UK Government down in London.

Sir Edward Leigh: On the issue of working together, our waters are teeming with fish. They are the most productive fishing grounds in the world. During the last two days of negotiations, in order to get support, Ted Heath gave away control of our fishing policy. Ever since then, we have had nil success in regaining real control of our own fertile fisheries. Although I wish the hon. Gentleman well with regaining control within the EU, he will find it difficult.

Stephen Gethins: I concede that the hon. Gentleman makes a good point. As I have said, Scottish and other fishermen were described as expendable. It is a shame that that issue was not further up the agenda for the UK Government. However, he makes a good point. Can the Minister tell us what efforts were made on fisheries?

I have several other questions for the Minister. Members across the House will be aware that Angela Merkel has said that freedom of movement is non-negotiable. Can the Minister tell me what negotiations he has had with Germany and whether it is indeed non-negotiable? Can he also expand on chapter 20 of the European Union’s conclusions? I understand that numerous other things were going on, and that only one paragraph was given over to the United Kingdom. We concede that given everything else that was happening, there were
other priorities, but can the Minister expand on the “substantive and constructive debate” that it mentions, and on the scope for more co-operation? He has already said that there is more scope; does that include issues such as climate change, energy or others?

What formal role will there be for the devolved Administrations? Co-operation with them has already been sadly lacking; goodness knows, the UK Government need friends and influence. The Scottish Government have already said that they are more than happy to help, as I am sure are our colleagues in Northern Ireland or in Wales. Finally—I will repeat my question so that the Minister does not dodge it—is it true that Ministers will have a free vote, and how will he campaign?

Mr Pat McFadden (Wolverhampton South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Percy. I wish you and all the other Members present a happy new year, and I congratulate the hon. Member for Kettering (Mr Hollobone) on securing this debate. It is fitting and timely to begin the year by discussing this issue. If the referendum is held in 2016, it may well be the defining political issue of the coming year. It certainly dominated the media over Christmas and the new year, as various Conservative grandees came out either for or against EU membership, or gave their views on the issue of the application of collective Cabinet responsibility.

Since our debate began about an hour ago, we have been led to believe that the Prime Minister will make an announcement this afternoon confirming that collective Cabinet responsibility will not apply on the issue of the referendum, and that Ministers will be free not only to vote as they wish but to campaign as they wish. So, my first question to the Minister is whether those media reports, which are running as we speak, are true, and whether collective Cabinet responsibility will indeed not be applied on this issue.

Mr Peter Bone (Wellingborough) (Con): In the right hon. Gentleman’s party, collective Cabinet responsibility has obviously been given up already. In relation to the EU, does he think that Ministers and shadow Ministers should be able to campaign as they see fit?

Mr McFadden: I agree with the hon. Gentleman that Labour Members know a thing or two about free votes after our recent experience, and his intervention gives me a chance to pick up on some of the points made by my hon. Friend the Member for Blackley and Broughton (Graham Stringer).

In the Labour party, we have a clear policy—passed by our conference—to campaign for the UK to remain in the EU. I am not aware of any Front Bench who disagrees with that policy. There is a pro-Europe group in the parliamentary Labour party that has the names of 214 of the 232 Labour MPs, including every member of the shadow Cabinet. So that is where we stand regarding the balance of views on the issue. I do not deny that there are some Labour MPs who take a different view, as my hon. Friend the Member for Blackley and Broughton set out, but they are only a small minority of the parliamentary party. That is where we stand on this issue.

Daniel Kawczynski rose—

Mr McFadden: I will make a little progress before giving way again.

Regarding the terms of the renegotiation, which is the subject of this debate, we have had the exchange of letters between the Prime Minister and one of the “famous five” Presidents, Donald Tusk, who is the President of the European Council. Mr Tusk replied to the Prime Minister’s letter on 7 December, setting out his assessment of where other member states stood on this agenda. There are four items, or four “baskets” as they say, and we are led to understand that progress has been made on the first three issues—protection for non-eurozone countries, competitiveness and the rights of national parliaments—but that further discussions are taking place on the final issue, which we are led to believe is the most difficult of the four issues to resolve, and which is the issue of access to in-work benefits for workers from other EU member states.

Daniel Kawczynski: I am grateful to the shadow Minister for giving way. On that point, could he clarify matters for us? Bearing in mind the way that renegotiation is going, what is the Labour party’s official position as to whether or not it is in our country’s national interests to have the referendum earlier—in other words, in June or September 2016—or later, in 2017?

Mr McFadden: I thank the hon. Gentleman for that intervention. We have not expressed an opinion on the exact timing, other than to say, as we said during the passage of the European Union Referendum Act 2015, that we do not think it is a good idea to combine the referendum with other important elections scheduled for May this year or May next year, because this issue is of such import that it deserves a campaign and a vote on its own. That is what we have said about how the referendum should take place.

I will put a couple of questions to the Minister about the renegotiation. First, is it correct for people to conclude that there has been substantial progress on the first three issues that I have referred to, but that the fourth issue remains more difficult to make progress on?

On that fourth issue, which is the issue of tax credits and other in-work benefits for workers from other EU member states, the Government’s contention is that the availability of those benefits acts as a pull factor, resulting in levels of immigration that are higher than they would otherwise be. Consequently, the Prime Minister claims that if those benefits are curtailed in the way that he has set out, immigration will go down. I disagree with a lot of the points that have been made today by hon. Members who wish to campaign to leave the EU, but there is one issue on which I think I am in some agreement with them, which is to be sceptical about this claim. What evidence do the Government have for the contention that these in-work benefits are affecting the level of immigration? By how much do the Government believe that immigration from other EU member states will go down if the availability of in-work benefits is cut in the way that the Government have set out?
The Office for Budget Responsibility, giving evidence to the Treasury Committee before Christmas, said that its view is that such a change to in-work benefits would make little difference to immigration levels. Also, is it not the case that the vast majority of people who come to the UK from other EU member states come to work hard, pay their taxes and make a positive contribution to this country, in the same way as anyone else?

Graham Stringer: I am grateful to my right hon. Friend for giving way and I am pleased that he is sceptical about the basis of the Government’s policy in this area. However, does he agree not only that that policy will fail to do what it says on the tin, but that it is an offensive policy, which will be very divisive in the workplace?

Mr McFadden: I think there is a case for a discussion about the basis on which people have access to benefits, but there is a big difference between saying that and claiming that restricting access to benefits will make a fundamental difference to immigration levels. The truth is that people come to the UK because it is a great country, not because it is a “soft touch” on welfare.

We will probably see the results of the renegotiation soon, so I would also like to ask the Minister a question about timing. If he expects that there will be a conclusion to these negotiations at the European Council in February, what will be the implications of that conclusion for the timing of the referendum itself? The 2015 Act only says that the referendum must be held by the end of December 2017, but the Prime Minister’s new year message indicated that it was more likely to be held later this year. I ask the Minister directly: if the renegotiation is completed in February, is it the Government’s intention to hold the referendum this year rather than next year?

In one or two of the interventions on me, I was asked about my own party’s position. Our view is that we should not make the decision about whether or not Britain remains a member of the EU on the basis of this renegotiation. At the end of the day, the question on the ballot paper is, “Remain or leave?” It may be the case that the Prime Minister’s renegotiation has some impact on the public view of that question, but it may well not be the case, because there are issues concerning our EU membership that go well beyond the four items that the Prime Minister has set out in his renegotiation.

Our party conference quite clearly supported a position of being in favour of remaining in the EU and our campaign to remain in has already been launched, under the leadership of my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson). We want to see what the renegotiation produces, but that is our basic position.

My final point in response to some of the arguments that have been put forward by Government Members is that we have been told repeatedly today that we can retain access to the single market without paying anything for it. I would like to ask a question about that assertion, which is perhaps more for the hon. Member for Kettering, who secured this debate, than for the Minister. On what basis is it made? If the British people are going to be asked to renegotiate more than 40 years’ EU membership for a future outside the EU, they have a right to know—with some certainty—what that future will entail. What will it mean for access to the single market? What will that price for access to the single market? What will that future mean in terms of our adherence to the rules of that market while we perhaps forgo any say about what those rules are? What will it mean for inward investment in this country, which in European terms comes at the rate of tens of millions of pounds every single day? What will it mean for our export industries? What will it mean for our research, our universities, our agricultural industries and so on?

Whatever the flaws of the EU, a referendum on it is not only a referendum on one future but a choice between two futures, and those who advocate leaving the EU need to do an awful lot more to say what being out would be like.

The Minister for Europe (Mr David Lidington): It is a pleasure to serve under your chairmanship, Mr Percy, and I hope that this is but the first of a number of such occasions.

I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on securing the debate. As he said in his opening remarks, he is a long-standing, open and honourable opponent of Britain’s membership of the European Union, and I know he will not take it with any sense of offence if I say that I would have flabbergasted had there been any conceivable renegotiation by this or any other Prime Minister that would have come near to being satisfactory enough for him to support continued EU membership. My hon. Friend set out his case as I would have expected— lucidly and with conviction—and I want to spend most of my speech addressing some of his points.

As I suspect Members had anticipated, my right hon. Friend the Prime Minister will make an oral statement this afternoon on the outcome of the December European Council, and the House will understand that I will not pre-empt what he may say in that statement and in his answers to subsequent questions.

My hon. Friend the Member for Shipley (Philip Davies) expressed some scepticism about the current negotiation, claiming that everything had been agreed and it was all just a matter of choreography. His view of the choreography seems to have the same generosity of spirit as Craig Revel Horwood shows when assessing the skill of “Strictly Come Dancing” competitors. If only my hon. Friend had been with me at European ministerial meetings! I will even lend him a badge with the blue flag and the gold stars on it if that will aid his passage into the Justus Lipsius building.

I think that my hon. Friend the Member for Shipley would recognise that the arguments of our right hon. Friend the Prime Minister are not being met with an unreserved welcome from our partners. They have made it clear that they wish the United Kingdom to stay in the European Union, and that the European Union itself is stronger for this country’s membership. At the December European Council, Heads of Government raised objections and difficulties in respect of all four areas of policy. In the eyes of our partners, the Prime Minister is pursuing an ambitious and far-reaching set of reforms that challenge a number of the ways in which the European Union has been accustomed to doing its business and thinking about its vocation.
My hon. Friend the Member for Kettering mentioned a number of concerns about which I hope to give him a measure of reassurance. He talked about the Five Presidents report. The report is explicitly and chiefly about the future of the eurozone, and there is a challenge for those of our partners who have decided to commit themselves to that currency union. We can take a view as to whether they were wise to do so, but it was their sovereign decision. It seems logical that a commitment to a single monetary policy, a single interest rate and a banking union has broad implications for the future conduct of fiscal and economic policy, and our colleagues in the eurozone may therefore wish to consider some of the ideas coming out of the report, such as a eurozone treasury function and a single eurozone—not EU—seat on bodies such as the International Monetary Fund. Such decisions would not bind, or create obligations for, the United Kingdom, and if the Five Presidents report were to lead to a new European Union treaty, that would require the unanimous agreement of member states and be subject to primary legislation in the UK. Were any such treaty to include measures that transferred additional competences from the United Kingdom to the European Union, it would also be subject, under the terms of the European Union Act 2011, to a self-standing referendum in this country. I would hope, therefore, that my hon. Friend could take some reassurance on that point.

My hon. Friend also mentioned Turkey, and I can tell the House that the UK has, and has had, no liability in respect of Greece, either through the European stability mechanism or the European financial stability facility—EFSM—which are both euro-only. Greece has paid back its bridging loan through the EFSM, but the UK had, in any case, ensured that we would face no liability in the event of Greece defaulting on that obligation. Greece has IMF loans, to which we contribute our usual share, and our IMF liability would continue whether we were inside or outside the European Union.

My hon. Friend also mentioned Turkish accession, which is something that both Conservative and Labour Governments over the years have supported as a strategic objective. Although we are nowhere near such accession at the moment, it would require the unanimous agreement of member states and a treaty, subject to primary legislation here. The Prime Minister has said that he is not prepared to agree to any new accessions to the European Union without reform of the transitional arrangements for migration from new countries, to put them on a much more effective and objective basis than the time limit of five or seven years after which all restrictions fall away.

It is hard to argue both that the EU will be inimical to our interests, resistant to what we want to do and jealous of our freedom of national action and that, in the event of a British exit, it would agree to sign up to our continuing to enjoy all the things we like about EU membership without any of the things that might matter to other countries but which we find irksome. Whatever the outcome of the renegotiation, that will be something that people will have to weigh up. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) said that it will not be the end of the world if we leave the EU, and I agree, but the judgment that the British people will ultimately have to make is whether it is in the interests of the country’s prosperity, national security and worldwide diplomatic influence to be inside or outside the organisation.

When we consider trade, for example, we have to judge the likelihood of getting a free trade agreement outside the EU. In 2014, we sent roughly 44% of our exports to the EU27 but received only about 10% of that bloc’s exports. We would not be in as powerful a leverage position in the hypothetical circumstances as is sometimes argued, nor have Norway and Switzerland found that they can simply have all the benefits of access to the European single market without the obligation to apply EU laws—as the effect of that single market—and to contribute to the European Union’s budget.

I look forward, therefore, to the Prime Minister’s being successful in his renegotiation, to his getting a deal that makes Europe more democratic, prosperous, trade-minded and flexible than it is today, and to campaigning in his support when the referendum comes.

Question put and agreed to.

Resolved,

That this House has considered renegotiation of UK membership of the EU.
Regional Theatre

Will Quince (Colchester) (Con): I beg to move, That this House has considered regional theatre.

When we think of theatre in this country, many minds inevitably turn to one place: the west end. With its big musicals, high production values and ability to attract all-star casts, the London theatre scene dominates perceptions of British theatre, but we too often forget the importance of regional theatre to British cultural life. Although regional theatre has a broad definition, it is generally used to refer to theatre outside of the London heartland.

I called this debate for two reasons: to celebrate the success of Britain’s regional theatres and to raise awareness of the challenges to their long-term viability. The west end is often the showcase of our best theatre, but it does not exist in a vacuum; it exists because it is fed and sustained by the talent of regional theatres across the country. Regional theatre is the grassroots of the theatre system in this country, but critically it is also the home of excellent theatre in its own right. Innovative, challenging and thrilling theatre is being created to an exceptionally high standard, rivalling any nation in the world. Regional theatre is not and never should be second best. Yes, some of the work created regionally will transfer to London or the global stage, but there is so much collaboration happening between regional centres of excellence, from one region to another.

Regional theatre is so often where the careers of some of our best British actors and actresses begin and where some of our most innovative plays and productions start their lives. Sir Ian McKellen’s acting career began at the Bolton little theatre. Sir Antony Sher took his first acting steps at the Frinton summer theatre. Jonathan Pryce started his career at Liverpool’s Everyman theatre and Sheila Hancock began her work as an actress at the Kings theatre in Southsea and the New Theatre Royal in Portsmouth in the 1950s. Those actors and actresses are not only national treasures—a much overused phrase—but also reflect some of the many cultural exports shaping perceptions of British culture overseas. Indeed, Hugh Bonneville of “Downton Abbey”, “W1A” and “Paddington” fame took part in six productions at Colchester’s Mercury theatre in 1988 and 1989, long before he was a household name. The stint took him to roles as diverse as Petruchio in “The Taming of the Shrew” and the pantomime dame in “Dick Whittington” at Christmas. All great careers have to start somewhere.

Regional theatre is also the incubator of some of our best new plays and original productions. Some very successful new plays in recent years have started life in our regional theatres. The play “ENRON”, which is about the Enron scandal, started life at the Chichester Festival theatre in 2009 before being moved up to bigger venues in London, as did the recent smash hit “Gypsy”, which was filmed for TV this Christmas. “On the Shore of the Wide World”, a play about three generations of a Stockport family by Mancunian playwright Simon Stephens, opened at the Manchester Royal Exchange in 2006 before transferring to London’s National Theatre.

I understand that much of our regional theatre is not self-financing. It relies on subsidy from the Arts Council and local government to ensure its year-to-year viability. In Colchester, the Mercury theatre’s income is 30% grant income, with the other 70% earned, but as the previous director of the theatre, Dee Evans—she held the role for 14 years—once said:

“If you invest in the work and it’s good, people will come”.

Public subsidy helps sustain many of the great productions that our regional theatres put on. The Mercury recently underwent a £380,000 refurbishment, with £400,000 provided by the Arts Council. The funding refurbished the studio theatre, increased capacity to more than 580, improved disabled access and installed better soundproofing. It was the biggest investment in the theatre since its opening in 1972. The funding will help open up the theatre to more school and community groups and ensure that even more people can enjoy and participate in quality theatre locally.

Mrs Flick Drummond (Portsmouth South) (Con): My hon. Friend just mentioned the New Theatre Royal in Portsmouth, which also completed a major extension and refurbishment last year, supported by bodies including the Parity Trust, Arts Council England and the Heritage Lottery Fund. Its key partner is the University of Portsmouth, which is now sharing part of the site. Does he agree that that kind of collaboration between theatre and education is a great way to safeguard the future of our theatres?

Will Quince: My hon. Friend makes a valuable point. Regional theatres are the very best at collaboration, at working with local partners and, in particular, at getting young people involved in arts and culture locally, so I totally agree with her.

It was a great pleasure to be invited to speak on the stage at the opening of the studio. I am unlikely to make the west end after that performance, but I have instead fortunately found a calling in Westminster. They do say that politics is show business for ugly people.

Jo Churchill (Bury St Edmunds) (Con): Never mind. [Interruption.] Sorry, would my hon. Friend like me to intervene?

Will Quince: No, my hon. Friend does not need to intervene. It is very kind of her. The thought is there.

Investment in our regional theatre is not just a sunk cost; it has real economic benefit in our towns and cities. The latest research from the Mercury theatre shows that every £1 of grant aid that the theatre receives generates £3 locally in Colchester. The economic impact of the Mercury theatre on our local area was £3.6 million—a not insignificant sum.

Andrew Bingham (High Peak) (Con): I congratulate my hon. Friend on securing this debate. In my constituency we have Buxton opera house, which is fabulous and well worthy of a visit by any Member. We also have the Buxton festival, which is an opera and literary festival
that was graced by the Prime Minister a few years ago. The benefit that the theatre brings to the local economy is huge. It is not just the people coming to see the productions, but the people coming to see the theatre and the whole cultural aspect on offer in the High Peak. That is another benefit that regional theatres bring to rural communities such as mine.

Will Quince: My hon. Friend makes a valuable point about a trend that can be seen nationally. Recent research for the Arts Council in August showed that theatre subsidy helps support more than £2.2 billion of private sector activity. Although theatres are becoming better at sourcing their own moneys—regularly funded theatres are now earning 62% of their total income, which is six percentage points more than four years ago—the report said that very few regional venues could justify a claim to be profitable were all subsidies removed.

Investment in our theatres not only has a strong economic impact, but is critical to the health of the acting professions and the creative arts. Research from 2013 on the effect of publicly funded arts on creative industries found that 62% of those working in subsidised theatre believed working in the sector to be highly important to a successful career in theatre. Respondents were more likely to say that publicly funded theatre gave greater opportunities for presenting challenging work and new work and for providing sufficient time to experiment than big commercial theatre.

Mrs Drummond: I have two major theatres in my constituency, and the Kings theatre is running a course on stage pyrotechnics this weekend. It is open to anyone with an interest in a career in theatre. It takes on a lot of apprentices, too. Does my hon. Friend agree that that kind of activity is a good thing for local theatres to be supporting? It is important that theatres appeal to people with an interest in what happens backstage, as well as on the stage.

Will Quince: My hon. Friend makes a valid point. The more locally skills can be developed and enhanced, the better. It is important that regional theatres offer those skills, particularly to young people locally. I totally support that.

Theatres are more focused on reflecting the local communities in which they operate, creating benefits for social cohesion and integration as well as for education, health and wellbeing. In 2015, Arts Council England published an excellent evidence review, which evidences the total benefit of the arts to society and the economy.

Jo Churchill: I thank my hon. Friend for securing this debate. I have in my constituency the only example of a regency playhouse in the country. We have the historic value of the building—it is 87% self-funded—and, as it reaches out, it is very hard to put a price on its social value. We reach out to Women’s Aid and work with them. We reach out to children with physical and mental disabilities and to Suffolk Age Concern. We also work with the YMCA, and young people who are homeless and without work have come to work in the theatre. Does my hon. Friend agree that a price cannot be put on that?

Will Quince: I totally agree with my hon. Friend that we cannot put a price on social cohesion and integration with communities. It is a crying shame that so many former theatres now belong to Wetherspoon and other pub chains or are now cinemas. Once we lose our regional venues, they are lost for ever to commercial ventures. I totally support the point made by my hon. Friend.

We are in tough financial times and the Government still have a sizeable deficit to eliminate. The pot of money that the Arts Council and the Government have at their disposal is not limitless. However, it was very encouraging to see the Chancellor increase the cash going to the Arts Council at the autumn statement by around £10 million a year. I hope this generous increase in funding will help the Arts Council to fund some great restoration and innovative projects in our subsidised regional theatres outside London.

Let us think about what the extra money could do in our regional theatres. In the previous Parliament, there were small cash cuts to theatres in receipt of more than £250,000 a year. However, BBC research on 62 of those subsidised UK theatre companies between 2009 and 2014 produced encouraging results. It found that those theatre companies were producing more plays, increasing production levels and introducing new writing. It is fantastic to see our theatres defying expectations and being innovative to boost funding streams and new productions.

Such good news is reinforced by recent box office ticket numbers from UK Theatre, which show that total audience numbers, performances and ticket takes are all up on the previous year. However, the report shows that there are still severe challenges ahead for regional theatre. The big family musicals that we all know and love dominate our regional scene, accounting for £1 in every £4 taken at UK theatre box offices.

Moreover, overall ticket sales for plays fell by 278,000 in 2014, and on average auditoria were only half full. Equally, the category of auditoria of principally producing theatres—those that produce most of their own work, like the Mercury in Colchester—saw a decline in performances and ticket sales in the past year. Although I am delighted to say that the Mercury bucks that trend with 10% audience growth in the past year, there is a national pattern, which we ignore at our peril.

Ben Howlett (Bath) (Con): I congratulate my hon. Friend on presenting this debate today. I was a frequent visitor to the Mercury in my early years, so it is a privilege to be able to intervene in today’s debate. My constituency has the Theatre Royal, which, like the Mercury, creates its own productions. Does he agree that the matter is not simply about subsidies, but about reducing subsidies owing to the current economic times? We need to look at the excellent work of the previous Parliament in allowing tax credits to enable productions to happen, thus enabling regional theatre to pump more money into local communities to educate people and also help younger people to access theatres.

Will Quince: My hon. Friend makes a really good point. There are innovative ways of funding regional arts and theatre, and Government subsidy is not the only option. Having said that, it will take time. We have already seen 6% year-on-year growth, so we know the subsidies are coming down. Regional theatres are doing
better and better every year and doing more and more in their local communities, but for the time being, subsidy is still required to ensure that those excellent facilities and the service they provide are maintained.

I hope I have been able to do this important topic justice in such a short space of time. We should be proud of having such a strong theatre scene in our capital, but great culture and theatre is not only for the great and the good in London. When regional theatre does well, our whole cultural scene benefits. Audiences have greater access to quality theatre; budding performers and writers have the chance to innovate and partake in new material; and the local economy is boosted. No one could accuse the Culture Minister of missing an opportunity to take the stage, and I look forward to hearing his response on what we can do to develop regional theatre and ensure it gets its fair share of funding to inspire a new generation to visit and partake in our country’s theatre scene.

11.15 am

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): It is a pleasure to serve under your chairmanship, Mr Evans. As we are talking about all things artistic, may I say that I thought you produced the most artistic Christmas card of 2015? The picture of you with a hot steaming mug of tea gazing over the Thames from the House of Commons Terrace took prominent place on my mantelpiece over the Christmas period.

Before I move on to the main debate, may I also pay tribute to the former shadow Secretary of State for Culture, the hon. Member for Barnsley East (Michael Dugher), who was sacked this morning by his leader, much to the annoyance of many Labour Members, which is perhaps why we do not see a single Labour Member here to take note of this important debate? I have lost count of the number of shadow Secretaries of State and shadow arts spokesmen that I have seen in my time as a Member here to take note of this important debate? I look forward to hearing his response on what we can do to develop regional theatre and ensure it gets its fair share of funding to inspire a new generation to visit and partake in our country’s theatre scene.

Jo Churchill: Will the Minister give way?

Mr Vaizey: I wonder whether an invitation is on its way.

Jo Churchill: Among his many attributes, the Minister is a mind reader. An invitation is flying across the room towards him. He is more than welcome to visit either the regency theatre that I mentioned or the John Peel Centre in Stowmarket, which is a modern version of somebody really reaching out into my local community and giving good service.

Mr Vaizey: I would be delighted to find the time to visit. I am embarrassed because I spend a lot of time visiting theatres in the regions. Equally embarrassing is

the fact that the Mercury theatre is run by somebody I know well, Steve Mannix, who I bumped into at a round table that we held recently to discuss our forthcoming White Paper. Stephen Barlow, who runs the Buxton festival, is also a friend of mine.

All the different theatres cited by my hon. Friends the Members for Portsmouth South (Mrs Drummond), for High Peak (Andrew Bingham), for Bury St Edmunds (Mr Howlett) and for Bath (Ben Howlett) deserve our recognition and congratulations. The debate was secured by my hon. Friend the Member for Colchester (Will Quince), who, as he pointed out in his maiden speech, represents the true capital of our country: it was Colchester long before Londinium. He is using this debate to highlight that Colchester is one of the cultural capitals of our country. The remarks made by him and my other hon. Friends chimed well with me, because I have returned fresh-faced after our two-week break to complete work on our forthcoming White Paper on culture.

I want to bring out two themes. First, culture does not begin and end in London. There is a lively debate about the amount of funding that goes to London’s arts institutions as opposed to institutions that exist outside the capital. It is good that my hon. Friend the Member for Colchester has highlighted the thriving artistic scene in Colchester. Also, my hon. Friend the Member for Bury St Edmunds talked about the work that her theatre does with Women’s Aid, children with special needs and Age Concern.

The other theme relates to how important culture is to so many different aspects of our lives. A thriving cultural scene not only brings great economic benefits to an area in terms of tourism and inward investment; it also brings immense social benefits in terms of being able to use culture to reach out to different communities.

On the national picture, it is true that although my hon. Friend the Member for Colchester was quite right to point out concerns about regional theatres, on the whole they continue to thrive. Box office takings in 2014, the last year for which we have figures, were worth more than £400 million, and 18 million tickets were sold. As a whole, theatre made a contribution of almost £5.5 billion to our economy. Interestingly, despite the debates over arts funding, that is a significant increase of more than 7.5% since 2008. The sector employs almost a quarter of a million people, and almost 3 million tourism visits a year include a trip to the theatre, musicals or the opera—twice as many as the number of tourists who visit a sporting event.

As I said earlier, theatres contribute massively to our regional cultural life, and the Government obviously play an important role in supporting regional theatre. My hon. Friend the Member for Colchester was quite right to point out that although many such theatres thrive and survive in terms of the audiences they attract, they also receive Government support. Last year, the Arts Council provided more than £150 million to theatres throughout the country through a range of funding programmes. About £100 million of that money went to theatres in the Arts Council’s national portfolio, including the Mercury theatre, which, as my hon. Friend pointed out, has recently benefited from a refurbishment of its studio that was partly funded by the Arts Council. I welcome my hon. Friend’s remarks about the Chancellor’s settlement for the arts. It was great to hear that he is prepared to maintain arts funding and, judging by the
response from the artistic community, the words he uttered during the spending review were almost as valuable as the money he has given. He said it is a false economy to cut the arts and recognised the significant contribution that they make to our lives compared with the amount of funding they get.

The Mercury theatre receives more than £750,000 a year in public funding from the Arts Council and, as I said, it has also received a capital grant for its refurbishment. It is a significant local employer and a major driver of the restaurant and hospitality economy in Colchester. I was particularly pleased to see how the Mercury theatre and other artistic organisations in Colchester are now working together, which is perhaps the third theme of the White Paper. Artists, makers and designers are working together under the “Made in Colchester” banner, which is a fantastic idea that should inspire other towns and cities. The artistic organisations in Colchester have worked out that by working together they make a more effective contribution than they do working individually. The Mercury puts theatre at the heart of the cultural life of the community it serves and makes work in Colchester that reaches local audiences and its community while also generating critical attention regionally and nationally.

I congratulate the three theatres that have been nominated for The Stage’s regional theatre of the year award: the Royal & Derngate theatre, the Royal Exchange theatre in Manchester and the Chichester Festival theatre, which my hon. Friend the Member for Colchester mentioned. Of course, it was at the Chichester Festival theatre that “Gypsy” started its life. If you have not yet seen Imelda Staunton in “Gypsy”, Mr Evans, I urge you to find one spare evening to see that absolutely stunning show. That theatre is another good example of an organisation funded and supported by the Arts Council, including by its £12 million capital investment programme. Such investments help local theatres to develop resilience by giving them the right buildings and equipment to both deliver their work and become sustainable businesses.

It is important to point out that the regional theatre of the year for 2015, the Nuffield theatre in Southampton, also has strong ties to the local university. It is important that we recognise the contribution that universities make. For example, Derby theatre is supported by its local university. Sheffield Theatres is the only theatre to have won the regional theatre of the year award twice, in 2013 and 2014. It is the UK’s largest regional theatre complex, with 2,500 seats across three theatres, producing incredible theatre in Sheffield. I hope I have shown that there is a rich and diverse theatrical life all across the UK of which we should all be proud. It is also important to note that, as my hon. Friend the Member for Colchester said, touring plays an incredibly important part in the theatre landscape. A lot of great productions start life in our regional theatres, and many of those theatres host great productions that start their life in London. The Arts Council continues to support that work through its strategic touring funding programme, the funding for which has been maintained.

An important and relatively recent innovation is the introduction of theatres tax relief, which has been available at 25% for qualifying touring productions and 20% for other qualifying productions since September 2014. It encourages theatre production throughout the UK and provides a strong incentive for touring productions. Her Majesty’s Revenue and Customs has worked with UK theatres to undertake a number of workshops throughout the country to discuss the relief and how it operates, and they have been well attended, including by many regional theatres. It is too soon to say precisely in pounds, shillings and pence what contribution theatre tax relief is making to theatre production in this country, but I know anecdotally that many theatre producers are grateful for the tax relief, which is pushing their productions into profit. It is important that occasionally theatre productions do make a profit, because that encourages theatre producers to take the next risk and put on the next production.

I mentioned in my opening remarks that there is a lively debate about the amount of funding that goes into London and to other areas outside London. My hon. Friend the Member for Colchester made that point very effectively in his speech. It is important to say that when we came into office around 60% of lottery funding went outside London. That has now risen to 70%, and the Arts Council has an ambition to go further to reach 75% by the end of 2018. It is also following the same strategy with its national portfolio organisations. In 2012, 49% of funding went to London and 51% went outside London. By 2015, that had changed to 45% in London and 55% outside London, so there is good change there. It is also important to acknowledge the Chancellor’s work with the northern powerhouse, because that gives an indication of how culture is moving into the mainstream of policy. As part of the northern powerhouse strategy, culture has been put front and centre. For example, there has been a £78 million investment in the new Factory theatre and exhibition complex in Manchester.

This year I suspect there will be an ongoing debate about local authority funding for theatre and, indeed, other arts organisations. I reiterate how pleased I am to see so many of my hon. Friends talking about the success of their local theatres and other arts organisations. As I said earlier, they highlight the wide contribution made to local communities beyond simply artistic productions, important though they obviously are. I am very clear that any local authority that sees itself as having to make some Faustian trade-off between investing in one part of its activities and investing in culture is, to echo the Chancellor’s words, making a false economy. Investing in local theatre and arts organisations brings enormous dividends for a relatively small amount of funding compared with a local authority’s overall budget. To see a local theatre or arts organisation close is not simply to see a building close its doors; it potentially cuts off many different communities from the benefits that that organisation brings.

I conclude by thanking my hon. Friend the Member for Colchester for securing this debate. It has been a terrific start to 2016 for me to take part in this Westminster Hall debate, and I will be responding to the first Adjournment debate of 2016 as well. Now that the Chamber is filled with Opposition Members, I repeat my tribute to the former shadow Secretary of State for Culture, Media and Sport, the hon. Member for Barnsley East, who will be sadly missed on the Front Benches because he was effective and passionate. My five hon.
Friends who have participated in this debate show that there are many effective and passionate spokesmen for the arts in the House, and I welcome their remarks.

Question put and agreed to.

Resolved.

That this House has considered regional theatre.

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**Safer Neighbourhood Policing: London**

11.30 am

**Ms Karen Buck** (Westminster North) (Lab): I beg to move,

That this House has considered Safer Neighbourhood policing in London.

Thank you very much, Mr Evans, for giving me the opportunity to make a contribution on the issue of neighbourhood policing. It is a pleasure to serve under your chairmanship. Those of us who have been in Parliament for some time will remember that we used to have an opportunity every year to discuss policing in London, which is a matter of huge concern to us. We no longer do that, but I am pleased that we have the chance to discuss the issue for the next hour.

When the London safer neighbourhood policing scheme was formally launched in two wards in Brent and north Paddington in my constituency in 2004, it marked a new era in the policing of modern London. It was widely accepted that fundamental changes were needed.

**Siobhain McDonagh** (Mitcham and Morden) (Lab): I just want to slightly amend what my hon. Friend said. St Helier in Mitcham and Morden was also part of that pilot.

**Ms Buck:** I hope that does not establish a pattern by which all my hon. Friends seize the opportunity to claim the credit for launching safer neighbourhood policing. In a sense, it does not matter. It was launched in 2004 by the then Labour Mayor of London, and I hope it prefigures important changes in policing by our future Labour Mayor of London, my right hon. Friend the Member for Tooting (Sadiq Khan), who is sitting to my right.

Safer neighbourhood policing was an important response to a flaw in the way that London was policed over a number of years. It was always about more than just resources. Of course, it was partly about policing numbers, which had been falling for many years and were of great concern to Londoners, but it was also about having a different approach and attitude. The most unimportant aspect of it, although it was not wholly insignificant, was the fact that the area-based policing—the closest thing to the neighbourhood model that existed before 2004—was an unwieldy and clunky model of relating to communities. It did not work effectively, in terms of community participation and setting local priorities, and did not give local police continuity so they could establish the relationships they needed.

The safer neighbourhood policing model, which was introduced in 2004, reflected a commitment to return to communities, in all of their geographical, social and ethnic diversity. That commitment was, in part, informed by the experiences of the 1980s and 1990s. It encompassed, at the extremes, the important lessons we learned from the Scarman report on the terrible riots at the beginning of the 1980s and the Macpherson report. The Met learned important lessons from those terrible events, too.

Safer neighbourhood policing teams quickly changed the face of London policing. Indeed, they even helped to change the face of the police themselves. The police community support officer role was an important route
for recruiting Londoners. One of the concerns that some of my colleagues will always have is that many of London's police are drawn from outside London for different economic reasons. We want London's police to reflect the face of modern London. The safer Neighbourhood team route and the PCSOs, which were a part of that model, were a means of doing that. As Lord Stevens recognised at the time, they helped us to change the face of policing. It was obvious; when we, as local politicians, began to develop relationships with our police, we saw that changes were taking place.

The other critical issue about safer Neighbourhood police teams in the early years was the commitment to a core team. At that point, they used the 1-2-3 model, comprising the sergeant, the constables and the three PCSOs. There was a commitment not to remove members of safer Neighbourhood police teams to provide aid and assistance to other activities, but to provide the continuity that is crucial in keeping them connected to their local communities and give them time and space to develop important relationships with residents’ and tenants’ organisations, local schools, mosques, churches and youth clubs. In addition to a dedicated sergeant in each ward, they had someone with the skills and experience necessary to make those relationships work. The mere fact of being a sergeant does not give a person the ability to do that, but reflecting a degree of seniority within those police teams is important and it says something significant about the way in which relationships are built and sustained in communities.

I can think of several individuals—I am sure my colleagues and other hon. Members have faces that they can call to mind—who demonstrated a real change in policing style at the Neighbourhood level. Stuart Marshall was the Queen's Park sergeant for many years. He ultimately transferred to use the skills and knowledge he built up in the Queen’s Park ward—a deprived ward that includes the Mozart estate, which is a very challenging community—to continue to tackle antisocial behaviour with City West Homes. Ken Taylor built up a superb track record in the middle of the last decade in countering crack houses, which had become a plague in parts of London and required a new model of relationship building so the police could act quickly and close them down.

Ian Rowing was a long-term sergeant in Church Street. Only a few months ago—he had been in post since 2004—residents fought to keep him in Church Street because of the excellent relationships and local knowledge that he had built up. The residents said to me, “There is nothing he doesn’t know. There are no people he doesn’t know. He knows every corner of his ward. He knows what is going on, and he has built up a trusting relationship with people.” He was taken off, against all our wishes and advice, to fill some of the yawning gaps in the custody service, which are a huge challenge for London police at the moment.

Lawrence Knight is still serving Maida Vale and Little Venice brilliantly. Paul Reading, a member of his team, runs a boxing club in Little Venice. Anybody who wants to see the face of top-quality community policing should see the work he does. Over time, he has worked with hundreds of sometimes very challenging young men in that corner of London, and he has built up an enormous number of relationships based on trust and knowledge. Some of the newer people working now—I am not able to mention them all—include Sean Marshall, Ian Armstrong, Jason Emmett, John Marshall and Mohammed Nouri. They are relatively new, but their work has been absolutely superb.

But the model has changed, and I want to spend a few minutes talking about that. The continuity of the relationships that were built up and of the police teams themselves has largely evaporated. Under this mayorality, since 2008 the Met has lost 23% of dedicated Neighbourhood uniformed officers in London boroughs and more than 2,400 PCSOs since 2010 alone, and it has closed 63 police stations—we were told that their closure would lead to a huge reinvestment in community policing—due to the £600 million of budget cuts over the past four years.

Mark Field (Cities of London and Westminster) (Con): The hon. Lady and I have worked together in Westminster during the time that we have been Members of Parliament, and I accept much of what she said about the importance of Neighbourhood policing. Equally, we are clearly under financial constraints. No one can deny that that is part and parcel of what is driving the change. Does she accept that we have a model that has been in place now for more than a decade? London is changing quickly, although the City of Westminster is probably changing less quickly than many outer suburbs. Is there not a risk that if we simply persist with that model without looking for a model for the next decade or so, we will run into the problems of the past and have a model that is not fit for purpose for London in the 21st century?

Ms Buck: It would be foolish to argue for no change ever, and I am not doing so. Services have to change and adapt, and a number of different trends are going on in London. Our population is rising sharply, which has to be taken into account. Churn and turnover are also rising sharply, which reinforces the importance of community policing. Yes, of course we need to revise our model constantly, but, as I will describe, the changes to the local policing model were an error and took us completely in the wrong direction. Change, yes—but change for its own sake that undermines the core elements of community and relationship building, which is integral to Neighbourhood policing, is a mistake.

I of course unreservedly welcome the fact that the Autumn statement lifted the threat of a further £800 million—worth of cuts to the Met police, in particular to the remaining police, community support officers. The Chancellor was right to heed the warnings of the devastation that cuts of that scale would wreak, but it would be completely wrong to say that we are now in the sunlit uplands. The settlement remains tight. Commissioner Hogan-Howe told the Greater London Authority police and crime committee last month that “whatever we are going to have to cope with” will be better than what was originally feared. He continued:

“There is no doubt that we still do have pressures. We have this £50 million for National Insurance that the organisation will have to find for pensions. We have a 1½ pay increase baked into the budget... There is a series of other things. It is, no doubt, still challenging.”
On the threat of changes to the funding formula—the complete dog's breakfast that we saw before Christmas—he said:

“...That threat has not gone away because they said they will review it over the next 12 months and so we, on behalf of London, need to keep our eyes on that because London is unique.”

He also highlighted concern about the national and international capital city grant and said that

“...we have a bid in. We normally get around £165 million. We thought that it is actually underpaid by about £200 million. We say that we paid £340 million on national issues that are relevant to the capital. They”— the Home Office— “accepted the case for £270 million.”

The Met in fact received £170 million. There is a continuing shortfall in national and international capital city status, which is highly relevant, because that underfunding leads to the undermining of the ward-based neighbourhood policing that is my concern.

We know that we remain under pressure and that budget cuts have had a serious impact on police numbers, which has been further complicated by the introduction of the local policing model and the redefinition of neighbourhood policing. However, we hear—we have heard it from the Mayor of London and will probably hear it from the Minister today—that neighbourhood policing in London has increased exponentially, not decreased. The Mayor has claimed that London has 2,600 additional neighbourhood officers, but that is a piece of sophistry. It is a definitional change that conceals a decrease of 2,500 dedicated borough officers and 3,200 dedicated borough PCSOs since 2010, reducing the ward teams from the 1-2-3 model to just one constable and one dedicated PCSO, and an increase in duties for the remaining neighbourhood teams.

Mark Field: I thank the hon. Lady for giving way. It is only fair given that the Mayor of London is not here to defend his record. She said that we claim to be increasing police numbers, but the sense was that we were going to redeploy those 2,600 into neighbourhood teams with a localised remit. I accept that that was a change from the remit that was introduced in 2004, but no one was suggesting for one minute that there would be additional police. It was a matter of redeploying police into neighbourhood teams.

Ms Buck: As I will briefly refer to at the end, we have seen a redeployment of officers within a reduced total and rebadging, which has led to confusion and a dilution of what neighbourhood policing was originally about.

The Mayor’s Office for Policing and Crime’s review of the local policing model stated last summer:

“Neighbourhood policing under the LPM is distinctly different to the previous ward based 1:2:3 delivery model which was identical across all London wards”.

The previous model’s critical defining element was a core service common to all London wards that could be enhanced or supplemented. Despite the uplift of officers into neighbourhood policing, as referred to by my neighbour, the right hon. Member for Cities of London and Westminster (Mark Field), the move to a single dedicated ward officer with a single dedicated ward PCSO represents a 77% reduction in ward-based neighbourhood policing when compared to the 1-2-3 model. In my borough of Westminster, we went from a total full-time-equivalent police strength of 1,632 in 2010 to 1,661 in 2012—there were changes in 2011 that meant that 2012 was a better base year—and then down to 1,327 in June 2015. The redistribution under the new service has led to a dramatic drop in our total police strength, which has led to the reduction in neighbourhood policing I have mentioned.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): If I am lucky enough to catch your eye, Mr Evans, I hope to dwell on another aspect of neighbourhood policing that I hope my hon. Friend will comment on with concern, namely that the Met proposes to pilot the merger of borough commands, in particular Brent, Harrow and Barnet, about which my constituents will be particularly concerned.

Ms Buck: I hope that my hon. Friend is able to catch your eye, Mr Evans, and to develop that theme, because it is a real concern. I suspect that he will also want to discuss the theme of leadership that I am developing. Borough leadership is important, but neighbourhood leadership, which was defined for neighbourhood policing team purposes as being ward-based, is also important. Relationships do not happen by themselves; they happen because people in leadership roles are equipped and skilled to build them.

We have already seen a dramatic reduction in police numbers. Underneath that and within a reduced total, we then saw a reclassification of what a neighbourhood police officer is. We have also seen a fundamental dilution of the original model of ward-based safer neighbourhood policing. The combined impact of that led the MOPAC review of the local policing model to conclude that the “visibility of officers within neighbourhoods remains an issue raised by communities and key stakeholders”. Well, it can say that again. As Commissioner Hogan-Howe told the GLA:

“The irony was... that we put more officers into neighbourhoods but people saw fewer people dedicated to their area.”

That is central to the point, and it happened because additional duties were given to safer neighbourhood police officers under the LPM. The MOPAC review states:

“Although the LPM has allocated... additional police officers to”— the new definition of—

“Neighbourhood Policing, with a greater ability to flex resources, to realise the crime and ASB reduction, and respond effectively to community concerns, it has at the same time allocated additional functionality previously undertaken elsewhere.”

The review continues:

“There are a number of functions within the neighbourhood policing strand of the LPM which are required but which impact on the opportunities for officers to be visible within the... MPS Neighbourhoods.”

Those functions included the investigation of neighbourhood crime, appointment cars, e-graded calls, hospital guards, crime scene management, custody constant watches, and aid, all of which were not previously undertaken by neighbourhood police teams.

Since that initial review was carried out, I am aware that some areas of additional functionality have been moved back to response teams, which has had a marginal impact, but additional functionality still remains a problem.
We need only to talk, as I am sure all my hon. Friends here are doing, to local police teams to hear why they are unable to undertake the visibility policing or the relationship building and community work that they used to do. It is because they have additional policing duties to undertake.

The other critical change that took place under the LPM was to aid. One of the most important strengths of the SNT model was its ring-fencing, but the abstraction of staff from neighbourhood teams to other duties is now a constant element. According to MOPAC, neighbourhood officers undertook some 102,000 hours of aid over the 12-month period prior to the review. Assembly Member Andrew Dismore, the former Member for Hendon, obtained figures for the two boroughs that he represents. In just three months over last summer, Camden lost a total of 1,293 officer shifts to other boroughs, averaging 99 shifts a week, and Barnet lost a total of 951 officer shifts, averaging 73 shifts a week. I can also speak from local experience: I will not name the ward because I do not want to get the officers in trouble, but when trying to solve neighbourhood problems and talking to the police about dedicating some resources to help, I have been told:

“No joy this weekend as I was on my own. I had planned to be with 3 other PCs but they got put on AID at short notice.”

That is a regular refrain. Problem-solving work is often taken away.

James Berry (Kingston and Surbiton) (Con): Is the hon. Lady aware that the National Audit Office has produced a report highlighting that several police forces are not actually aware of the demand on their service and that replicating a model across every ward in London may not be the best way to carry out policing? It also states that if a local authority wants to continue with the model to which she refers, they are able to purchase extra police officers from the Mayor of London and avail themselves of the buy-one-get-one-free offer, which we have done in Kingston town centre to tackle crime and antisocial behaviour.

Ms Buck: I have a terribly old-fashioned attitude: the police should police and the local authorities should run libraries and children’s and other such services. I am struck by the fact that a few weeks ago in Westminster the leader of the council said at a staff conference that the local authority was on the path of having its total funding reduced from £390 million to £90 million over the course of the two spending review periods, so I am afraid that it is facile to say that the local authorities, which are being slashed to ribbons, are the ones to take on additional policing roles.

Aid has increased and the continuity of relationships built up by neighbourhood policing teams has been undermined. The impact, according to the MOPAC review, has been that public awareness of police visibility in London has faltered; the neighbourhood confidence comparator shows that over the previous year, on average, it has reduced from an already low 53% to 51%. MOPAC challenged the Met to increase public confidence in the police by 20%, but levels remain broadly unchanged from the March 2012 baseline. The Mayor also set a target for public confidence in the police of 75%, but it is 67%. A review into safer neighbourhood boards by the London Assembly police and crime committee received evidence from those SNBs that some police safer neighbourhood ward panels were meeting infrequently or not at all, so the community relationship was not being sustained evenly simply because the police were unable to find the resources to continue their work. I have found, as I am sure colleagues have, that concerns have bubbled up in the neighbourhoods about the kind of problem-solving work that safer neighbourhood police were so good at doing.

I want to make a few remarks about three particular areas that reflect our priorities at the moment, the first being counter-terrorism. In particular since Paris, we are acutely aware of the critical importance of counter-terrorism work. We should all pay tribute, as I do in heartfelt manner, to the work of the intelligence and security services in keeping us safe. In that context too, however, the local knowledge and relationships built up by neighbourhood policing are absolutely irreplaceable. I can state with certainty that the local officers I know knew exactly who the families and where the areas to focus on were. Such officers were a source of information on and of trust in the police in the community, vital not only to help counter-terrorism work, but in reassurance and community confidence building. Immediately after Paris we, the police teams and the local authority were called together by our excellent borough commander in Westminster, Peter Ayling, to talk about exactly that—higher visibility for our neighbourhood police teams in London in order to reassure our communities.

The second area is hate crime, of which sadly there is soaring incidence in the aftermath of Paris. It has also increased over the course of the past two years, notably anti-Semitic hate crime given a couple of flashpoints, as well as the spike in Islamophobia after Paris. Again, the relationships built by our neighbourhood police with our mosques, churches and synagogues are irreplaceable. Such efforts need to be well led.

The third area is serious youth violence: last year 19 teenagers were killed, which sadly is a dramatic increase on the figure for 2014 and the highest figure for seven years. According to Scotland Yard, nearly 20% of all murders in London now have gang associations. Trident, as with our security services, is a critical specialist service, but I can also state from personal experience that the knowledge built up by my safer neighbourhood team sergeants on gang membership or the risk of that is totally irreplaceable, as are their relationships and their work on the ground, often directly with troubled young individuals. If we are to make serious progress in tackling serious youth violence and gang violence, we have to review urgently what has been done to our local teams.

I am delighted to see that others are present to speak. In conclusion, I want to reinforce the fact that our model of safer neighbourhood policing is not now what it was originally envisaged to be. It was always intended to be at the core of policing. I had a number of enhanced teams in my most deprived areas, I am pleased to say, but the model was never only about total resource, but about leadership—for community relationship building, networking, developing local knowledge and providing continuity. That has been diluted, the model has been changed and we have lost the previous safer neighbourhood model. I am relieved that we do not face further cuts to
or the loss of our PCSOs, but I hope that the local commander, MOPAC and the Minister will hear a plea from the Opposition: we need to return to the core of a ward-based and, ideally, sergeant-led neighbourhood police team to restore public confidence in community policing, which was so valuable and hard won and is in danger of being lost.

Mr Nigel Evans (in the Chair): The Front Benchers will be called at 12.40 pm, which leaves roughly 45 minutes for the debate. If everyone shows time restraint, everyone will be able to speak.

11.55 am

Sadiq Khan (Tooting) (Lab): I pay tribute to my hon. Friend the Member for Westminster North (Ms Buck) for securing the debate and for her excellent speech to kick things off. She is a tenacious and passionate campaigner on behalf of her constituents. In this debate on safer neighbourhood policing in London she has clearly shown that she understands the big issues facing not only her constituents, but our citizens. It is great to see so many London colleagues present for this important debate.

I also pay tribute and put on the record my gratitude to all police and police community support officers, and to all who work for the Metropolitan police. They work day in, day out to protect us and to keep us as safe as possible, preventing crime, detecting those responsible for crime, playing a huge role in maintaining the rule of law and due process, and helping us to feel safer.

There is no point beating about the bush: the very future of safer neighbourhood policing in London as we know it is under threat. As has been said, one of the legacies of Ken Livingstone’s time as Mayor of London was the creation of dedicated community policing teams. I know from my own constituency just how successful and popular safer neighbourhood teams in London were and are. In some of the wards in and around my constituency, there were teams of at least one sergeant, two police officers and three PCSOs. As a resident, a ward councillor and a Member of Parliament, I saw at first hand their work to build community relations. They knew shopkeepers, vicars, priests, imams, neighbourhood watch co-ordinators, resident association members, head teachers and youth leaders. They actually spoke to and engaged with youngsters and made an effort to build relations with parts of our diverse communities that previously had no relations with the police.

The teams’ networks gave them a unique insight into what was happening on the ground and in their patch—proper, old-fashioned community policing: bobbies back on the beat, some would say, not only providing reassurance to the community, but acting as the eyes and ears for gathering intelligence, preventing crimes from happening and clearing them up when they did. That is what policing by consent is all about.

Over recent years, however, safer neighbourhood policing has been devastated in London. While we have had a Conservative Mayor and a Conservative Prime Minister, the number of officers has been steadily eroded. Since May 2010, the number of PCSOs in London has dropped by up to three quarters, with some boroughs—Brent, Ealing, Hammersmith and Fulham, Lambeth, Wandsworth and Westminster—seeing falls of 80% or more. I have with me some of the figures, which cover the period between May 2010 and September 2015. Hackney has lost 69% of its PCSOs and 29% of its uniformed officers; Harrow, 75% of its PCSOs and 24% of its uniformed officers; Hounslow, 75% of its PCSOs and 11% of its uniformed officers; Kingston—I am sorry that the hon. Member for Kingston and Surbiton (James Berry), whose borough this is, has left the Chamber—75% of its PCSOs and 19% of uniformed officers; and Lambeth, 80% of its PCSOs and 32% of its uniformed officers. Across the whole Metropolitan Police Service, 62% of PCSOs and 11% of uniformed officers have been lost. In some areas, there is one officer left, or at best two. There is no longer the same dedicated team for geographical areas as there once was.

Although crime has been broadly falling over the past decade and a half, too many areas of London are still blighted by antisocial behaviour. Violent crime is up across the city and, worryingly, knife crime is on the rise again.

Mark Field: The right hon. Gentleman will recognise that the broader metric of crime is down. Does that not suggest, to a large extent, that, given the financial constraints that any Mayor or Government would have been under in recent years, the Metropolitan police has done a pretty good job of utilising diminishing resources to ensure that people are kept as safe as possible? While I very much accept some of the concerns about the breakdown of the neighbourhood model to which he refers and the importance of integrating with other agencies, broadly there is a good case for saying that, given those financial constraints, we have done a pretty good job, although we should not be complacent about the future.

Sadiq Khan: The police service does a fantastic job under very difficult circumstances. However, internet crime is going through the roof, along with serious youth violent crime, knife crime, knife crime with injury, gun crime and gun crime with firearm discharge. I pay tribute to the remarkable work done by police officers and CSOs.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): The right hon. Gentleman is generous in giving way. I pay tribute, as I will in my speech, to all the officers in England and Wales who I represent, and to those in London in particular for this debate. When we look at levels of crime, we see that internet crime and cybercrime was not recorded before, so we do not know what the levels were. We know that it is a major issue, but the previous Government did not record it. We are now recording it, so that we will have better knowledge of what is happening and can put resources in the right place. However, I want to put on the record that while he said—I think understandably—that internet crime is going up, actually we did not record it, nor did the Government of whom he was a Minister.

Sadiq Khan: I am sure we all accept that technology is advancing and that evolution is a wonderful thing. I repeat the point that I pay tribute to officers, who do a remarkable job under difficult circumstances. However, the Mayor of London—he and the Policing Minister must accept this—aided and abetted by the Government, has filleted safer neighbourhood policing. We have heard some of the results of that in today’s debate, and we will hear more of that in Labour Members’ speeches.
I want to add two further thoughts into the debate. First, there has been a debate over a number of years about stop and search and the impact it has on keeping the city safe. I am one of those who believe that, historically, it has been overused and done so in too much of an arbitrary fashion, so that certain communities have seen strained relations with the police. Someone is unlikely to come forward tomorrow and provide invaluable information or give evidence that can help with a prosecution if yesterday they or a family member were wrongly stopped and searched, and treated discourteously or badly by the police.

Let me be clear: intelligence-led stop and search plays a crucial role in keeping Londoners safe. We should all be worried about the rise in knife crime over recent months. The deaths of teenagers because of knives deeply alarms me not simply as a Member of Parliament and a citizen of this city, but as a father of two teenage girls. However, we will not be able to pursue an intelligence-led approach to stop and search if we lose safer neighbourhood policing, because that provides the police with the intelligence they need to inform stop-and-search activities. Without safer neighbourhood policing, feeding into police intelligence, stop and search risks becoming a blind and arbitrary action, with a resultant negative impact on community relations that would damage all of London.

Secondly, the horrific attacks in Paris were a wake-up call to all of us. It could so easily have been London. If we are to prevent a repeat of the Paris terrorist attacks here in London, we must always be vigilant and make the most of all the resources at our disposal. High level, technologically-led intelligence operations have a role to play. Our security agencies, who do such a sterling job, have considerable pressure on them to keep us safe, but community policing should never be dismissed.

Sir Bernard Hogan-Howe, the Metropolitan Police Commissioner, has pointed out that intelligence that leads to the investigation of people who may be responsible for acts of extremism or terrorism increasingly comes from people reporting suspicious behaviour to—guess who? To local neighbourhood police officers and PCSOs, who they know and trust. The hollowing out of neighbourhood policing is putting those relationships and that intelligence-gathering capacity at risk. If we weaken safer neighbourhood policing, we weaken our protection against terrorism.

I would like to end as I began by thanking London’s police. They do a remarkable job in terribly pressured circumstances, which is not helped, I am afraid, by the deep cuts inflicted on them by the Government and the current Mayor of London. Safer neighbourhood policing has been hit particularly hard. To lose that crucial community-facing aspect of London’s policing would be a terrible mistake. It is important that those of us who understand the importance of policing by consent for crime prevention unite to stop a further hollowing out across London.

Several hon. Members rose—

Mr Nigel Evans (in the Chair): Six people are indicating that they wish to speak and we have just under 35 minutes for them, so if they keep to just under six minutes, everyone will get in.

12.6 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Evans. I warmly congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing this vital debate. She clearly outlined why safer neighbourhood teams work, so I will not delay the Chamber by repeating that. I will just add that I fully endorse it. In my borough of Hackney, it was transformational in building relationships in the community. The community relations with the police were a byword for bad relations around the time that I was elected to the London Assembly. It was only with the installation of ingrained neighbourhood policing that we began to see a change. People felt that they were working with the police, rather than feeling that they and the police were on opposite sides.

It is important to remember that the police police us by consent and, for that to work properly, they need to know their community in a granular way and people need to know their police officers. As others have, I could highlight many local examples of times when people have passed on intelligence to the police, but I will give just one example. When I was out knocking on doors for one of my regular weekend surgeries, in two households in a row I spoke to parents who did not want to speak to the police or for me to report something, because they were afraid that an officer in uniform appearing on their doorstep could mean their teenage child being targeted by gangs. If they want to report something as simple as drug dealing going on in their area—simple in that it is easy to identify and relatively easy to police—I can act as a third-party reporting mechanism, but so can neighbourhood police teams, many of whom go around out of hours, not in uniform, to talk to people or find safe places for people to talk to them.

Along with other London colleagues, I recently met with the Metropolitan Police Commissioner, Sir Bernard Hogan-Howe, and we raised some of our concerns about this topic. He understandably raised competing challenges and his challenge with the budget, as my hon. Friend highlighted in detail, and he reminded us that much of modern policing is not visible. Of course, dealing with historic child exploitation or cybercrime is important to our constituents, but it is important that we see police on the street and that they build relations with their community.

The hidden policing—the stuff that is not seen—should not take away from the vital community policing that we know works. The improvements in Hackney underline the importance of that regular, steady relationship. Every year there is a commendation ceremony from the borough commander, where we hear stories of the deep community engagement that others have highlighted.

We should be clear that, in political terms, this is an ideological battleground. The Government want to shrink the state and they hide that under the veil of austerity. We all want to see taxpayers’ money spent wisely, because every pound saved is a pound to spend on something else or to provide benefits to our constituents, but there is a point at which shrinking the state so far, under the guise of austerity, goes too far. I believe it has gone too far in the realms of neighbourhood policing. This is in area where the public want the state to be present.
Mark Field: The hon. Lady and I agree on many things, and we have worked together as neighbouring MPs on broadband and the like, but it really is nonsense to suggest that the Government are trying to shrink the state to any great extent. We are still living miles beyond our means—we are borrowing at the rate of £75 billion to £80 billion a year—and the notion that the Government have taken a slash-and-burn approach is quite wrong. I accept that, with some of the austerity agenda, there has had to be some reduction in public spending, particularly in the area we are discussing, but the notion that this is a state-shrinking Government is very far from the truth.

Meg Hillier: I think my constituents would beg to differ: this is an area where they do want to see the state visible and active on the streets.

Over the past five years in Hackney, crime has continued to drop. However, Hackney has lost 173, or more than a fifth, of its police officers—in October 2010, it had 770, but there are now 597. It has also seen a dramatic cut in PCSOs, from 100 to 37. There were recently plans to axe all our PCSOs, but thankfully those have been dropped. I echo the really important point made by my hon. Friend the Member for Westminster North that safer neighbourhood policing was a vital recruitment line for the police—the police in Hackney still do not look like Hackney, so that was really important. It is important that our overstretched officers are supported by good PCSOs.

Let me just highlight how our officers are overstretched. For more than a decade, Operation Bantam has provided an effective response to gang violence in Hackney, which is sadly still a scourge and a challenge for the police, the community and local authorities. There used to be a team of 40 dedicated officers; now there are six, and that is a real concern. I back Hackney Council’s campaign to bring 100 officers back to Hackney to make sure we deliver for the people of my constituency and my borough.

PCSOs were introduced under the last Labour Mayor of London, and I look forward to having a future Labour Mayor of London who recognises their importance. Previously, seven different uniformed officers and wardens patrolled my constituency. Many were funded by the Home Office or the Department for Communities and Local Government, while some were funded by the police or local authorities. There was a crazy mishmash—a multi-coloured rainbow—of different uniforms and different powers, and it made sense to bring those officers together. As a result, however, they were then at risk from these cuts and changes, because of the other pressures on the policing budget, and that is a regret.

There are two key benefits from safer neighbourhood policing. First, there are people on the streets, and having more PCSOs on the streets saves vital police officer time. Those three PCSOs in the ward also really got to know their area, and they often stayed longer than the police, unless they planned to become police officers themselves.

The hon. Member for Kingston and Surbiton (James Berry) mentioned the National Audit Office report on policing, which the Public Accounts Committee has looked at. We visited and had evidence from forces around the country. The hon. Gentleman rightly said that many forces do not have good enough data to know the impact of the cuts coming down the line or the needs of policing locally. What is really crucial and really unforgivable, however, is that when the Home Office makes a cut and sends it down the line to the police, it does not have the data to know what the impact will be. I would like the Minister to address that directly.

The funding formula is one issue, and we do not need to dwell on what a mess it was; that is now fairly well acknowledged, and I am sure my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), who speaks from the Front Bench, will touch on that. However, there is also cost shunting, which is a consistent concern on the Public Accounts Committee. We see police officers, as the providers of first and last resort, picking up the pieces for other services, but that is not recognised in the funding formula or in cross-Government working. It is really important—I challenge the Police Minister on this—that the police service should not be picking up the pieces because Departments have cut funding and do not recognise the impact on the police. I would like the Minister to tell the House how he will challenge that.

Mike Penning: If the hon. Lady had heard any of the speeches I have made in the House or outside it, she would know that that is exactly what I have been saying since I have been the Police Minister. All too often, the police are the first port of call, rather than the last port of call, for other services, which is fundamentally wrong.

Meg Hillier: Well, I hope the Minister actually has the power in Whitehall to bang heads together and to get this sorted. We will continue to see problems in London if its policing budget is squeezed because the police are having to pick up ambulance calls and to deal with mental health issues—for example, by tracking down mental health beds at weekends. There is a long litany of such issues. The Minister speaks the words, but if he could talk in more detail in his response about what he is actually going to do about this, that would be very helpful.

12.14 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): As with clothes and interior design, there are fashions in policing, and we are seeing a backlash against the current fashion. What is happening is not just about money, although money may be the principal cause, but about the fact that some in policing circles simply did not believe in the community policing model—the one sergeant, two PCs and three PCSOs model—as set out by Ken Livingstone when he was Mayor and by a number of Labour Home Secretaries, because it “de-policed” the police. However, it actually enhanced what the police could do, particularly in areas that are more financially challenged and that have more people who are excluded. We began to witness more people willing to talk to the police than ever before.

With those increasing police numbers came more police bases. There is a huge issue about the enormous waste of money that has resulted from closing local offices that were opened in order to place safer neighbourhood teams at the heart of their community. In my constituency, Mitcham and Morden, we have seen the closure of the Lavender Fields and Graveney
team office in Wilson Avenue, which must have taken thousands of pounds to open to standards that the Metropolitan police accept.

Pollards Hill is a ward right on the outskirts of Mitcham and Morden, bordering Croydon and Lambeth. People there feel out on a limb and excluded from their local area, and the police office there showed a real investment in their community. People felt that the police were close to them and dealing with the problems they face. I am sad to say that some of those problems relate to gangs and stabbings. We do not have the same level of such problems as other hon. Members will in their constituencies, but the fact that that office is no longer there for people to turn to when issues arise is a real problem for that community. Again, there is the issue of the costs involved in opening these offices and then closing them, leaving memorials to a police system that worked a great deal better than it does currently. That is really sad.

There is an idea that we can point to crime figures and say, “Crime is down, so it’s okay.” However, if we consider confidence in policing, and we look at the figures for the fear of crime in my borough of Merton, we see that about two thirds of people now fear crime, when the figure was once the lowest in London. Mitcham has 41% of the crimes that take place in the borough, but 68% of people fear crime—the fact that people can no longer see their police officers has tripled the numbers.

When there was a stabbing in Pollards Hill, where would people go? They would go first to the police officer or the PCSO at the local high school. We can be pretty sure that within hours those officers would have had a very good idea of how the incident came about and who was involved. That would then allow the police response teams—Trident or whoever—to go into action and to deal with the issue.

When we have our police meetings, some in the police—I suppose this is out of frustration at their situation—tell residents, “You don’t have a crime problem here. Crime is not high. You live in one of the safest boroughs in London.” That really does not wash if someone has seen a young man stabbed outside their kitchen window. Although people can absolutely rationalise that that would never happen to them as a middle-aged woman, an older dad or a young child, they have seen it happening in their neighbourhood and they want it dealt with. Their fear is for themselves, their children and their neighbourhood. When they know that the police officer that used to be open behind their homes is no longer there, there is a real and severe feeling that, given the level of policing in their area, the possibility of dealing with these issues becomes less.

When we combine that with local authority cuts in youth services, we get a maelstrom. In Pollards Hill, in Merton, we do not have a huge youth service. The Pollards Hill youth centre was due to close in April this year. Luckily, we brought people together to build an alliance to keep it open. However, I suspect that, in areas more challenged than mine, a combination of police cuts, youth service cuts and the inability of services to take young people away from crime will create a legacy that will be with us for a long time. That will not save any more money, and it will cause far more challenges for many more vulnerable people.
of the calibre to engage with other stakeholders such as council officials, NHS workers and leading community representatives. I fear that if the borough loses a very experienced officer who can engage with Members of Parliament and senior councillors and direct resources quickly when alerted to problems, there will be a slowing down in the tackling of crime and antisocial behaviour. I pay tribute to recent borough commanders on my patch who, when I have gone to see them about particular crimes, have quickly grasped their significance and have diverted time to looking into them and responding more appropriately.

I worry that, in the long term, basing the borough commander for Harrow in Brent or Barnet will call into question the future of the police station in south Harrow, which serves the whole borough. It is not fit for purpose now and it needs investment; but I fear that with a borough commander based elsewhere that would not happen.

12.26 pm

Ruth Cadbury (Brentford and Isleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Evans. I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing the debate and I congratulate my right hon. and hon. Friends on the excellent points that they have made in the debate.

Just before Christmas a pig’s head was left on a pavement in Hounslow alongside anti-Muslim graffiti. Among the first people on the scene were PCSOs who work on that beat. They saw the graffiti and could speak to local people, report the incident, give reassurance and act as liaison. They could act as the first point of call, to reduce community tension at a time when, as we know, such tension is heightened in parts of London. Police driving past in a car would not have seen the graffiti and might not even have seen the head. That is just one example of the importance of PCSOs and neighbourhood policing in London, and of why they need to be protected.

In Hounslow there has been an increase in the number of full-time equivalent police officers, although I think that clarification is needed with respect to the total number of officers and PCSOs and full-time equivalents. The number has gone up by 16 to 556 since March 2010—a small increase. In the same time, as my right hon. Friend the Member for Tooting (Sadiq Khan) has said, the number of PCSOs in Hounslow dropped from 109 to 23 by November. There are now fewer than one per ward.

I have spent 25 years as a ward councillor, have been a deputy leader and cabinet member, and have served on my local ward panel, and I have seen the benefit of neighbourhood policing to my community and borough at grassroots and neighbourhood level. As has been outlined, safer neighbourhood teams are in regular touch with councillors, young people, headteachers, voluntary and community organisations and key people in all the main local public and community services. I am told that the police and PCSOs in Hounslow do not feel confident that neighbourhood policing has a future in London, despite the good words of the commissioner late last year. The drive towards car and computer-based policing means fewer links between the police and the community and less of the benefit that they bring in reducing tensions and improving community safety, and in counter-terrorism. PCSOs are the conduit between the police bureaucracy, the local authority and public services and local residents.

Londoners have built confidence in the police since the implementation of neighbourhood policing. None of us wants to go back to how it was before. I do not want policing to go back to the situation I experienced in my early years as a councillor, when it was impossible to get in touch with the police. There was no engagement on local issues and no consistent engagement; it was only as and when, as a reaction to an incident. There were no long-term links with community organisations and little understanding of local issues, local tensions and local people. I do not want to go back to that position, which is why I congratulate my hon. Friend the Member for Westminster North on securing this debate.

12.30 pm

Dr Rupa Huq (Ealing Central and Acton) (Lab): First, I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing this important debate. It is an honour to be sat next to the next Mayor of London, my right hon. Friend the Member for Tooting (Sadiq Khan).

We know now that there are no immediate cuts to police budgets. Last time we debated this subject, there were worries about potential cuts of £800,000 to £1 billion. We know now that those will not happen, but there are worries among people on my patch that the devil is in the detail. I have some questions for the Minister about possible attempts to reshape London’s police force by stealth.

Members have already said that the safer neighbourhood team model was a great achievement of the previous Labour Government, welcomed by communities at the time. We also heard about the 1-2-3 model, so I will not go into that again. As far as I understand it, the headline announcement of no immediate cuts was against a background of £600 million of savings—that euphemistic term—already made between 2010 and this year. We have heard how London as a whole has lost 3,170 dedicated neighbourhood PCSOs since 2010, which is a 70% cut. What is the shape of the police to come?

In Ealing, we have gone from a ward-based model to clusters. There are brilliant, dedicated people such as Graham Durn from Acton, James Lenton from the Ealing Common and Northfields ward, where there has been a merging of wards, and James Bister from the Acton cluster. However, there is a worry, and I want to echo some of what my hon. Friend the Member for Harrow West (Mr Thomas) said. I actually have some good news about crime reduction in Ealing, where levels have been some of the best. Last time we debated this subject, we were worried we could lose PCSOs and police stations and that police office numbers could be cut. My worry, however, is that the borough model is in danger.

We have 32 boroughs in London, of which Ealing is the third most populated. We have 600 odd police officers in Ealing. I am worried about the dilution that my hon. Friend the Member for Harrow West warned of. There is a current programme to tackle the MOPAC 7 crimes, which include burglary, criminal damage, robbery, theft
of and from motor vehicles, and theft from the person. Even under the new model, in which we have gone from safer neighbourhood teams to local policing, we can report a 27% reduction in those seven crimes in Ealing, with the most dramatic reductions being in robbery and burglary. I welcome that fact.

We all have to recognise that policing with and in local communities is about neighbourhood policing. Police officers in this country are not seen as Robocop. We have strong ties, and people know named officers. That is the difference between us and other nations, but I fear that that is endangered by the cuts by stealth, the reshaping, the shaving off of PCSO numbers and the threat of merging borough commands.

All the police I speak to say that they are in a position of not knowing what will happen next. They still do not know the future shape of the police force in London, and the amalgamation of borough commands is a worry. At the moment, all 32 boroughs have a chief superintendent, and that is why things have improved: there is a go-to person. The chief superintendent and the command team can liaise with all the authorities—for example, the chief executive of the council, the health services, the mental health services, the probation service, safeguarding, which covers adults and children, and third sector people. That could be lost.

We heard about the tri-borough nightmare in Harrow, where the borough command is possibly merging with Barnet, which is geographically quite far. I believe the idea of merging borough commands is still on the table. It has been discussed before by MOPAC, and I want some clarity on whether it is still an option. Will it go ahead? What benefits will it bring? What significant improvements will it make to local people in Ealing and Acton if you merge these forces in this way? [Interruption.] Does the Minister want to intervene?

Mr Peter Bone (in the Chair): It is not me who will make any of these decisions. I think you were referring to the Minister when you said “you”.

Dr Huq: Okay; I apologise to the Minister.

Mike Penning: I apologise; that was inappropriate of me. If the hon. Lady says “you” in her speech, it refers not to me but the Chair. I cannot do anything anyhow, because that is for the commissioner.

Dr Huq: My apologies. I am a rookie MP, so the terminology is still new to me.

The 27% reduction in the MOPAC 7 crimes in Ealing is good news for the Minister, and I am sure he will welcome it. However, communities and boroughs need dedicated PCSOs. That is vital to our police service. Each of the 32 boroughs in London needs their own chief superintendent and command team. We as MPs need to work hand in glove with the police dedicated to our patches.

I will be brief—I only intended to make an intervention, but it has turned into a speech. The money may have been found down the back of the sofa so that it can be said there are no police cuts, but there are lingering doubts about what the shape of the police force will look like and that the worst could be yet to come, so I would like some clarification on the issue of the borough model.

Mr Peter Bone (in the Chair): The last Back-Bench speech will be from Helen Hayes; I appreciate her waiting. It would be helpful if we could start the Front-Bench speeches at 12.40 pm.

12.37 pm

Helen Hayes (Dulwich and West Norwood) (Lab): It is a pleasure to serve under your chairmanship, Mr Bone. I will do my best to stick to the timescale you outlined.

My first experience of working with the police as an elected local representative was as a local councillor working with my safer neighbourhood team, set up by the former Labour Mayor of London. I found the dedicated team of six officers to be hugely impressive, forging strong connections and relationships across the community and working in a way that was responsive to local needs and issues but also proactive and preventive. They also delivered results. We saw estates that had suffered episodes of gang-related violence have no such problems for years, and antisocial behaviour and drug dealing properly dealt with. We saw the perpetrators of spates of burglaries quickly apprehended and really valuable work, such as the detailed mapping of a large area of woodland in the ward, so that it was easier to find lost children. Most importantly, we saw the police out and about in the ward day in, day out, getting to know residents, understanding and responding to their concerns and preventing crime as well as responding to it.

I would like to pay tribute briefly to the hard work of the police in my constituency, which often goes above and beyond the call of duty. I was contacted on 23 December by a vulnerable elderly resident who had been the victim of a particularly nasty robbery in his home. He was calling to ask that I wrote to thank the borough commander because, in his words, the officers who responded to his call for help had been not only effective but kind, organising a small party and whip-round to show their support. We should not for a moment forget such excellent work when we debate policing in London.

The cuts to policing in London have been extensively covered by my colleagues, so I will not dwell on them in detail. I will simply say that the cuts have been devastating, and that the change from safer neighbourhood policing to the local policing model has been the most damaging of all. That reorganisation strips away one of the vital tools the police had for building deep relationships with the communities they serve, and we are seeing the impacts on the ground.

On one of the estates in my constituency, residents, many of them elderly, are not currently receiving any post because the postal worker who delivers there has been threatened and mugged, and Royal Mail has decided it is not a safe environment in which its staff should deliver. That could easily be resolved if the safer neighbourhood team could put resources on the ground as it could previously. On another estate, problems of antisocial behaviour are not being dealt with as quickly as they could be before. On another street, a spate of
burglaries running on for months and months culminated in a horrible attack, where the contents of a petrol canister were thrown over a local resident.

Our police have been forced by the cuts to become reactive instead of proactive, visiting the victims of burglary or robbery after the crime has taken place and responding to call-outs. However, a proactive approach through neighbourhood policing is vital to addressing some of the most serious and pressing challenges that we face—gun and knife crime, child sexual exploitation, radicalisation and terrorism, forced marriage and honour-based violence and hate crimes. Investigating and preventing those crimes requires the police to have the depth of knowledge and relationships with the communities they serve that cannot be fabricated in the heat of a rapid response, once a crime has taken place. As one community activist in Brixton said during a MOPAC roadshow meeting, in eroding safer neighbourhood teams “you have taken the heart out of policing”.

Neighbourhood policing is vital to maintaining confidence and trust in the police. When communities know their officers and officers know their patch, the police have a public face at local level. When that is taken away, the public are left to rely on headlines and high-profile cases and the individual experiences of people who have sadly already been the victims of crime to determine their level of confidence in the police.

Finally, neighbourhood policing should not be regarded as the softer side of policing, but as the vital relationship-building bridge between the police and the communities they serve and the key to resolving and preventing many of the serious crimes that can threaten the security and stability of our communities.

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Mr Bone. I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on rightly bringing to the House—as one of the first debates we are having in the House this year—this debate on the importance of the safety and security of our citizens in London and, crucially, the role played by neighbourhood policing.

I also pay tribute to my right hon. Friend the Member for Westminster North (Ms Buck) on rightly bringing to the House—as one of the first debates we are having in the House this year—this debate on the importance of the safety and security of our citizens in London and, crucially, the role played by neighbourhood policing.

My hon. Friend the Member for Westminster North was right to remind us of the legacy of history. I will say two things about legacy. First, painful lessons have been learned from what was a very different era of the policing of London—following Scarman, Macpherson and stop and search. Indeed, John Grieve said today, in a powerful intervention, “I got it wrong all those years ago and I feel ashamed of myself.” One senior police officer in London said to me, “Jack, we were like Robocops touring estates in cars, remote from the communities that we were responsible for policing and distrusted by them.”

The second thing about the legacy of history is that although the police themselves learnt lessons, including excellent police officers such as Sir John Stevens, that came together with what we did in government to create the British model of neighbourhood policing that is celebrated worldwide. That included 17,000 extra police officers, 16,000 police community support officers and, here in London, ward-based safer neighbourhood teams.

As my right hon. Friend the Member for Tooting said, rooted as he is in his community and in the great city of London, this is about the notion of patiently building good community relationships of trust and confidence, whereby people then co-operate in detecting crime, but it is about more than that: it is about preventing crime and diverting people from crime. Again, my hon. Friend the Member for Westminster North gave the excellent example of the boxing club in her constituency. It is about engagement between the police and young people, whereby the police come to be seen very differently by the young people they serve.

Sadly, a generation of progress that has been made in building trust and confidence is now being reversed. In the words of my right hon. Friend the Member for Tooting, today we are seeing the filleting of neighbourhood teams here in London, as a consequence of the last five years, with the £600 million of cuts, and of what will happen in the next five years, when there will be remorseless reductions at the next stages. These are the biggest cuts to any police service in Europe.

The first duty of any Government is the safety and security of their citizens. I therefore stress how important it is that the truth is told in this very important debate. First, it is not true that crime overall is falling. Crime is changing. There are disturbing signs, in the words of Sir Hugh Orde, the former chairman of the Association of Chief Police Officers, of a “tipping point” being reached; and, as the statistics are now cleaned up, we see police recorded crime up 3%, violent crime up 24% in London and sexual crime up 29% in London. In addition, we are seeing a rapid growth in cybercrime. That will now be included in the crime statistics from this year onwards, showing a 40% increase in crime overall. I therefore hope the Government will stop saying, “We cut police, but we cut crime,” in circumstances where the truth will be told.

Secondly, it is not true that the comprehensive spending review protected police budgets. As has been said, the pressures remain tight and resources will reduce. Sir Bernard Hogan-Howe has been absolutely clear about how that presents big challenges to the police service. The threat relating to the reform of the funding formula still remains. There was an omnishambles and that had to be shelved, but again, as he has said, “It makes it difficult to plan ahead in circumstances where we do not quite know what our income streams will be in two to five and five to 10 years’ time.”

Thirdly, as has been exposed today, it is not true to say that there are more neighbourhood police officers here in London. Suffice to say, the powerful case that Opposition Members have made shows that such assertions about statistics are as reliable as dodgy Del Boy promises that “All will be right if you buy from me now.”

This is the worst possible time for the Government to continue putting those resource pressures on our police service. It is not just about the tipping point being reached in relation to conventional crime, as it is sometimes
called, but about the challenges relating, first, to child sexual exploitation and abuse. Rightly, this country is rising to the challenge of rooting out that evil and protecting children, but that is hugely resource-intensive. Secondly, there is the rapid growth of cybercrime.

Thirdly and crucially, there is the uniquely awful generational threat of terrorism that we now have in our country. Key to combating terrorism is good neighbourhood policing. Peter Clarke, the former head of counter-terrorism, said that neighbourhood policing was “the golden thread” from the locality to the global, where plots are hatched by terrorists. Mark Rowley, the current head of counter-terrorism said that, from their point of view, neighbourhood policing was absolutely crucial. Remember that we are seeing arrests for terrorism nationally at the rate of one a day, and here in London, Sir Bernard Hogan-Howe has said that the majority of leads in relation to those engaged in or plotting terrorism has come from neighbourhood policing—not from high-tech surveillance, although that plays its role, or international collaboration, although that is absolutely crucial. However, neighbourhood policing and the patient building of good community relationships are key to detecting those who are planning such outrageous wrongdoing.

In conclusion, as Opposition Members have said, it is welcome that within 48 hours of the comprehensive spending review the Government pulled back from the brink and did not make a proposed 22% cut on top of the 25% cut in the last Parliament. However, the facts speak for themselves; resources will reduce. Neighbourhood policing in London is being hollowed out. I say, with due respect to the Minister, that at a time like this, the Government need to think again, because it is true that the first duty of any Government is the safety and security of their citizens and the Government cannot say, “We backed the police,” unless they make the necessary resources available.

12.48 pm

The Minister for Policing, Crime and Criminal Justice (Mike Penning): It is a pleasure to serve under your chairmanship for the first time in the new year, Mr Bone; I am sure we will have plenty more encounters.

It is good to see the shadow Policing Minister, the hon. Member for Birmingham, Erdington (Jack Dromey), in his position, and I hope that, as things progress, he stays in the job, because he is passionate and cares an awful lot—he knows me well enough to know I mean that.

I was wondering if I was on one side of a hustings for the mayoral election at one stage of the debate. I fully understand why the debate was called; in many ways, it was called prior to the announcement on the funding—[Interruption.] I am wrong, I apologise, but it felt that way. This issue has certainly been part of the mayoral election campaign, and I probably have done the same thing had I been on the other side. However, I would not be saying what has been said today, because anybody who is listening to this debate from outside the Chamber or outside London would think that crime in this country is rocketing and that terrible situations are happening across our country, but they are not.

Let me touch on some of the points that have been made. What was the cut in the number of police officers in London? It was 4%. That was the loss in the number of police officers, yet crime in London has fallen. Recorded crime has fallen by 11%—[Interruption.] The shadow Minister has said from a sedentary position and previously, during his speech, that things have changed. Absolutely: crime in this country is changing dramatically. Police officers and chiefs, and in London the Mayor, must make the operational decisions on where to put resources.

We asked the 43 police forces for which I am responsible around England and Wales to look at whether they could make 25% savings or more. Some, including London, said they could make 10% savings over this spending round. The Labour party and its spokesman said they could save 10%. No one listening to this debate would know that the Labour party had said that before the spending round, but it did. We looked carefully at how we could police in this difficult situation going forward—not only local policing and making people feel safe in their homes, but dealing with terrorism and so on.

That must be put on the record, because no one will have heard during the past hour and a half that the Labour party wanted to cut spending on the police in this country by 10%.

Meg Hillier: I think the Minister has misunderstood some comments from Opposition Members. We acknowledge that there are issues with funding. We are saying that one priority should be ingrained, neighbourhood community policing because, for all the reasons outlined by my hon. Friend the Member for Westminster North (Ms Buck), that has a beneficial effect all round.

Mike Penning: I respect the hon. Lady a lot, not least in her role as Chair of the Public Accounts Committee, but that is a policing decision. It is for the police to decide how they police the community, not for politicians in this Chamber.

Ms Buck rose—

Mr Gareth Thomas rose—

Mike Penning: I will give way in a moment if I can. It is not for us to say what police stations should be open. Those days have gone. We said we would not make the 10% cut that the Labour party recommended. We said no cut. In fact, there is a £900 million funding increase for London over this spending round.

Ms Buck: I want to challenge the Minister on operational decisions. I have wanted this debate for some time. Resources are an issue and we can debate them, but fundamentally it is absolutely right for politicians to talk about the values and principles on which our city is policed. Many Opposition Members have expressed deep concern about the local policing model, even if that model has rested upon the same resources that we had in 2010. It is completely right and just for us to do so, and the Minister is totally wrong to say that we should not be discussing that.

Mike Penning: I did not say we should not discuss that; I said we should not be telling the police how to police operationally, because that is fundamentally wrong.
Mr Gareth Thomas rose—

Sadiq Khan rose—

Mike Penning: I will not give way again, because I am very short on time.

Sadiq Khan: I will make it easy.

Mike Penning: The right hon. Gentleman has already presented his election campaign so we can wait a little longer for another press release.

We need to make sure that the public have the truth and are not scared—for another press release.

We need to make sure that the public are not scared by these sorts of debate and the sorts of press releases that are being out here. Let me give an example of fantastic policing work being done in Westminster—in particular, in the constituency of the hon. Member for Westminster North, who did not mention this in her speech. Under Operation Trident recently, there have been 150 arrests, 15 knives have been seized, and nine adults have been charged with drug-related offences and given custodial sentences.

Ms Buck: Will the Minister given way?

Mike Penning: I will not give way. We have had a debate of nearly one and half hours, and positive things that are happening in parts of the hon. Lady’s constituency—

Ms Buck: Part of the issue with Operation Trident, which does some excellent work—I referred to it specifically—is that we have a lot of difficulty finding out what it does. The whole point of this debate rests on the fact that our safer neighbourhood teams were conduits for local information and relationship-building. That in no way detracts from the quality of police work. We are addressing a different problem. Operation Trident’s success lies on the bedrock of ward-based safer neighbourhood teams.

Sadiq Khan: The Minister does not get it.

Mike Penning: I will have to write to right hon. and hon. Members, as I will not have time to deal with all the points now, because we are going over the debate that we have already had. However, Operation Trident has done fantastic work, with local information, in the hon. Lady’s constituency, so arrests and prosecutions have taken place. That is happening today.

I will have the honour and privilege in the next couple of weeks of going to Hendon for the passing-out parade, so more officers will be coming out of basic training. On PCSOs, the commissioner has already announced that there will be no reduction from the present levels. I think we would accept that that is right and proper.

Let me also touch on some of the points to do with representation. I think that is really important. Actually, this is one of the things that the commissioner has done that I think is really important, and the Mayor of London has supported it as well. The commissioner has said that recruits—people who want to join the police—have to live in their communities. There is an exemption, which is right and proper, for our armed forces. I was born and bred in Edmonton, but I went off and joined the Army at 16. When I left the Army, I would never have been allowed to join the Met police under the present rules unless there was an exemption for our armed forces. That exemption is right and proper.

However, I think we need to go further. I would say this as a Hertfordshire MP, but the Metropolitan police often recruit trained police officers from outside the Met area and bring them in. I do not think that that is great. I know there are some specialist roles that need to be done, particularly in relation to armed response and other areas, but actually officers should replicate the communities that they serve. I am determined that, throughout the ranks of the police forces in England and Wales, officers should replicate the communities that they serve and live in them. They do not now, and that is not something that has suddenly happened; it is something that we should have addressed years ago. How many chief constables are from a black and ethnic minority background? Very few are, so we must ensure that that happens.

The Chair of the Public Accounts Committee mentioned other duties that the police undertake. That is one of the things that I have been banging on about. I am sorry if she has not heard or has been sent to sleep by any of the speeches that I have made on that subject, but I know that the shadow Policing Minister has heard them. We now have an inter-ministerial group—it started under the coalition—so that we are stopping police officers doing something that they are fundamentally not trained to do, particularly in relation to mental health. I have been out on patrol with the police, like many colleagues here, and all too often when we say, “Where are we going?”, the reply is that we are going to see Mary or Johnny, and this is at 7 o’clock on a Friday night. “Why are we going to see Mary?” “Well, because social services phoned up and they haven’t seen her all week. She’s a very vulnerable lady, so we should go and see her.” No, we should not. It was because a phone call had come in earlier in the evening saying, “We haven’t seen her. Will you go and see her?” That is a social services responsibility. Of course we went, and of course the police would do that, but it is not the key role of the police.

Ruth Cadbury: The Minister might like to reflect on the fact that too often the police are the ones being called in because too many of these public services, such as social care and youth services, either are non-existent or have been cut back so far that there is no one to do that visit.

Mike Penning: I would challenge whether that is true. I hear this from police officers all the time: when they ask social services when they realised that Mary or Johnny had not been visited and they have not heard from them, the answer is that it was earlier in the week. This nearly always happens on a Friday evening. I am not saying that the police will not respond—of course they will—but we should not be continually asking the police to do something that they are fundamentally not trained to do. Social services need to step up to the plate.

We have changed the rules, particularly on holding juveniles in cells. We were told that that could not work, but what was happening was fundamentally wrong and illegal. A place of safety for someone with a mental illness or a learning difficulty is not a police cell. It is
[Mike Penning]

actually and fundamentally an important place that they should be taken to. I was in Holborn recently and we did exactly that. Traditionally, people would have been taken back to the cells—section 135 or 136 of the Mental Health Act 1983 might have been used to detain them. We are changing that more and more as we bring in mental health professionals—paid for by the NHS in most cases—who may be embedded with the police in custody facilities, although actually more of them are triaging people out on the streets. That is the sort of thing that is required. We have to have other experts from other departments. We have to break down these silos to try to ensure—[Interruption.] Hon. Members ask from a sedentary position where that is happening. It is happening around the country now. We must not say that it is acceptable that the police are being used inappropriately, and they have been for many years—not just under this Administration, but prior to that.

It is fundamentally important to make this point. Yes, there is a debate—a discussion—but the British public are safer today than they have ever been from traditional crime, which continues to fall. We must ensure that we put all our resources into protecting them from the new types of crime, particularly terrorism. Of course neighbourhood policing is a very important part of that, but it is not about buildings or stations; it is about people delivering the help that the public need.

Mr Peter Bone (in the Chair): I apologise to Karen Buck, but we do not have time to come back to her for a winding-up speech.

Question put and agreed to.

Resolved,

That this House has considered Safer Neighbourhood policing in London.

1 pm

Sitting suspended.

UK and Kazakhstan

[Geraint Davies in the Chair]

1.30 pm

Geraint Davies (in the Chair): Happy new year, everyone.

Bob Stewart (Beckenham) (Con): I beg to move,

That this House has considered the relationship between the UK and Kazakhstan.

Happy new year, everyone. It is particularly good to see staff from the embassy of Kazakhstan here. I declare my personal interest as treasurer of the all-party parliamentary group on Kazakhstan.

Kazakhstan is massive. The whole of western Europe would fit into the state. It is the world’s largest landlocked country, and it stretches from the Caspian sea to China. Some 16 million people live across its vast lands. Kazakhstan is so vast that, if those people were evenly spread out, there would be only six in every square kilometre. In 1991, Kazakhstan was the last former Soviet republic to break from the Soviet Union. The former Communist party leader, Nursultan Nazarbayev, has effectively ruled the country since its independence—he is now 75 years old. He was first elected as the secretary of the Communist party of Kazakhstan in 1989, but he was re-elected after the break with the Soviet Union in 1991. Practically unopposed, President Nazarbayev has won—

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I declare my interest as chair of the all-party parliamentary group on Kazakhstan. Does the hon. Gentleman agree that one of Kazakhstan’s problems is that its wealth is very much in its oil and that it needs to import many products? One of the challenges that the political leadership will have is in governance and the country’s relationship with its neighbours.

Bob Stewart: I thank my good friend, despite her being in opposition, for that intervention. I entirely agree that that is one of the problems that Kazakhstan has to address.

The President is very popular with ordinary Kazakhs and is credited with presiding over successful political, economic and social changes through the 1990s and impressive economic growth since 2000. Corruption is undoubtedly a serious problem in the country, with perceptions of Kazakhstan in Transparency International’s annual index being almost as bad as the perceptions of Russia. However, I note that Kazakhstan is not listed as a country of concern in the 2014 Foreign and Commonwealth Office annual report on human rights, unlike its neighbours Uzbekistan and Turkmenistan.

Clearly, President Nazarbayev retains a tight rein on power. In fairness, he argues that real democracy will come one day but that change must be gradual so as not to destroy the country’s stability. That makes pragmatic sense, considering the situation in many surrounding countries. Kazakhstan is doing its very best in a region where good governance is hardly endemic. After all, Kazakhstan is no different from countless other states across the world, most of which the United Kingdom considers to be both friendly and a trading partner.
With that in mind, I support Kazakhstan’s bid for a non-permanent seat on the UN Security Council in 2017, and I hope the Minister will do so, too. Kazakhstan has a great record on non-proliferation and disarmament, and it gave invaluable help to our Government during the withdrawal of British forces from Afghanistan. Kazakhstan also hosted two rounds of negotiations on the Iranian nuclear programme, which was important. Kazakhstan has also mediated in talks on Syria and Ukraine. Finally, the country has initiated the establishment of a nuclear weapons-free zone in central Asia—that treaty was signed on 8 September 2006 in Kazakhstan.

In 2009, it was Kazakhstan that initiated the adoption of the UN resolution declaring 29 August as the International Day against Nuclear Tests. Kazakhstan has also closed down a nuclear test site, which was a legacy of the Soviet Union. That is an impressive record.

Oil is dominant in Kazakhstan’s economy. It provides a very large source of foreign investment, Government revenues and employment. Kazakhstan is the 17th largest oil-producing country in the world and has the 12th largest proven reserves of oil, too. Booming oil prices sustained Kazakhstan’s strong growth from 2000 to 2007, when the global financial crisis hit. GDP per capita, a measure of living standards, rose by 89% in real terms over those years. Growth slowed in 2008 and 2009, but picked up again in 2010. The World Bank notes that those rising income levels have led to rapidly falling levels of poverty, which is excellent news.

Our Prime Minister visited the Kashagan oil district on the Caspian sea in June 2013, taking with him representatives from 30 British businesses. The visit was billed as the beginning of a new strategic partnership with the United Kingdom. More recently, President Nazarbayev visited the UK last November to hold talks with the Prime Minister in No. 10 Downing Street. The President and Prime Minister discussed Russia and Ukraine. On Syria, they considered the vital importance of finding a political solution to the conflict and, concerning Daesh, the Prime Minister and President agreed that violent Islamist extremism poses one of the most significant threats to our generation and that there must be comprehensive efforts to defeat it. On Afghanistan, the two leaders agreed that rebuilding the economy would be a key guarantor of the country’s future stability. In short, Kazakhstan is clearly playing a full and responsible part on the world stage.

After the meeting, the Prime Minister announced that the two leaders had secured 40 deals worth £3 billion. The biggest deal was a memorandum of understanding with Kazakh state firm KazTransGas on the construction of a 1,500 km gas pipeline and four power plants in Kazakhstan. Will the Minister tell us about President Nazarbayev’s reforms and our partnership deals with Kazakhstan? What further plans are there to enhance our relationship with the Kazakhs?

I am told that there is a bit of a problem doing business in Kazakhstan. Consultant advisers such as McKinsey & Company suggests that it stems from factors such as the taxation system, lack of transparency, corruption and possibly the revision of original contracts, which is awful for businesses. Mindful that the UK is one of the top 10 investors in Kazakhstan, what are the Government doing to help fix such problems for our businesses?

As a member of the Defence Committee, I am particularly interested in how we can foster and grow a bigger military relationship between Kazakhstan and the United Kingdom. I gather that a certain amount of defence co-operation has taken place already, particularly on the UK’s withdrawal of troops from neighbouring Afghanistan. Just over two years ago, in November 2013, a military co-operation plan was signed between our Ministry of Defence and Kazakhstan’s. Matters decided included support for English language training, career courses in the UK and peacekeeping courses with the British military advisory training team based in the Czech Republic, as well as for programmes to professionalise the Kazakh armed forces and participate in KADEX, the Kazakhstan defence exhibition. Although I appreciate that the Minister is not part of the defence ministerial team, when he replies to this debate, can he update us on the status of our defence relationship with Kazakhstan?

In conclusion, I believe that the United Kingdom’s current and future relationship with Kazakhstan is of huge importance and will be beneficial to both. Kazakhstan might not be a democracy in the way that we experience democracy, but it is one in its own manner. We should help the country to evolve its own version of democracy even further, which will take time. Political, economic, social and military links between the UK and Kazakhstan will help each not only to understand the other better but to prosper.

Geraint Davies (in the Chair): I call Peter Grant.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Thank you, Mr Davies. I apologise for any confusion on our part. I wish everybody a happy new year and welcome members of the Kazakh embassy, and I thank the hon. Member for Beckenham (Bob Stewart) for securing this debate.

Kazakhstan’s history, geography and economy make our relationship an important one. I understand that the Government’s position is to secure that relationship in order to become the country’s partner of choice and build on our strong position with regard to trade and investment. Given this Government’s woeful record on the balance of trade, I suppose that every bit helps in closing our current huge trade deficit. As the British Chambers of Commerce said last month, our poor trade performance will continue to be a drag on UK growth into the fourth quarter. I agree with this quote from the BCC:

“If we are to redress the balance and reverse our long-running trade deficit, more must be done to help support export growth, including improved access to funding for those looking to export.”

In the context of this debate, I agree that it makes strategic sense to work to become a key partner of Kazakhstan, particularly on trade. As the hon. Member for Beckenham mentioned, Kazakhstan is currently 126th out of 175 countries on Transparency International’s corruption perceptions index, which is significant. It signals to those of us in the SNP that we need to be a friend to the people of Kazakhstan, not just to its Government.
Kazakhstan restricts freedom of assembly, speech and religion, and torture remains a problem. In 2014, authorities closed newspapers and jailed or fined dozens of people after peaceful but unsanctioned protests, and fined or detained worshippers for practising religion outside state controls. Critics of the Government remain in detention after unfair trials. Recently adopted changes to the criminal code and a new law on trade unions contain articles that restrict fundamental freedoms and are incompatible with international standards. If we are to be a friend to the Kazakh people, as I believe we should be, we must make every effort to use our position of influence with President Nazarbayev to conduct serious reforms of his country’s democratic process and human rights legislation.

Press freedom is a case in point. Kazakhstan was placed 160th out of 180 countries in the 2015 world press freedom index, which noted that media pluralism is succumbing to increasing repression by the regime. Increased Government pressure on the press has shrunk the already limited space for freedom of expression. Media production and distribution are largely controlled by members of the Nazarbayev family or powerful businesses affiliated with the regime. Government propaganda dominates the informational space and systematically discredits independent voices. In fact, a London-based correspondent for the state TV channel, Bela Kudaibergenova, quit her job on 3 December, saying that she was “tired of lying”.

One particular human rights case that I want to raise is the detention of Vladimir Kozlov, a journalist and the leader of the unregistered political party Alga. It is a significant act that has rightly attracted attention from international human rights groups. He was sentenced on 8 October 2012 to seven and a half years in prison. The charges relate to Kozlov’s alleged role in violent clashes that took place in Zhanaozen following extended labour strikes. A month after Kozlov’s trial, a court suspended the activities of Kozlov’s party after the Almaty prosecutor’s office asked a court to designate Alga, the People’s Front movement and several opposition media outlets as extremist.

I am glad that the Prime Minister met the Kazakh President at Downing Street in November, and raised “Kazakhstan’s progress on political and societal reform” within a wider discussion of trade and international security. It would be most helpful if the Minister confirmed whether, during those talks, the Prime Minister raised the specific case of Vladimir Kozlov. What measures has the Foreign Office taken to ensure that promoting human rights in Kazakhstan stays at the top of our bilateral agenda?

The development of Kazakhstan’s economy presents a range of opportunities for organisations from the UK and Scotland, from the oil industry to our higher education sector. We must ensure that we use our favourable position to exert pressure on the President to address the serious human rights issues in his country at the same time. Consistency of approach on human rights is imperative.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): For the sake of belt and braces, I repeat my interest as chair of the all-party group on Kazakhstan. I am beginning to wonder whether, whenever we discuss a country, we should start by being given a map showing that country in the centre. It would give us a bit more understanding of the geographical constraints and some of the problems and historical developments. In the case of Kazakhstan, that is particularly important now that we are establishing more exchange and relationship.

I think of a poignant quote from the chief executive officer of the Kazakh central bank, Berik Otemurat: I am happy to take pronunciation lessons after this debate. As someone whose name is permanently mispronounced, I am sure that it must be irritating for people to listen to us mispronouncing their names. He said of Kazakhstan’s current problems in the context of falling oil prices that the country has massive cash reserves, and it is a question of how to invest those; what is its relationship with hedge funds and all the new financial vehicles? He went on:

“I have always thought about ourselves”—Kazakhstan—

“as a newly-born giant kid standing on the shore of an ocean of opportunities for the country, being afraid to make our first steps without breaking a leg. Before you run you have to learn how to walk.”

What is imperative is reaching out both to the people and to the Government. As for our definition of democracy, we hope that this is not just the beginning, but that democracy will continue. The Government are the people, and the people should provide the Government. Therefore, it is not always helpful to draw those kinds of separations.

However, the best thing that we can do to help in terms of reaching out and allowing this process, which in many ways is one of learning to walk, is around governance, including governance of party political processes. We have fantastic organisations here, such as the Westminster Foundation for Democracy, where we work across parties. We must recognise that there is a real difficulty post-1989 for countries to establish political parties, including a process whereby loyal opposition parties that have different ways of thinking about how things should be done can be established.

At the same time, when there is an electoral result of 97% for one party we just know that something is wrong; not even someone’s own family would vote for them with a margin of 97%. That takes us to the processes of transition. One mistake that we sometimes make is that we think that just because someone has a ballot paper and because there are ballot boxes, that in itself means there is a democratic process; that may be one of my criticisms of the Organisation for Security and Co-operation in Europe when it carries out election monitoring. Kazakhstan has gone through the process, but to quote T.S. Eliot, “You had the experience but you may have missed the meaning”. For me, the meaning always is that the people actually change those in government in a peaceful process. So, it is not the first election or even the second election that matters; what matters for me is always the first peaceful transition from those who have been in power to the Opposition, which replaces them. In that sense, when we look at that whole part of the world post-1989, we see that most of the countries are, in some way or another, struggling with that process.

We need to do what we can to help with that process. There is a reason why I think Governments and bureaucracies are so important. I always say we need
bureaucracy and such things as a civil service and all the other institutions because they are the organisations that stop things from going seriously wrong when there is a crisis. Therefore, we need those fall-back positions.

There are two areas that I plead to the Minister about regarding our relationship with Kazakhstan. One is financial governance. There are some serious problems if a country has huge cash reserves, is beginning to look at greater involvement with hedge funds and has a big national sovereign fund. We also read about the emergence of the Bitcoin market. If the financial markets are ungoverned spaces, we just know that something will go wrong.

The second area is about the times when a country experiences very high inflation while also experiencing falling oil prices. Those periods will have some economic problems, which—again—we can provide some significant help with, by supporting those structures that I have mentioned. What will hold us together is membership of the big international organisations, whether it is the World Trade Organisation, the International Monetary Fund or the United Nations. Those structures have rules which we all must comply with. Therefore, it is as much in the interests of the people of Kazakhstan as it is in our interests that such rules-based processes and a shared understanding of those rules are entrenched, so that the rules are not something that countries must learn to evade or avoid, but instead help people to govern their own country and to deal with other people.

Building that capacity—whether it is with the OSCE or the WFD, or through bilateral support of our businesses—is something that we must do more of, particularly in those parts of the world that will become increasingly important to us all. It is in relation to one of those countries—Kazakhstan—that I am glad that parliamentary colleagues, both in the Commons and in the Lords, have decided that an all-party group should be formed. Therefore, I hope that, in the end, we will learn from each other, and if we cannot do so I hope that we will at least understand each other better.

1.54 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Mr Davies.

I thank my very good friend, the hon. Member for Beckenham (Bob Stewart), for bringing this matter to Westminster Hall for consideration. It will be no surprise to Members here that I will focus on some of the human rights issues and the persecution of Christians in Kazakhstan. I mean to do so in a very constructive way. I hope that Members will view my contribution in a very constructive way. I hope that, in the end, we will learn from each other, and if we cannot do so I hope that we will at least understand each other better.

Kazakhstan is often overlooked, but it is the world’s largest landlocked country; as the hon. Member for Beckenham said in his introductory remarks, it is larger than western Europe. Therefore, I suppose that when we should not be that surprised to learn that the astronaut Tim Peake was launched into space from that central Asian republic. It has been ruled by the same president—Nursultan Nazarbayev—since it gained independence from the Soviet Union in 1991. Nazarbayev’s regime is heavily criticised by human rights groups for restricting freedom of speech and for its apparent lack of democracy.

At the most recent presidential elections, Mr Nazarbayev obtained 97% of the vote, which is a majority that some MPs can only dream of.

As the right hon. Member for Birmingham, Edgbaston (Ms Stuart) said, there has been a start to democracy in Kazakhstan, but there is a long way for that democracy to move, and it must move alongside the securing of human rights and equalities. The hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) clearly outlined the human rights issues in her contribution, and I will do that too, as well as I can.

Kazakhstan is No. 42 on the Open Doors world watch list and suffers from both Islamic extremism and dictatorial paranoia. The population is 16.7 million, of whom 2.5 million are Christian, although the majority of people in Kazakhstan are followers of Islam. The Christians amount to some 12% to 13% of the population. Not all Christians are affected by persecution in Kazakhstan, but those from non-traditional Protestant groups or who are converts from Islam face the most pressure from both families and communities, as well as from the regime, which is constantly working hard to extend its influence in the country.

More and more sanctions have been imposed on the Church, and Christians are frequently fined for their activities, while pastors are often arrested and imprisoned. In 2014, at least 71 people were fined for worshipping in unregistered underground churches. When people are denied their basic human rights and cannot enjoy freedom of religion or belief, it is little wonder that they are forced underground. Also, a law passed in 2011 limits church registration to groups of more than 50 people, forcing more than 500 churches to close and making church planting nearly impossible. It is surprising that there are 2.5 million Christians in Kazakhstan when we realise the very direct effect that those activities have had upon them.

In 2013, Pastor Bakhytzhan Kashkumbayev from Astana—such names never come right in my Ulster Scots accent—spent eight months in prison and was given a four-year suspended sentence for allegedly serving a mind-altering substance to a parishioner, which turned out to be nothing more than herbal tea that was being used for communion.

Those are some of the things that have happened in Kazakhstan, Mr Davies, and you can understand why we as MPs have to ask these questions and make these contributions. Hopefully we do so in a constructive way through this debate, while also having these things recorded.

On human rights, Kazakhstan heavily restricts freedom of assembly, speech and religion, and torture remains a serious problem. In 2014, the authorities closed newspapers, jailed or fined dozens of people after peaceful but unsanctioned protests, and fined or detained worshippers for practising religion outside state controls. Government critics including Vladimir Kozlov, the opposition leader who the hon. Member for Ochil and South Perthshire referred to earlier, remain in detention after unfair trials.

Recently adopted changes to the Kazakh criminal code, as well as a new law on trade unions, contain articles restricting fundamental freedoms, which is incompatible with international standards, and I am
sure the Minister will refer to that in his response to the debate. Also, despite widespread calls to decriminalise libel and to amend the overboard criminal offence of inciting social, national, clan, racial or religious discord, the Kazakh authorities increased the sanctions for these offences in the new criminal code. We have to ask why they have done that, and why they restrict the freedoms of religion, expression and belief of the Kazakh people.

Independent and opposition media continue to face harassment and interference in their work. For example, in May 2014 a Radio Free Europe/Radio Liberty journalist was jailed for four days on hooliganism charges. He was not involved in any protest; he was just reporting for the radio after covering an anti-Eurasian Economic Union meeting.

These are some of the things that have happened in Kazakhstan. I have asked some questions about Kazakhstan before; they are in the background information that I have. The Minister who is here today was the person who responded to those questions. I asked questions in relation to fundamental labour rights and exploitation of child labour. I also asked questions about human rights, and freedom of expression, freedom of assembly and freedom of religion. In fairness—I give credit where credit is due—the Minister responded that the previous Foreign Secretary had brought the issue of human rights before the Kazakh Foreign Minister. I am not saying that no one has done anything, but I do not see the response and the changes, and it is changes that I want to see, so I think that the issue needs to be brought to Kazakhstan's attention again.

Despite the fact that the general public might overlook Kazakhstan, this central Asian republic is a hidden gem, with the potential to unleash a new wave of economic growth and co-operation between east and west. And it can do that, as the hon. Member for Beckenham said very well in his introduction. The ancient silk road that linked China in the east to us in the west ran through what is now Kazakhstan, and the potential for a new silk road has been talked about and can hopefully come to fruition. However, we must address the Kazakh regime's shortcomings on human rights, and democracy.

Britons can visit the country visa-free until the end of 2017. We are a nation that is in favour with the Kazakhs and I expect we will be top of the list for future co-operation, as the emerging powerhouse gains traction and begins to fulfil its true potential. Kazakhstan is underdeveloped, but it is sitting on an abundant wealth of natural resources and minerals and it is essential that we work with the country to move it towards a real democracy with which we can work. We can then truly begin to unleash the potential of a close relationship with what is sure to become the powerhouse of central Asia and a facilitator of even greater trade links with the far east's emerging economies. The country is strategically placed, and we want to develop our relationship with it.

As we continue to advance our space industry and the stars become more and more within our reach, Kazakhstan, with its space capabilities, will become a central part of that. I am sure that Tim Peake will not be the last person to launch into orbit from such a place. The potential is there. Undoubtedly, Kazakhstan is one for the future.

I have outlined the potential for a new silk road, the abundance of underdeveloped resources and the huge swathes of undeveloped land, but we cannot fulfil the potential until we have progress on the key issues of human rights and democracy. With the election results I referred to being dismissed by the OECD as “largely indiscernible” and human rights organisations across the board continuing to raise the poor track record of the regime, with some of them feeling that it is getting worse, it is essential to put the necessary pressure on the Kazakh regime and let it know that such infringements are simply intolerable in this day and age. We need to get a balance between economic co-operation, human rights, equalities and religious freedom. Despite what Mr Nazarbayevo's public relations offensive would have us think, Kazakhstan continues to stand as a pre-eminent post-Soviet dictatorship, in which, in addition to the disregard for democracy, political opposition and independent media are routinely stifled. Events such as the 2011 Zhanaozen massacre, in which a dozen unarmed protestors were killed, have gone largely unpunished and, despite free speech being guaranteed in the country's constitution, the reality is very different—I have given examples of just that. The potential for Kazakhstan is amazing, but we can begin to work fully with it to fulfil that potential only when the regime becomes a democracy that respects all human rights.

Geraint Davies (in the Chair): We now turn to the Front-Bench speakers, beginning with Peter Grant for the SNP.

2.3 pm

Peter Grant (Glenrothes) (SNP): Thank you, Mr Davies. Blàth na gMhàth Ùr dhuibh uile an seo. Happy new year to all those present. I commend the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) or I have got over the shock of discovering at 8 o'clock last night that we would be on now, rather than at half-past 4, but we got here on time.

It is interesting that most of the speakers agree on what we are looking for. Kazakhstan is clearly a country of enormous strategic importance, but it is not our country; it is theirs, and we have to be careful about interfering too far in someone else's country. As the hon. Member for Strangford (Jim Shannon) pointed out, it is a country that has not yet managed to shake off the chains of the dictatorship its people lived under in Soviet times. It is a country with massive mineral wealth, and that inevitably means that everyone wants to be its friend. The judgment call that the UK Government and other Governments have to make must be this: where do we balance out the desire to ensure development in a way that matches our interests with not ignoring the serious human rights issues that continue to emerge?

Other speakers have commented on some of the more serious cases, so I will not repeat the details, but it often seems that if a country's press is not genuinely free, its human rights record will never be all that good. If no one is allowed to criticise, even if the criticism turns out to be unjustified, human rights abuses, corruption and the abuse of power will carry on, and even those who feel they should draw attention to
and expose such criminal acts are scared to because they are worried about what the consequences might be for them.

It is noticeable that Kazakhstan as a whole is already starting to reap the economic benefits of the massive natural resources at its disposal. Economic growth is significantly higher than in many other countries. Its GDP per capita places it well above average and pushes it just about into the top quartile of the world’s countries—according to my good friends at the CIA, who I find are good sources of information on any country I want to check up on. By comparison, however, the lot of the typical Kazakh citizen is not all that great. It is 152nd in the world for life expectancy—almost into the third quartile—and 157th and 138th for health and education expenditure respectively. Those are figures we would expect to see from a country that did not have the resources to invest in its people. Compared with many parts of the UK, Kazakhstan has a relatively young population, with the majority of its citizens of working age—between 25 and 55—and a significant number of young people as well, so by investing in education and health it can start to improve life expectancy.

It may be that life expectancy has been reduced by the appalling environmental legacy of the former Soviet masters. There is no doubt that taking advantage of the oil and mineral wealth has left behind pollution on a catastrophic scale. Kazakhstan borders the Aral sea, which has been described by some as the world’s worst ever man-made environmental disaster. Because of a number of misguided policies of previous Soviet Governments, the sea is down to a fraction of its previous volume, which means that the pollution that flowed into it has now been left to blow around, affecting the health and lives of both the people and the livestock on which the agricultural economy of parts of the country greatly relies.

Some 59,000 children under the age of 14 are in employment in Kazakhstan. Why is that happening in what is a wealthy country?

Hon. Members have commented on the fact that there is, at first glance, a democratic society in Kazakhstan. People are allowed to vote in elections, but I do not think one needs to be too cynical to wonder whether elections are genuinely free and fair if between 95% and 97% of people vote for the same party. It is possible to get 95% of elected politicians from the same party without that—as my hon. Friend the Member for Ochil and South Perthshire and I can testify—but that is because of a flaw in an electoral system that is far from perfect. However, any election in which such a high proportion of the electorate is said to have voted in the same way makes one wonder whether they had a proper choice. The result is possibly partly explained by the enormous personal popularity of the President. If he is seen by his people as someone who has done a lot to manage the transition from what was effectively a colony of Russia to an independent nation and they are enormously grateful to him for that, we must respect that and their decision to vote for him.

Just a few weeks ago, Kazakhstan became the first and so far only country in central Asia to sign an enhanced partnership and co-operation agreement with the European Union. Interestingly, in the early stages of negotiation, the EU made it clear that progress towards such an agreement would depend on progress in Kazakhstan’s human rights record. If anything, that record has deteriorated over the time of the negotiations. The European Scrutiny Committee, on which you and I serve, Mr Davies, might want to return to that when the agreements on closer co-operation between the EU and Kazakhstan start coming through for UK Government Ministers to ratify or not—that is, if the EU is still relevant to the UK Government in a few years’ time. Will the Minister indicate what view the Government take on the agreement? Do they feel that Kazakhstan has made sufficient progress on human rights for us to sign up to that agreement, or should we be looking for more?

We have to recognise that progress has been made, but we also have to recognise that that progress has been far too slow. If anything, we have been regressing rather than progressing. I hope that we will get an assurance that, as well as looking for trade deals that would benefit our economy and provide export opportunities for the United Kingdom, we will set an example of what used to be termed an ethical foreign policy. I hope the Minister will assure us that we will not allow UK investment power or the desire for economic growth in the United Kingdom to come at the cost of the abuse of human rights and the exploitation of child workers in some major industries in Kazakhstan, or at the cost of our turning a blind ear or a deaf ear to the cries of religious minorities who are not allowed to practise their faith in peace, or of journalists and other media workers who are not allowed to express fair criticism and are effectively not allowed to disagree publicly with the party line. I am interested to hear what he has to say about that. I am also very interested to see what comes before the European Scrutiny Committee in the presumably not too distant future. It would be good to look into the area in more detail.

I understand the strategic concerns of the Foreign and Commonwealth Office about Russia and China wooing Kazakhstan hard. If we have a country that would not match our definition of a full democracy, but which has a substantial Muslim population and a leader who is absolutely determined not to allow his country to become a breeding ground for Daesh and its preaching of hatred and death, there are clear reasons why we should want to speak to that country and be friends with it. We may at times have to be critical friends, and sometimes that criticism may need to be severe indeed.

2.12 pm

Catherine West (Hornsey and Wood Green) (Lab): It is an honour to serve under your chairmanship, Mr Davies. I will be very brief, because I know that the Minister will want a lot of time to respond to all the concerns that have been expressed. I commend the hon. Member for Beckenham (Bob Stewart) on securing the debate. The fluctuations in the oil markets have brought the topic into focus and shown the importance of this huge country to that economic question.

In brief, a couple of the points that the Minister should cover in his response are: how we can further work together on the counter-terrorism strategies that were briefly mentioned at the beginning of the debate; and how we can come together around the work on the anti-corruption strategies—I know he is working on them in other parts of the world as well—and governance. We have had a good level of debate on the human rights
questions, particularly the treatment of journalists, child labour and freedom of religious expression, but I would appreciate it if the Minister gave quite a bit of detail on the governance questions. I look forward to his response. I am keeping it nice and brief, as I am sure that the hon. Member for Beckenham would like to come back at the end.

2.14 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): It is a pleasure to serve under your chairmanship, Mr Davies. I wish you and hon. Members a happy new year. It is a real pleasure to respond to this debate on our relationship with the important country of Kazakhstan. I congratulate my hon. and gallant Friend the Member for Beckenham (Bob Stewart) on securing the debate. I am pleased to see the right hon. Member for Birmingham, Edgbaston (Ms Stuart) in her place. She is co-chair of the all-party group on Kazakhstan with Lord Astor. That is formidable cross-party representation and a reflection not only of the interests of Parliament, but of the bond between the two countries.

I pay tribute to the Kazakh ambassador, His Excellency Erzhan Kazykhanov. His hair went a little bit greyer, as did all of ours, in preparing for the presidential visit to this country and the Prime Minister’s visit to Kazakhstan in 2013. Both visits were extremely successful and were examples of how our two countries are working together far more closely. I had the pleasure of visiting the country last September. As my hon. Friend the Member for Beckenham articulated, this landlocked country is the size of Australia—it is situated between Russia and China; it is where the apple is said to have originated; and it lived under the tsarist shadow and then the Soviet shadow—and there is no doubt that it is taking significant steps in becoming a regional and global power. The recent visit by the President is testament to the growing bond between our two countries. During my visit, the presidential visit here and the Prime Minister’s visit in 2013, the hand of friendship has been clearly extended to Britain, and we should embrace it.

For people who have not been to the country and are not familiar with the region, the chances are that when they think of Kazakhstan, their thoughts might be out of date. It is a proud, rich and extremely large country that has escaped the shackles of its Soviet past and is modernising. It is confident and willing to do business with traditional trading partners in Moscow and newer partners such as China, south-east Asia, the west and Britain. Commercially and politically, the Kazakhstan is about to become a member of the World Trade Organisation, and it aspires to membership of the G30 and the OECD in coming years. As has been mentioned, an enhanced partnership and co-operation agreement with the EU will shortly be concluded, enabling a broader and closer partnership.

Ms Gisela Stuart: I am grateful in particular for the Minister’s comments about the WTO. Are contract law and WTO membership both things that will require anti-corruption measures to be addressed very seriously? Do we have a mutual interest in Kazakhstan meeting those requirements, which will also enable our companies to deal with the country?

Mr Ellwood: I absolutely concur that a strength of our relationship with Kazakhstan will be, with our experience, to encourage the country to sign those agreements and to engage with the international rules that will allow and encourage further commercial activity and the bond between our two countries. Only when businesses are confident that there is that positive and transparent environment will we be able to enhance the commercial relationship that the right hon. Lady is espousing.

I am grateful that the President was able to make his visit to the United Kingdom in November, which confirmed the UK as a partner of choice as he seeks to implement governance and rule of law reforms, in line with universal rights reforms as well. Another important element of our bilateral relationship, which I know is of particular interest to my hon. Friend the Member for Beckenham, is the military relationship, which he raised in relation to various matters. He articulated the need for political structures and mentioned President Nazarbayev’s reforms, the challenges in doing business and our commercial and military relationships. I will address those one by one.

First, the success of any country relies on good governance and reform. While acknowledging the continuing challenges faced, we should recognise that Kazakhstan has made great efforts to improve its governance structures and engage accordingly as the best way to promote reform. In May, President Nazarbayev launched a far-reaching programme of reforms. These included changes to the legal system, the civil service, the economy, and public accountability. These will be implemented through his 100 concrete steps—essentially, milestones for each of the five reform areas that hon. Members have mentioned today.

I recognise, as other hon. Members did in their contributions, that although Kazakhstan has made real progress on its human rights record, there is further work to be done, in particular to avoid the risk that progress in one area might be offset by retrograde developments in others. We rightly have high expectations for a country that is a leader in the region and seeks a greater international role.
During the President’s visit in November, the Prime Minister discussed Kazakhstan’s progress on political and societal reform, including creating a more permissive environment for non-governmental organisations. The President outlined some of his thinking on the reform agenda and spoke of the creation of new structures designed to tackle corruption. For our part, we plan to invite Kazakh Government representatives to our anti-corruption summit in May. Our embassy in Astana is one of a small number that contribute to regular meetings of the Kazakh Investment Council, where transparency issues are discussed. Hon. Members will be pleased to hear that, on taxation, Her Majesty’s Revenue and Customs is working hard on a revised double taxation agreement with the Kazakhs. Those discussions will be completed shortly.

On the commercial relationship, let me answer hon. Members’ questions about where we stand on the various partnership deals since Prime Minister Nazarbayev’s visit to the UK last year. A wide variety of commercial memorandums of understanding were signed during the President’s visit, ranging from joint exploration studies to the forming of a task force to facilitate new partnerships between Kazakh and UK companies in the oil and gas sector. The target is to form 10 to 15 new partnerships in the sector by 2017. We are working hard across Government to follow up swiftly. For example, in the gas sector, UK Trade & Investment is offering in-country assistance to the British company, Independent Power Corporation, to help to take forward its programme.

To provide the maximum support to British businesses, my right hon. Friend the Prime Minister has appointed Lord Astor as trade envoy for Kazakhstan, so he is not just co-chair. I pay tribute to Charles Hendry for the work he has done. He will now work with the country as it hosts EXPO 17 and will act as the commissioner for the United Kingdom. Both will play an active role in the UK’s thriving bilateral relationship with Kazakhstan, and they are both planning to visit the country next month.

We will continue to support British businesses wanting to trade with Kazakhstan across sectors, from energy to infrastructure. The right hon. Member for Birmingham, Edgbaston commented on the falling oil prices. That underlines the need to not rely on hydrocarbons, but to diversify. As my hon. Friend the Member for Beckenham noted, the opportunities are many. For example, the two-way trade in the region is worth about £1 billion per annum. Over the next 10 years, expenditure on new oil and gas developments in Kazakhstan is expected to exceed £60 billion. We want to be a part of this exciting investment. Indeed, the oil and gas programme is the highest grossing programme globally for UKTI, having already delivered £6.6 billion of business wins for the UK.

On military relations, the Ministry of Defence, through the defence attaché in Astana, has built an extensive network of contacts throughout the Kazakh armed forces. There have been reciprocal visits at the highest level of chiefs of defence staff, and a visit by the Kazakh Defence Minister in 2013. My hon. Friend the Member for Beckenham raised the issue of officer cadets from Kazakhstan being trained in the UK. Our MOD colleagues have been working hard on this. I am pleased to say that it is now making real progress and our embassy is currently following up with the Kazakhs.

The current focal point of defence engagement with Kazakhstan is the Steppe Eagle exercise, now in its 13th year, with the aim of developing the Kazakh forces’ capabilities to deploy on peacekeeping missions, of which my hon. Friend mentioned. In July 2016, it will take place in the UK for the first time, and we look forward to Kazakhstan taking part in its first UN peacekeeping role in the near future. Exercise Steppe Eagle is clear evidence of Kazakhstan’s growing international ambitions and of the positive contribution it can make on the international stage.

Jim Shannon: Will the Minister give way?

Mr Ellwood: I am conscious of the time; I want to give a minute or two to the motion’s proposer.

Mr Ellwood: I am afraid I cannot give way; there is not enough time.

Challenges remain, and, as I said earlier, there is a risk of advancements being made one way affecting efforts elsewhere. Time is against me; I will try to write to hon. Members if I have not answered their points. In conclusion, we have a deep and growing relationship and substantial mutual interests with Kazakhstan. These interests will not stop us raising sensitive issues, including corruption and human rights, as we would with any partner country. Kazakhstan’s ambition to take on a wider regional and international role is also leading it to take on associated responsibilities. I acknowledge what my hon. Friend said about the UN Security Council seat. It is a prominent role, which we welcome. We of course do not declare our voting intentions to do with any country. I am grateful to my hon. Friend the Member for Beckenham for securing this debate and for the contributions that have been made. If I have not answered all the questions—I know there is one outstanding question to do with a particular case—I will write to hon. Members in due course.

2.28 pm

Bob Stewart: I want to thank some of my favourite Members of Parliament for turning up to support this debate. Kazakhstan is somewhere that matters a great deal. I am particularly grateful to the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) for saying that people matter just as much as Governments and we should do our best to get to grips with the people. I am very impressed, as always, by the right hon.
Member for Birmingham, Edgbaston (Ms Stuart), who always speaks so well and to the point. She made the point that democracy is not just about ballot boxes, but about a system, and I entirely agree with that. She was absolutely right about getting good governance in the financial system to spread the wealth of the country around.

My very good friend, the hon. Member for Strangford (Jim Shannon), raised the matter of persecution and human rights, and the 2.5 million Christians in the country. I hope that our debate today will help protect them.

The Front-Bench speakers were excellent too. I very much agree with the speech of the hon. Member for Glenrothes (Peter Grant). He said that it is not our country, but we can have a bit of influence—if we can—in that country. We all agree that a free press is important, and I subscribe to the view that we should try to encourage the country to use some of its wealth to increase life expectancy among its population.

2.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
Westminster Hall

Wednesday 6 January 2016

Child Prisoners and Detainees: Occupied Palestinian Territories

9.30 am

Sarah Champion (Rotherham) (Lab): I beg to move,

That this House has considered child prisoners and detainees in the Occupied Palestinian Territories.

It is a pleasure to serve under your chairmanship, Mr Chope. I wish you and everyone here a happy new year.

In June 2012, a delegation of leading British lawyers published a report on children held in Israeli military custody. That independent report was facilitated and funded by the Foreign and Commonwealth Office and, based on a number of undisputed facts, found that Israel was in breach of six of its legal obligations under the Geneva convention on the rights of the child. The report also concluded that if allegations of abuse referred to the delegation were true, Israel would also be in breach of the absolute prohibition against cruel, inhuman or degrading treatment or punishment.

Eight months after the UK report was published, UNICEF released its own assessment of the military detention system for children. After reviewing the available evidence, including over 400 sworn affidavits from children detained in a system with a jurisdiction to prosecute 12-year-olds in military courts, UNICEF concluded that, “the ill-treatment of children who come in contact with the military detention system appears to be widespread, systematic and institutionalized throughout the process, from the moment of arrest until the child’s prosecution and eventual conviction and sentencing”.

Following release of these damming reports into a system of martial law that is now in its 49th year, the Israeli Ministry of Foreign Affairs stated that, “it would study the conclusions and work to implement them through on-going cooperation with UNICEF”.

Similar statements were made following the release of the UK report and the issue has been subject to much discussion between our two Governments during the intervening three years.

As part of those ongoing discussions, British officials have raised a number of specific issues with their Israeli counterparts, including the use of painful plastic ties to restrain children, arresting children in the middle of the night in terrifying military raids, and the mandatory use of audiovisual recording of all interrogations. In response to these interventions, the Israeli military issued standard operating procedures for the use of restraints and introduced a pilot study to use summonses instead of night-time arrests. However, in February 2015, UNICEF issued an update to its original report and noted that allegations of “alleged ill-treatment of children during arrest, transfer, interrogation and detention have not significantly decreased in 2013 and 2014”.

Paula Sherriff (Dewsbury) (Lab): I visited the west bank with my hon. Friend in September 2015 with the Council for Arab-British Understanding and Medical Aid for Palestinians, and we were briefed by Military Court Watch. Does my hon. Friend share my concern at the significant disparity between treatment of Palestinian and Israeli young people, including lack of legal representation and parental support, allegations of widespread abuse and having to sign confessions in Hebrew, among many others?

Sarah Champion: I share those concerns and will come to them. The disparity between the two legal systems includes, for example, a maximum period of detention without charge of 40 days for an Israeli child and 188 days for a Palestinian child.

Caroline Lucas (Brighton, Pavilion) (Green): I congratulate the hon. Lady on securing this incredibly important debate. She is speaking eloquently in listing the human rights abuses in Israel and indicating that warm words to encourage Israel to act differently are not working. Does she agree that it is now time for action? For example, the UK could call for the suspension of the EU-Israel association agreement, which has a clause saying that if there are human rights abuses, there is a right to suspend the agreement. How can the agreement still be in place with that human rights clause when Israel completely ignores human rights concerns year after year?

Sarah Champion: I agree with the hon. Lady. That recommendation is superb and there are others.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): My hon. Friend makes an important point, but does she accept that the context in which these situations occur is an organised campaign conducted by the Palestinian authorities of incitement, to try to provoke young Palestinians to carry out acts of violence towards other civilians, some of which result in death, including the death of young children?

Sarah Champion: I take on board my hon. Friend’s point. However, this debate is about the different treatment of Palestinian and Israeli children, and the breach of human rights and international law. I completely agree that if someone has committed a crime, they should be dealt with appropriately and with due process, but that is not what is happening at the moment.

Guto Bebb (Aberconwy) (Con): On the specific point made by the hon. Member for Brighton, Pavilion (Caroline Lucas) about human rights abuses and whether that should result in a breach of our relationship with Israel, did not UNICEF, which the hon. Member for Rotherham (Sarah Champion) quoted, highlight alleged human rights abuses of minors in the UK who were arrested during the 2011 London riots?

Sarah Champion: The hon. Gentleman makes an interesting point, but I am talking specifically about detention of Palestinian children. If he wants to bring his point forward in another debate, I am sure that this Chamber will be equally packed.
Jo Cox (Batley and Spen) (Lab): I congratulate my hon. Friend on securing this debate. She will be aware that evidence from Military Court Watch suggests that 65% of children continue to report being arrested at night in what are described as terrifying raids by the military. Will she comment on that worrying fact?

Sarah Champion: It is disturbing. A pilot study looked at not doing night raids and issuing summonses instead, but the summonses were issued after midnight, which defeated the whole object.

Andrew Percy (Brigg and Goole) (Con): I congratulate the hon. Lady on securing this undoubtedly important debate. The context in which Israel operates on the west bank is obviously incredibly difficult and none of us would want to find ourselves in it. With that in mind, will she comment on the failure of the Palestinian Authority to work with the Israeli authorities on the west bank on alternatives to detention? She knows full well that they will not engage in such alternatives. I hope that she also knows full well that the difficulty of arresting people during the day instead of the night is that it has led to deaths and riots. The authorities are operating in a very difficult context.

Sarah Champion: There are two points and I will come to some conclusions. There is a role for the British Government to work with both sides, and I accept that there are failings on both sides. However, the reason for riots when children have been arrested during the day is largely the inhumane treatment of those children. I understand why a parent would be extremely upset if their child was detained. The very fact that the Israel Defence Forces go in at night shows how hostile their behaviour is.

Andy Slaughter (Hammersmith) (Lab): Does my hon. Friend agree that the context is the illegal occupation since 1967? Does she also agree that one of the most egregious elements is the difference between the treatment of Israeli children in illegal settlements and Palestinian children? Israeli children are subject to the rule of law; Palestinian children are not.

Sarah Champion: That is the nub of this debate and I appreciate the fact that my hon. Friend brought it forward. If there are no more interventions, I will make some headway.

UNICEF’s findings are corroborated by evidence collected by Military Court Watch, an organisation made up predominantly of lawyers working in the region, indicating that ill-treatment within the system still seems to be “widespread, systematic and institutionalised” as of last month. In spite of UK and UN intervention, the most recent evidence indicates that the majority of children continue to be arrested in terrifying night-time military raids. In the few cases when summonses are used, most are delivered by the military after midnight and much of the information is written in Hebrew.

Some 93% of children continue to be restrained with plastic ties, many painfully so, and the standard operating procedures are frequently ignored. Around 80% of children continue to be blindfolded or hooded, a practice that the UK and UNICEF reports said should be absolutely prohibited. Audiovisual recording of interrogations has been mandated only in non-security-related offences, which means that nearly 90% of cases involving children, including those accused of attending a demonstration, continue to take place without this practical safeguard.

Perhaps most disturbing is the fact that the reports of physical abuse—consisting mainly of punching, kicking, position abuse and slapping, but in some cases also including more serious allegations, such as of being mauled by dogs and receiving electric shocks—are now higher in number than they were in 2013.

As for the scale of the problem, Military Court Watch estimates that since June 1967 about 95,000 Palestinian children have been detained by the Israeli military. Of those, 59,000 are likely to have been physically abused in one way or another. That abuse is truly disturbing and is on an industrial scale. Why is it that after so much effort, so little progress has been made? Is there something inherent in the situation in Palestine that prevents genuine change? When I visited Israel and Palestine in September 2015 as part of a cross-party Council for Arab-British Understanding and Medical Aid for Palestinians delegation, it became apparent why little has changed during the three intervening years.

To understand the situation, one must think like an Israeli defence force soldier. Essentially, the Israeli military have but one mission in Palestine—to guarantee the protection of nearly 600,000 Israeli civilians living in illegal settlements in East Jerusalem and the west bank—an unenviable task for any military to be given. To achieve their mission, the military must engage in a strategy of mass intimidation and collective punishment of the Palestinian population, or risk the eviction of the settlers. That inevitably leads to fear, resentment and friction.

Mr Christopher Chope (in the Chair): Order. Somebody at the back of the room is taking photographs. That is not allowed.

Sarah Champion: Thank you, Mr Chope. As I was saying, that inevitably leads to fear, resentment and friction, often resulting in the military detention of Palestinian civilians, including children, or, to put it another way, how else could 600,000 Israeli civilians safely go about their daily lives while residing in illegal settlements in occupied territory for nearly 50 years? It is no coincidence that the one thing that all detained children have in common is that they live at a friction point located within a few kilometres of an Israeli settlement or a road used by Israeli settlers. At those friction points, the military make their presence felt through night raids, violent incursions, suppression of demonstrations, arrests and roadblocks—a fact repeatedly confirmed by former Israeli soldiers in their testimonies to the group Breaking the Silence.

Mrs Ellman: Does my hon. Friend really believe that the solution to this horrendous conflict between two peoples—the Israeli and the Palestinian people—can be found by encouraging individual child Palestinians to commit acts of violence against other human beings?

Sarah Champion: My personal view is that there have been atrocities on both sides, but my feeling is that the way to reach a solution is to treat all individuals, both children and adults, as humans and respectfully, and I do not believe that that is happening at the moment.
Another explanation as to why so little progress has been made during the past three years is that the Israeli Ministry of Foreign Affairs delegated the task of implementing UNICEF’s recommendations to Israel’s military prosecutor in the west bank, who is himself a resident of an illegal settlement. That fact alone raises serious questions as to whether the Israeli authorities have any genuine intention to bring about meaningful change in accordance with their international legal obligations.

As troubling as the lack of progress may be, another issue strikes closer to home, because it highlights a blatant disregard for the international legal order established after the second world war and accordingly has the potential to endanger us all. One recommendation in the UK and UNICEF reports was as follows:

“All Palestinian children detained under Israeli military law should be held in facilities in the Occupied Palestinian Territories and not in Israel, which constitutes a breach of article 76 of the Fourth Geneva Convention.”

Our own Government have confirmed that legal conclusion in writing. Sadly, the latest figures released by the Israel prison service, a Government body, indicate that since that recommendation was made, the percentage of Palestinian children being transferred to prison facilities inside Israel has actually gone up and now stands at 56%.

Louise Haigh (Sheffield, Heeley) (Lab): Does my hon. Friend share my concern about British companies, such as G4S, that are operating prison facilities and illegally detaining Palestinian children in Israel, and about movements by the UK Government to stop local authorities divesting from companies that are committing atrocities in the occupied territories?

Sarah Champion: That is a very real concern, which I will shortly come on to.

Mr Jim Cunningham (Coventry South) (Lab): Does my hon. Friend agree that the Israeli authorities, if they are to make any attempt at democracy, should implement democratic laws in particular? These children, if they are guilty of wrongdoing, should be handed to civilian authorities and civilian courts.

Sarah Champion: That is the nub of the problem: the Israeli children are tried in civilian courts, but the Palestinian children are largely tried in military courts.

Andrew Percy: The allegation is that Israel is attempting, through various processes, to annex the west bank, but the imposition of civil Israeli law on the west bank would be an annexation of the west bank. It is a standard rule under UN provisions that an occupying force uses military laws and justice. Any attempt to implement the Israeli legal system would be an annexation of the west bank.

Sarah Champion: I have heard that argument before and I hope that I will deal with it in the forthcoming part of my speech.

In the case of adults, the percentage rises such that a staggering 86% are in Israeli prisons. That affects between 7,000 and 8,000 individuals annually. To make matters worse—if that were possible—the military authorities have now informed UNICEF that they have no intention of changing that policy. It is striking that of the 38 recommendations made by UNICEF, the one stating that Palestinian children from the west bank should be held in facilities located in the Occupied Palestinian Territories is the only recommendation that UNICEF declares has been “rejected” by the Israeli authorities.

There is an unfortunate UK link when it comes to those prisons, as my hon. Friend the Member for Sheffield, Heeley (Louise Haigh) highlighted. As I am sure everyone here is aware, our own G4S is providing services to the prisons that hold Palestinian detainees following their unlawful transfer from the west bank, in violation of the convention. Those commercial contracts are set to continue until 2017, even though they have been officially held to be inconsistent with the OECD guidelines for multinational enterprises.

To understand why any of this matters, it is worth briefly considering the legal provisions that prohibit transfer, and why they were thought necessary in the first place. Article 76 of the fourth Geneva convention specifically prohibits the transfer of protected persons accused or convicted of offences from an occupied territory. It is unnecessary to consider whether the convention applies to the Israeli-Palestinian conflict, or the status of Palestine as an occupied territory, as both those issues have been authoritatively determined by the UN Security Council in legally binding resolutions and that has been accepted by successive British Governments, putting the question beyond any sensible dispute.

The articles of the convention are accompanied by a commentary provided by the International Committee of the Red Cross, whose role includes monitoring the compliance of warring parties with the convention. The commentary makes it clear that the prohibition on transferring protected persons from occupied territory, for whatever reason, stems from the experiences of the second world war, when, as we all know, mass transfers in Europe were commonplace. Determined to avoid a repetition of those experiences, the authors of the fourth Geneva convention voted unanimously in favour of prohibiting unlawful deportation or transfer.

Peter Dowd (Bootle) (Lab): “My hands were tied in front of me, so I kept reaching up to pull the blindfold off, but the soldiers kept pulling my hands down to stop me. I just wanted to go home to my dad.” That was a nine-year-old. Does my hon. Friend agree that if that behaviour happened in any of our constituencies, we would be outraged?

Sarah Champion: I think that the whole room gasped when my hon. Friend read that out. We would be outraged, and I draw my hon. Friend’s attention to the fact that that behaviour is happening on an industrial scale.

Ian Austin (Dudley North) (Lab): Will my hon. Friend give way for a factual point?

Sarah Champion: I will.

Ian Austin: As I understand it, the age of legal responsibility in Israel and Palestine is 12. A nine-year-old could not be detained—they just could not. It does not happen.
Sarah Champion: I completely understand my hon. Friend’s incredulity, but unfortunately it does happen. The Foreign and Commonwealth Office sent out an incredibly highly regarded group of lawyers, who witnessed this and who spoke to people and to the judges. I agree that it should never happen, but unfortunately it does.

I will just go back a bit. Determined to avoid repeating those experiences, the authors of the fourth Geneva convention voted unanimously in favour of prohibiting unlawful deportation or transfer, including the transfer of detainees, and designated the practice a “grave breach” of the convention, requiring severe penal sanctions as a deterrent.

To appreciate how seriously the House views a grave breach of the convention, we need to look at the Geneva Conventions Act 1957, which provides that anyone who “commits, or aids, abets or procures the commission by any other person of a grave breach… is liable to imprisonment for a term not exceeding 30 years” if convicted. Similarly, the Rome statute of the International Criminal Court, to which the UK and Palestine are states parties, and the obligations of which have been incorporated into UK domestic law, lists:

“Unlawful deportation or transfer or unlawful confinement” of protected persons as a war crime requiring heavy sanctions.

In this debate, I am putting aside the fact that transfer makes it more difficult for Palestinian families from the west bank to visit loved ones held in detention facilities in Israel. The issue I am talking about is key, because it is a violation of the fourth Geneva convention. A violation of such magnitude and duration undermines the credibility of the international legal order and its institutions, and has adverse implications for the rule of law in the region and beyond. Either alleged war crimes must be investigated, without fear or favour, where they occur; or we must accept the risk that our inaction and our turning a blind eye may eventually destroy the international legal order that was established after the second world war. That would be an enormous tragedy, because it would mean that we had abandoned whatever lessons we had learned from that conflict. I suspect that we all agree that this nation has shed too much blood, which were entrusted to us by those who came before us, and of which we are temporary custodians.

The transfer of detainees en masse from occupied territory is a stand-alone issue, because it is a war crime. It is not contingent on the presence or absence of peace talks. It should not be contingent on one political view or another. After nearly half a century, it requires decisive action in accordance with our international legal obligations. The fourth Geneva convention makes it clear that the UK has a positive legal obligation to search for persons accused of committing grave breaches of the convention, regardless of their nationality, and to ensure that if such persons enter the UK, they are arrested and prosecuted with all speed. That is why I recommend that in order to begin to fulfil our legal obligations, we must establish and maintain a watch list for all known war crime suspects, whoever they may be. We should know, at all times, who is coming into this country, whether we need to be concerned and what action we are legally obliged to take. As a nation, we must send a strong message that we will no longer tolerate the commission of war crimes on such an industrial scale, and that we are a people who honour our commitments.

I would like the Minister to act on five points. I would like him to establish a watch list that includes the names of all who commit, aid, abet and procure the commission by another person of the unlawful transfer of protected persons—adults and children—from occupied territories to prisons in Israel. I want him to ensure that any individual on the watch list who attempts to enter the UK is detained for questioning and, if sufficient evidence is available, charged and prosecuted, subject to the consent of the Director of Public Prosecutions.

I would like the Minister to continue to lobby the Israeli Government to cease the practice of unlawfully transferring protected persons—adults and children—from the occupied territory, and to relay the concerns of this House that that practice undermines international legal order. I would like him to continue to lobby the Israeli Government to implement all 40 recommendations included in the UK report, and to monitor whether any changes to military detention systems are translating into tangible improvements on the ground and resulting in a substantial reduction in the level of reported abuse.

Finally, what is the UK Government’s response to Israel’s reported decision to reject UNICEF recommendation 13, which was echoed in the UK lawyers’ report, and which states:

“In accordance with international law, all Palestinian children detained in the Israeli military detention system shall be held in facilities located in the occupied Palestinian territory”?

Several hon. Members rose—

Mr Christopher Chope (in the Chair): Order. As hon. Members can see, there are many more people standing than there will be time to accommodate, because we are going to start the wind-ups at 10.30 am. I therefore ask those who are fortunate enough to catch the Chair’s eye to exercise self-restraint, and I hope that an example will be set by Mr John Howell.

9.54 am

John Howell (Henley) (Con): I shall be brief, Mr Chope. I thank the hon. Member for Rotherham (Sarah Champion) for securing the debate, and it is a great pleasure to follow her. I draw the House’s attention to my entry in the Register of Members’ Financial Interests.

The context for the debate is the level of incitement against the state of Israel from the Palestinian territories. Both Israel and the Palestinians are legally bound to abstain from incitement and hostile propaganda in accordance with the Oslo agreement and the 2003 road map, which called on all Palestinian institutions to end incitement against Israel. The Palestinian Authority’s failure to deliver on its commitment to end incitement and hate education explicitly undermines the principles and conditions on which the peace process is built.

In that context, the level of continuing incitement from the Palestinian Authority is hard to believe. Considering the use of young people in the incitement process, it is quite amazing that the state of Israel has made the changes that it has to the process by which it deals with that serious matter. The majority of arrests, for example, occur during the day, and those that are
conducted at night are done at that time to minimise the danger to Israelis and Palestinians, including Israel defence forces.

The interrogation procedure is carried out in Arabic, not in Hebrew, and statements are written in Arabic. Appeals can be made to the courts that have been set up to hear the cases, and all minors brought before the court during the investigation or thereafter are represented by lawyers of their choice, provided by them or by the Palestinian Authority.

Sarah Champion: I hear what the hon. Gentleman says about the process being conducted in Arabic, but we do not have evidence of that because it is not being recorded. Will he comment on access to lawyers? The maximum period of detention without access to a lawyer is 48 hours for an Israeli child, but 90 days for a Palestinian child.

John Howell: I believe that the hon. Lady is wrong about the evidence that interrogations are held in Arabic. I have the figure for investigations of which an audio or audio-visual recording was made. The number of cases in 2013 and 2014—the figures that I have—in which the investigating officer recorded the hearings is about the same, at about the 300 to 400 mark.

We are being unfairly selective against Israel, when we should focus our attention on the Saudi execution of minors. The point should also be made that the Palestinian Authority are responsible for human rights violations in the west bank, including the detention of journalists critical of the Palestinian Authority and the detention of peaceful demonstrators. In 2014—according to a Palestinian non-governmental organisation, so the figures are independent—some 2,500 Palestinian children in the west bank had been arrested by the Palestinian Authority. A number of those children were mistreated, and I will give some examples. One 15-year-old Palestinian was arrested on 24 April 2015 after a group of youths threw rocks at Palestinian Authority forces. He was beaten on his head, arm and foot with a rifle butt by a Palestinian Authority policeman.

If hon. Members want another example, in August 2015, a 14-year-old Palestinian suffered a broken arm and bruises when he was seriously beaten by a Palestinian Authority police officer who was breaking up a fight. Of the 81 Palestinian children whom the NGO had identified and provided legal aid to in 2014, almost half had suffered some form of physical violence at the hands of Palestinian police and security forces, so the argument here is not at all about just one side—that it is Israel that is the perpetrator of these attacks on children.

Andrew Percy: My hon. Friend is absolutely right. One of the biggest issues, of course, is incitement. Does he share my concern about the container of children’s dolls that was headed for the Palestinian territories? I have been brought one with me today—although we are not allowed to use aids. Each doll is dressed up, has a rock in its hand and has messages saying, “Jerusalem is ours” and “We are coming for Jerusalem” on it. A child with a rock in its hand—how on earth are we ever going to get peace between these two peoples when children are incited from a young age into committing what are, quite often, very serious acts of violence that have resulted in death?

John Howell: I agree with my hon. Friend. His example is a good example of the level of Palestinian incitement.

Guto Bebb: Does my hon. Friend agree that the extent of Palestinian incitement of young people to take arms and violent action almost becomes an issue of child abuse?

John Howell: I agree with that. It is a question of child abuse, and we need to direct attention to the Palestinian authorities for their handling of children.

Bob Stewart (Beckenham) (Con): Is not the nub of the problem the fact that there are two legal systems operating and they are not equalised? If a child happens to be Israeli, they are treated much more fairly than if they happen to be Palestinian. That is wrong and Israel should sort it.

John Howell: No, the nub of this issue is that Palestinian incitement continues. As long as it does, we will not get peace in the area. We have to end the Palestinian incitement. I urge the Foreign Office to take action on that.

Ian Austin: Will the hon. Gentleman give way?

John Howell: I will not give way; I will finish there.

10.2 am

Andy Slaughter (Hammersmith) (Lab): I will speak briefly, although I must first congratulate my hon. Friend the Member for Rotherham (Sarah Champion) on an excellent speech and on securing the debate. The number of Members in attendance—I think there are almost 50—shows the importance that is given to this issue. I am sure that we will not do justice to the number of briefings we have received. I will only refer to one, which is from Lawyers for Palestinian Human Rights. It goes beyond the many compelling individual cases that we have read about in those briefings and talks about the basic legal issues.

To return to the point I made in my intervention, paragraph 4 of that briefing says:

“There is an inextricable link between the systemic human rights violations of Palestinian children held in military detention and the overarching context of prolonged military occupation. The realisation of the right to self-determination for the Palestinian people is the optimum solution for the complete removal of ‘widespread, systematic and institutionalised’ violations against Palestinian children held in military detention.”

Now, some of my hon. Friends may think that that is rather stating the obvious, but given some of the comments today, I think it is worth putting on the record because some Members seem to be living in an Alice in Wonderland world. The speech that we have just heard is very illustrative of that point because, according to that, the blame for all that goes wrong in the occupied territories apparently lies with the Palestinian people. There is a very easy solution to that, which is to let the Palestinians govern themselves. Last year, this House voted to allow them to police themselves in that way and not to lead to this situation.

Mr Gregory Campbell (East Londonderry) (DUP): Will the hon. Gentleman give way?
Andy Slaughter: I will not give way, if the hon. Gentleman does not mind. I will speak for one or two minutes at most, hopefully setting a better example than the previous speaker in relation to the time limit.

I will simply make two points. The first is that the differential treatment between Israeli children in settlements—settlements that are illegal under international law, as this Government recognise—and Palestinian children is symptomatic of the apartheid regime that exists on the west bank and in the Occupied Palestinian Territories. Israeli Government Ministers are quite open now that they want annexation—they refer to the area of the west bank as Judea and Samaria. There is no longer any pretence, and Government Members—and, indeed, Opposition Members—who seek to defend the occupation are increasingly clutching at straws in doing so.

Finally I make a plea to the Minister. His Government have a poor record on human rights. His senior Foreign Office officials have said it is no longer a priority. We have seen what they are now saying about torture and the death penalty in relation to membership of the United Nations Human Rights Council. We have seen what has happened to the ministerial code. I urge the Minister—because he is a civilised man—to look at these issues and not just to come back with platitudes today, but to address them seriously and to address this issue, which clearly concerns a large number of hon. and right hon. Members. I urge him not just to go through the motions of protesting to the Israeli authorities, but to take some action and to be very clear that Britain, internationally, will not stand for this treatment of children.

10.5 am

Bob Stewart (Beckenham) (Con): Personally, I am someone who has huge respect for what Israel has achieved since its formation on 14 May 1948. Without doubt, modern Israel has been forged and inspired by what happened in the holocaust. Obviously, its foundation goes back far beyond that, but to my mind its inspiration is the fact that Jews from across the world have and can find a safe refuge there where they will never be persecuted.

It is utterly wrong that any human being should be condemned for their race or faith, but it still happens, as we all know. For Jews, the state of Israel is thus their ultimate sanctuary and insurance policy should they feel a need for it. We all understand that. Israel is also a real democracy, in a region where the majority popular writ is not greatly seen in many Governments. As such, Israel is a modern inspired state where what people think and want can be reflected in politics. Elections matter and reflect what the majority of people want to happen. Israel also has, and should have, respect for law and order. In democracies all citizens are equal before the law.

Mr Gregory Campbell: Previously, the hon. Gentleman indicated an issue that he felt was getting to the very nub of the problem. He is now discussing the history of the origin of the state of Israel. Does he agree with me that part of the nub of the problem is that in the middle east there is still a belief among some that peace will only come with the utter annihilation of the state of Israel?

Bob Stewart: Yes, I accept that point. Of course there is that belief among some people. It is wrong. It should not happen.

It is with a certain amount of bewilderment that I watch how Israeli law in practice differs from one individual to another in an area controlled by Israel, specifically the west bank. There is certainly not equality before the law for all who live there. Jewish settlers are treated very differently from Palestinians. It worries me that two kinds of law apply in the west bank, depending on race and nationality identity. If someone transgresses and they are a Jewish settler child, they are tried under civil law, but if they are a Palestinian minor, they automatically go before a military court, which has very different procedures and punishments.

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): Will the hon. Gentleman give way?

Bob Stewart: No, I am sorry. I will not take any more interventions.

I understand and accept that legally applying civil law to Palestinians in the west bank would be tantamount to unlawful annexation of the area. I agree with that point but, when dealing with civilians, both civil and military laws should be equalised so that children—whether they are Jewish or Palestinian—are treated equally. At this point I pay tribute to Gerard Horton of Military Court Watch—a great lawyer.

According to the Israeli prison service, 407 Palestinian children aged 12 to 17 have been in military detention since 30 November 2015, which is a 33% increase on the previous month. The number of children in detention is now at its highest level since March 2009, and is 54% above the level that Foreign Office lawyers witnessed when they produced their report. Of course that is wrong. Who would not dispute circumstances in which children can be arrested at night, blindfolded and hooded? Who would dispute that lawyers should be present at every interrogation, that parents should be given the option to be present too, that all interrogations should be audio-visually recorded and, importantly, that no child should be transferred out of the west bank into Israel?

In the past, when I commanded British forces in Bosnia—I am sad to say this—I witnessed what were clearly crimes against humanity. Many people, including children, were arrested because of their race. They were ill-treated, detained and improperly locked away in totally inappropriate circumstances. It saddens me to make an analogy—I do so with huge hesitation because of my love for Israel and what it has achieved, and because of the Jewish historical experience—yet I am sorry to say that the way Palestinian children are dealt with in the west bank has some disturbing similarities with what I witnessed happening to children in the Balkans. To me it is utterly wrong that a democratic, enlightened, pro-western state such as Israel, with two different legal systems, clearly differentiates—

Guto Bebb: Will my hon. Friend give way?

Bob Stewart: I will not give way.

Guto Bebb: You should.
Bob Stewart: No, I should not. It is my right.

Guto Bebb: This is a debate.

Bob Stewart: Okay, I give way. Let us hear it.

Guto Bebb: I find my hon. Friend’s comments frankly disgraceful in view of the murder of 10,000 people in Srebrenica simply because they were Muslim. To make that comparison is unworthy.

Bob Stewart: I am so sorry, but I disagree. I am not making a comparison with Srebrenica.

Guto Bebb: You just did.

Bob Stewart: No, I am not making a comparison with Srebrenica. I was there; you weren’t.

It is wrong for there to be differentiation between systems, and that is the whole point of this debate. Please, Israel, we want this to stop. What is happening is plainly against international law and practice. It must stop. If it does not, people such as me, who actually are big supporters of Israel, will lose the urge to be supporters. Please, Israel, sort this out.

10.13 am

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I personally thank the hon. Member for Rotherham (Sarah Champion) for bringing this extremely important debate to the House today.

I will be brief because so many Members wish to speak, and I will address some specific issues relevant to my background understanding. First, psychological research shows that children, particularly young children, are prone to suggestibility when interrogated under pressure, which makes it more likely that confessions or evidence given in such circumstances will be unreliable if the child is not treated as a vulnerable witness and accordingly given full rights. Those rights would normally include the presence of a lawyer and an appropriate adult for support and, as the hon. Member for Beckenham (Bob Stewart) described, the video recording of interviews to ensure that children understand what they are asked, to ensure that the way in which it is asked is not leading or suggestive and to ensure that evidence is not gained through emotional pressure, perceived threat or actual threat. Trained interviewers who are skilled in interviewing minors should be involved. Those are only some of the many safeguards accorded to child witnesses in the UK, in line with our best practice guidance. As a psychologist, I feel that such guidance must be enacted across the world in any situation in which children are interviewed.

The lengthy detention of children in the circumstances described has an impact, particularly upon their psychological health, which is likely to be gravely affected, causing concern due to the increased risk of mental health problems.

Ian Austin: As a psychologist, will the hon. Lady comment on the likely impact on children of the Palestinian Authority’s glorification of terrorists who have murdered Israelis, presenting them as role models? What is the likely impact on children of Palestinian schools using textbooks that glorify violence and of countless examples of hatred and anti-Semitism being promoted on children’s television programmes on official Palestinian Authority TV in the west bank?

Dr Cameron: I thank the hon. Gentleman for his intervention. I have already spoken in other debates, including a debate on child soldiers, about children’s vulnerability to influence, which is a concern where children, in any context across the world, may be affected by influences that promote violence.

Lengthy detention is not something that we would advocate; treatment is the optimal response, because we are dealing with children. If we imagine our own children being detained for a lengthy period in another country where there may be limited access to family, and where they are living in fear and uncertainty for their future and with a lack of appropriate support, we would feel distraught, helpless and angered. Our children would likely be terrified. I therefore conclude by urging the Minister to take account of the best practice to protect vulnerable children, which we hold so dear in this country, and I urge him to ensure that representations are made to Governments across the world, including Israel, on the importance of such fundamental rights, children’s human rights and legal rights, in the context described.

10.17 am

Mr David Jones (Clwyd West) (Con): I will be extremely brief. First, however, I commend the hon. Member for Rotherham (Sarah Champion) on securing this important debate. She and I went on the same CAABU-organised visit to the west bank in September 2015. I declare that I am a board member of CAABU.

A number of hon. Members have mentioned context, which is all-important when considering the issues arising in this debate. The basic context is that Israel has been the occupying power in Palestine for almost the past half century. The fact that Israel is the occupying power brings certain responsibilities and duties. The question that has to be considered is whether Israel, as the occupying power in Palestine, is discharging those duties properly.

We have already heard about the two UNICEF reports, which concluded that Israel is in significant breach of its duties in Palestine. Those reports were supported by the report of United Kingdom jurists, which was funded and sponsored by the Foreign and Commonwealth Office. It is therefore missing the point for hon. Members to suggest that there is fault on both sides. The significant point is whether there is a breach of law. If there is a breach of law on the part of Palestinian children, those Palestinian children should be dealt with in accordance with the law. The difficulty, of course, is that the legal system applied by the occupying authority in Palestine is a military legal system. As my hon. Friend the Member for Beckenham (Bob Stewart) mentioned, Palestinian children who find themselves caught up in the military court process are treated differently from Israeli children who may have committed similar crimes. I do not wish to repeat arguments that have been advanced by other hon. Members.

Andy McDonald (Middlesbrough) (Lab): Will the right hon. Gentleman give way?
Mr Jones: I will not, because I am anxious that as many other hon. Members as possible should have an opportunity to speak.

The most troubling aspect of the matter is the breach of article 4 of the fourth Geneva convention, which clearly describes the transportation of people in occupied areas out of those areas as a war crime. There can be no doubt that war crimes are being committed by representatives of the Israeli authorities, which should be of extreme concern to everybody in this House and particularly Ministers in the Foreign and Commonwealth office. So I look forward to hearing from my hon. Friend the Minister as to what action the FCO proposes to take.

I will conclude by saying that Israel is a country that attracts the admiration of—I would suggest—most hon. Members who are present here in Westminster Hall today. Israel frequently styles itself as the only democracy in the region. Frankly, the way that Israel is conducting itself is in a way that should bring shame to any self-respecting democracy, and even those of us who consider ourselves to be friends of Israel should point out, in a friendly manner, that that is a matter that the Israeli authorities themselves should also address.

10.21 am

Naz Shah (Bradford West) (Lab): I congratulate my hon. Friend the Member for Rotherham (Sarah Champion) on securing this very important debate, and it is a great honour to serve under your chairmanship, Mr Chope.

I will keep my speech very brief. The hon. Member for Brigg and Goole (Andrew Percy) referred to a doll. I would argue that people do not need dolls to promote hate and violence. What we have before us in Israel and Palestine is children between the ages of nine and 12 experiencing discrimination. I have children of my own who are aged eight and 11, but I cannot begin to imagine the trauma and the stamp on Palestinian children’s brains and hearts of hate towards the Israeli military as they grow up and face discrimination, as well as the way they are treated in custody. So I would argue that we do not need props.

Only recently, Shin Bet told the Israeli Government that Abbas was not encouraging terror and was actually promoting peace. So, I disagree with my hon. Friend when they say that the Palestinians are promoting this kind of propaganda.

Guto Bebb: Will the hon. Member give way?

Naz Shah: No, I will not, because I will not speak for long.

As a former chair of a mental health charity and having my own children, I really struggle to understand why the Israeli Government and the world are silent on dealing with the trauma that these Palestinian children are growing up with. Surely we know that hate breeds hate; laws aside, that is just common sense. There are children who are blindfolded and tortured. We have got evidence before us. How can my hon. Friend ignore that? How can anyone even present a counter-argument to it? We are talking about the basic humanitarian right of children, which we in this House have signed up to, and we must support these children with conviction.

There should be no excuse for taking children aged nine away from their homes, detaining them and sending them to prison. That is absolutely unacceptable.

Mrs Ellman: I note my hon. Friend’s comments that a child should not be detained, and I assume that she means in any circumstances. Suppose a child was involved in an act of violence that resulted in the deaths of other human beings. That is what has happened with young Palestinians throwing stones—people have been killed. In those circumstances, surely she thinks that there should be detention.

Naz Shah: Can I just respond to that question, Chair?

Mr Christopher Chope (in the Chair): Order. I thought that the hon. Member for Bradford West (Naz Shah) had finished her speech, but—

Naz Shah: I will finish by clearly making the point that the Israeli Government have not provided any evidence of any child causing a death, or contributing to a death, using a stone. There is no evidence of that.

10.24 am

Dr Tania Mathias (Twickenham) (Con): Thank you very much, Mr Chope, for calling me to speak and I will endeavour to be brief. I commend the hon. Member for Rotherham (Sarah Champion) for securing this debate. Obviously, it would have been great if we could have had more time for it.

I find it a sad coincidence that this is the week that unfortunately the UN human rights envoy to the Palestinian territories has resigned from his post because of lack of access to information. I urge the Minister to try to follow that up.

Many years ago during the first intifada, I reported on many matters in the region, including children who were detained by Israelis, some of whom had suffered injuries and others who had been killed. This debate is not about gunshot wounds, which unfortunately I had to report on a great deal, and it is not about mortality, which unfortunately I also had to report on many times.

However, I am saddened by this debate, because every single recommendation in the Foreign and Commonwealth Office-funded report—all 40 of them—could have been written by me all those years ago during the first intifada. I did that reporting job in the hope that things would improve.

I applaud what my hon. Friend the Member for Beckenham (Bob Stewart) said. From his viewpoint as a witness, about how children should be treated. In the
occupied territories, I met children who had been subject to many of the things that we have heard about today.

I fully support the UN convention on the rights of the child, and I urge the Minister to urge the Israeli Government to support it. I also fully support the Geneva convention, and again I urge the Minister to urge the Israeli Government to support it as well.

I was a witness for two years in the occupied territories, but I have also been a witness as an MP in my constituency of Twickenham, where I witnessed a child being arrested by my local police. I had a minor flashback to my time in the occupied territories when I realised how different the experience in Twickenham was. I actually applauded my borough commander after that shift, and told him how impressed I was by my local police, because they were both clear and kind to the child in explaining what was happening to them and who they could talk to. That child was not distressed, which was an absolute contrast to all the times that I witnessed children who had been detained and undergone other experiences in the occupied territories.

Therefore, I urge the Minister to please urge the Israeli Government to adhere to all the recommendations in the report, most importantly recommendation 40:

“There needs to be a comprehensive and independent monitoring system.”

I also urge him to urge the Israeli Government to work with senior people in the military in Israel, because I never, ever met a senior military person in Israel who wanted cruel, inhuman and degrading treatment of children. There are people in Israel who do not support bad treatment of children.

There should be no discrimination for children whether in Gaza, Bethlehem, west Jerusalem, or east Jerusalem: they should all be treated like the child in Twickenham.

10.28 am

Simon Danczuk (Rochdale) (Ind): I thank the hon. Member for Rotherham (Sarah Champion) for securing this very important debate. As a former chairman of Labour Friends of Palestine and the Middle East, this issue is very close to my heart.

The treatment of child prisoners in the Occupied Palestinian Territories is deeply concerning, counterproductive and completely discriminatory. As has already been pointed out, currently in the west bank we see two laws: Israeli civilian law, which only applies to those with Israeli citizenship; and Israeli military law, which applies to the Palestinian population.

Since 2000, at least 8,000 Palestinian children have been arrested and prosecuted in Israeli military detention facilities, which are notoriously bad in their treatment of children. A UN report found that out of 208 affidavits that had been collected, 91% of those spoken to reported being painfully hand-tied and 82% reported physical abuse.

Dr Paul Monaghan: Does the hon. Member agree that the current situation and the current sustained level of child imprisonment evidences a judicial process in Israel that lacks all proportionality and requires international intervention to protect victims on both sides of this conflict?

Simon Danczuk: Absolutely. The hon. Gentleman makes an important point.

I am conscious of time, so I will turn quickly to the issue of parents and guardians not being able to accompany their children when they have to appear before court. Many such issues come up time and again, including how children cannot or do not have legal representation while they are detained. Military Court Watch reports that 73% of children detained said that they were simply not aware of their right to remain silent. What is also damning is that in 30% of cases, the prosecuted child was made to sign their plea in Hebrew.

To conclude—

Mr Christopher Chope (in the Chair): Order. I am afraid we have already reached 10.30 am. We have to start the wind-up speeches; otherwise everyone will be squeezed out and it may not be possible for the proposer of the motion to respond, which is always desirable in a debate such as this.

10.30 am

Dr Philippa Whitford (Central Ayrshire) (SNP): The sheer number of people who have come to the debate and tried to speak shows the importance of this issue. I have to declare an interest, which many people are aware of, as I spent a considerable time in Gaza and Lebanon working as a surgeon. Like the hon. Member for Twickenham (Dr Mathias), I experienced these things well over 20 years ago. I was working in Gaza when the Oslo agreement started, and look where we are 23 years on: absolutely nowhere. For many people living in Gaza or the west bank, things are worse. When I was out there in 2010, I was shocked by the sheer scale of settlements. Members have talked about how the context is incitement, but there is no requirement to incite the Palestinian children, because they are completely surrounded by the issue all the time. We are talking about huge towns and housing estates flowing over the hills. One only has to look at the map on the front of the briefing from the House of Commons Library to see how little territory within the west bank is under the control of the Palestinian Authority. It is by far the minority. The industrial annexation of the west bank is the underlying problem, and we have allowed the issue to go down the agenda.

Ian Austin: Will the hon. Lady give way?

Dr Whitford: No, I will not, because I am trying to leave time for a wind-up speech at the end.

We have allowed ourselves not to try to solve the problem. We are talking about how children are treated. I totally accept the point that the hon. Member for Brigg and Goole (Andrew Percy) made; the Israelis must try these children in a military court—that is a requirement, otherwise they would be seen as annexing the west bank—but it is about the way that the children are treated. They are arrested by the military, held and interrogated and taken to a military court. There is no requirement for a military court to treat the children badly.

Andrew Percy: One point we have heard repeated today is about people not having access to legal representation or parents, but will the hon. Lady accept,
because it is a fact, that the situation is the same in the domestic law in Israel on minors? Similarly, many of the standard operating procedures that apply in the west bank have been copied over from the domestic law in Israel. Also, in terms of Gaza, when the Israelis left we ended up with a police force that was throwing people off buildings.

**Dr Whitford:** That is why I will not be taking any more interventions. If the hon. Gentleman compared the domestic civilian law in Israel and the situation in the military courts, he would find that they are nothing like each other. We have the reports from the delegation in 2011, the report in 2012, UNICEF’s report in 2013 and the update in 2015, and things have not changed. She is sadly no longer in her place, but the hon. Member for Bradford West (Naz Shah) talked about this. If we simply imagine a 12-year-old or a 14-year-old that we know going through this situation, whether they are in our family or are around us, what do we think it will produce? They are shaken awake to find two men with military weapons and they are dragged from their bed. They are blindfolded or hooded and their hands are tied behind their back. They are thrown on the floor of a military vehicle and driven for a couple of hours. They are then left with no food or drink and often no access to the toilet, and eventually their interrogation starts.

There is no audiovisual recording or evidence to show how the children were treated, but the affidavits collected by one charity after another, including B’Tselem, which is an Israeli non-governmental organisation, show that these children are being abused, threatened and frightened on an industrial scale, with more than two thirds of them being made to sign a confession in a language they do not understand. None of them reported having a parent with them. Only 97% reported not having a lawyer, so a whole 3% got access to a lawyer. The vast majority will meet their lawyer at the time of their first hearing. That leads to a high rate—it is in the nineties—of plea bargaining. They are told, “You have been held for three months. You will be held longer if you decide to contest this. Actually, that thing you signed is a confession.” They then end up in prison, miles away in Israel, with their parents unable to visit them for 95% of the time. They have missed schooling and will be suffering from all sorts of psychological problems, as highlighted by my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron). They will probably fail at school. They will not have work; work is hard enough to find in the west bank at the best of times. What we will have created is an angry young person who is ripe to be recruited to be violent and who hates Israel. That is not the solution to get peace.

**Ian Austin:** Will the hon. Lady give way?

**Dr Whitford:** No, I will not. I need to conclude shortly. We need to get Israel back to the table and we need to get a peace process going. We need to realise what is happening in the west bank. It is simply being built over, and things boil over. If these children have committed crimes, they must be arrested and tried. The evidence must be brought, but it behoves Israel, even though it is through a military system, to ensure that it meets the terms of the UN convention on the rights of the child, which it signed in 1991, with the presentation of high-quality evidence taken from children who have been well-treated. At the moment we have the terrorisation and intimidation of children, confessions that cannot be trusted and children who will turn into the violent terrorists of the future. That is not in the interests of Israel or Israelis. It is not in the interests of Palestinians. We need to use our power not just to tut and to click our tongue, as was discussed last night in relation to what has happened in Saudi Arabia. The UK should stand up aggressively for human rights and not be a pushover.

10.37 am

**Diana Johnson** (Kingston upon Hull North) (Lab): It is a pleasure to serve under your chairmanship today, Mr Chope. I begin by congratulating my hon. Friend the Member for Rotherham (Sarah Champion) on securing the debate and on her excellent opening speech. Since she has been a Member of this House, she has been a constant and tireless campaigner for children, no matter where they live. This debate has been well-attended and well-informed, and has reflected the strong opinions across the House. Many Members have visited the region and speak with experience. We have also benefited from the professional expertise of certain Members, with their backgrounds in psychology, mental health and medicine, and also as a professional soldier.

Before turning to the specific issue of children, I should, as others have, comment on the wider context of today’s debate and reiterate the Labour party’s commitment to support a negotiated two-state solution for the two peoples of Israel and Palestine. As has already been said, the situation in Israel and the west bank is bleak. There are no peace talks, and there is no immediate prospect of peace talks. We appear to be as far from a resolution to the conflict as at any point in the past 20 years, while the continued settlement building makes the prospect of a two-state solution even less likely.

**Diana Johnson**

Tensions are escalating on both sides, and sadly we have seen a number of terrorist attacks against both Palestinians and Israelis in recent weeks and months. As with any conflict, it is children who often suffer most. The international community has a particular obligation to children, as laid out in the UN convention on the rights of the child. Israel, as a signatory to that convention, is expected to uphold those rights. Furthermore, as an occupying power, Israel has obligations under the Geneva convention towards Palestinian child prisoners.

As we have heard today, there are numerous and highly concerning reports that the detention of children, some of whom are very young, breaches those obligations. That should concern us all not only because it amounts to abuse, but because we want a better future for Israel and Palestine, and today’s children are central to that hope. What we should be working towards and what the international community should be promoting is co-operation and dialogue between Palestinian and Israeli children, to enable a shared and peaceful future.
Andrew Percy: I could not agree more on trying to bring groups together. On a recent visit to Israel—I declare an interest—we met the MEET group, which brings Palestinian and Jewish children together. It is a fantastic organisation. However, the hon. Lady knows I was a schoolteacher. Would I have delivered the following to any of my lessons? This is from a grade 8 Palestinian textbook:

“Today’s Muslim countries need urgently Jihad and Jihad fighters in order to liberate the robbed land and to get rid of the robbing Jews”.

That is the context of a lot of the violence. Yes, we must hold Israel to account, but we must also hold the Palestinians to account for the abuse of children through the school system.

Diana Johnson: I want to come on to deal with the point that the hon. Gentleman has just made. I think that every Member—[Interruption.]

Mr Christopher Chope (in the Chair): Order. Up until now we have had mutual respect, and I think that should continue.

Diana Johnson: I think that every Member of this House would agree that the involvement of children in conflict is absolutely wrong. Before I go on to deal with some of the specific issues around the Israeli response to Palestinian child prisoners, I want to refer to the 2005 assertion from Amnesty International:

“Palestinian armed groups have repeatedly shown total disregard for the most fundamental human rights, notably the right to life, by deliberately targeting Israeli civilians and by using Palestinian children in armed attacks. Children are susceptible to recruitment by manipulation or may be driven to join armed groups for a variety of reasons, including a desire to avenge relatives or friends killed by the Israeli army.”

Moving on to the issue before us today—the treatment of child prisoners—in 2012 the Government convened a group of eminent lawyers with expertise in human rights and child welfare to investigate what was going on. I commend the Government for doing that and I commend all the lawyers involved, including my right hon. and learned Friend the Baroness Scotland. The report concluded that Israel’s treatment of Palestinian child prisoners amounted to a series of breaches of the rights of the child, including article 2 on discrimination and article 3 on the child’s best interests. More concerning still, the lawyers encountered significant evidence that Israel may be in breach of the general prohibition on cruel, inhuman or degrading treatment.

The following year, in March 2013, UNICEF released a report, “Children in Israeli Military Detention”, which prompted the UN Committee on the Rights of the Child to express, “its deepest concern about the reported practice of torture and ill-treatment of Palestinian children arrested, prosecuted and detained by the military and the police, and about the State party’s failure to end these practices in spite of repeated concerns expressed by treaty bodies, special procedures mandate holders and United Nations agencies.”

UNICEF made 38 recommendations to improve the treatment of child detainees. Many of these overlapped with the 40 recommendations from the UK legal delegation, which covered the five clear areas of arrest, interrogation, bail hearings, sentencing and the investigation of complaints. Those were all important recommendations. In response, there have been a few welcome military orders issued by the IDF, including military order 1711, which reduces the time a Palestinian child can be detained prior to appearing before a military court judge, and military order 1745, which requires interrogations to be conducted in a language the child can understand, and to be recorded. However, this order does not apply if a child is suspected of committing a security offence such as throwing stones, and that is of concern.

A 2014 UNICEF working group on grave violations against children gathered 208 statements from detained children and found that, among other things, 171 reported being subject to physical violence and 144 reported being subject to verbal abuse. Of the 38 recommendations made by UNICEF in March 2013, only five were deemed to have been addressed by March 2015, although 15 were partially addressed and 14 were under discussion. It is important to note that Israel has rejected only one recommendation outright. The British Government need to do much more to hold the Israeli Government to account in terms of what they are doing to meet the recommendations that have been made.

In a recent answer to my hon. Friend the Member for Hammersmith (Andy Slaughter), it looked as though there was little tangible progress in implementing the recommendations that have been set out. Nor can I say there is much evidence that the Government are prioritising the issue. Although I welcome the efforts of our ambassador in Tel Aviv to raise the issue, I think Ministers can do far more. In conclusion—

Ian Austin: Before she concludes, will the hon. Lady give way?

Diana Johnson: No; I need to complete my speech.

In conclusion, I hope the Minister will make it unambiguously clear today that the UK Government stand behind all 40 of the UK recommendations and explain to the House how he intends to encourage Israel to do far more to implement the recommendations as soon as possible.

10.45 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): It is a pleasure to see you chairing this important debate, Mr Chope. I join others in congratulating the hon. Member for Rotherham (Sarah Champion) on securing what is a well-attended debate. I absolutely agree with the hon. Lady: it is an important debate. I am sorry it is taking place here—no disrespect, Mr Chope—but such matters should be debated in the main Chamber and given more time. I am very sorry that colleagues were not able to get in; I will do my best to write to them. I apologise for not being able to answer everybody’s questions in the short time that I have. I want to allow time for the hon. Member for Rotherham to reply at the end. Forgive me again: I do not intend to take any interventions.

I want to pick up on a couple of points made by hon. Members before I respond to the points made by the hon. Member for Rotherham. First, my right hon. Friend the Member for Clwyd West (Mr Jones) made the important point that we should not forget that Israel is a democracy in a very difficult neck of the
woods. We encourage and support Israel to continue to support the democratic process. We are a friend of Israel and we work with the United States to ensure it maintains high standards and the rule of law. That is very important indeed. It is very easy when a country is under pressure, as we have found ourselves—Guantanamo Bay is an example—to allow standards to slip. So it is important that we are constructively critical but supportive of Israel in the challenges that it faces.

The hon. Member for Brighton, Pavilion (Caroline Lucas) regretfully, she is not in her place—mentioned that the EU-Israel association agreement should be suspended if Israel does not live up to its human rights obligations. The agreement could be suspended, but it provides the framework for human rights and other issues to be debated. It provides an important forum for such things to be discussed, so we would be doing ourselves a disservice if we suspended it.

I have a huge respect for the hon. Member for Hammersmith (Andy Slaughter) and how he keeps pressure on the Government in a variety of areas, including human rights. However, he is being a little disingenuous in saying that human rights is not a priority for the Government. Whatever has been said, I can assure him and all those here today that in all the countries in my portfolio—other Ministers would say the same—human rights, the rule of law, democracy, governance and freedom of speech are important matters. Where appropriate and in whichever country I visit, including Israel, where I will be going shortly, I will raise those issues.

Andy Slaughter rose—

Mr Ellwood: I will not give way, but I would be delighted to have a cup of tea with the hon. Gentleman to discuss the issues in more detail.

The hon. Member for Rotherham made an important speech that was accurate in many respects. I welcome the initiatives and the thinking about how we can resolve matters. If she will allow me, I will give consideration to the five points that she raised and I will write to her. Again, I will be more than happy to sit down with her and discuss the issues as we take stock. A lot of the issues have legal parameters, as she will know.

The Government share Members’ concerns about the treatment of children, including Palestinian children, who are detained in Israel. Israel has a legal and moral responsibility to ensure that international standards are upheld. It is especially abhorrent to see child detainees suffering inhumane treatment, whether it is in Israel, the occupied territories, or anywhere else in the world. We are pleased that the Israeli Government have made progress on improvements, but we are pushing for further implementation of the required reforms.

Members from across the House have said that we need to put what we see in context. Co-operation is needed between the Palestinian authorities and Israel to deal with child prisoners. There is also the fundamental absence of a two-state solution, which is the cause of this problem. Members of Parliament have come up against the appalling use of children to commit acts of violence. The level of incitement is worrying, as my hon. Friend the Member for Henley (John Howell) pointed out, but that should not prevent us from encouraging Israel, working with it and being critical of it on those points, as allies and friends are able to do.

As the hon. Member for Central Ayrshire (Dr Whitford) said, it has been a long time since Oslo, Madrid, Camp David, the Wye crossing opening and so forth. It is very frustrating indeed. I agree that we seem further from a solution at the moment. We need leadership. It is very sad that individual Palestinians, who are not prompted by an intifada but have no faith in their own leadership, are going out, killing Israelis and causing mayhem on the streets of Israel in the knowledge that they will be killed. They are not scared to die. We are in a very dangerous place, which is why we call on all sides to come together and look forward to resolve these matters.

This debate is not about the middle east peace process, much as we can wander into it, nor about the occupied territories, although I agree that those issues are related to what we are discussing, so I will focus my remarks on the specific points that have been made. As has been said, in 2012 the UK funded an independent report entitled “Children in Military Custody” by leading British lawyers. Since then, Ministers and the British ambassador in Tel Aviv have spoken and written to the Israeli Justice Minister, Attorney General and military advocate general to urge Israel to take action based on the report’s findings. In February 2013, UNICEF published a report entitled “Children in Israeli Military Detention” and a progress report later that year. Those reports and lobbying by the international community have had an impact. We will continue to make this issue a focus of our engagement with Israel, and we plan to fund a follow-up visit by the delegation in February 2016 to report on further progress.

The UNICEF progress report of October 2013 noted that Israel has taken important positive steps towards addressing the recommendations in the 2012 report by updating its existing standard operating procedures and policies on the arrest of minors. Those updates include changing the policy on methods of restraint and limiting the use of blindfolds to only when there is a security need. Israel has also increased the age of majority for Palestinian children. The Israeli military committed to conducting a pilot of using written summons, instead of night-time arrests, which has now been concluded.

We welcome the steps that have been taken to date, but we continue to call for further measures, including the mandatory use of audio-visual recording of interrogations, an investigation into continued reports of the use of single-hand ties and an end to solitary confinement for children. We also challenge Israel’s classification of diverse incidents—for example, stone throwing and participating in illegal demonstrations—as national, as opposed to criminal, offences. We also said that minors should consistently have access to lawyers before interrogation, and that they should have the right to have their parents present during their detention or interrogation.

We remain concerned about Israel’s extensive use of administrative detention, which, according to international law, should be used only when security makes it absolutely necessary, rather than as a routine practice. Administrative detention should also be used as a measure and not as a punitive one. We continue to call on Israeli authorities to comply with their obligations under international law and either charge or release
detainees. We regularly raise that matter and other broader concerns about the treatment of Palestinian detainees of all ages with the Israeli authorities. We have done so at Foreign Minister, Attorney General and National Security Adviser levels.

Members also mentioned the recent violence in the west bank. We very much condemn what is going on there at the moment, and we remain extremely concerned about the terrorist incidents that have resulted in a number of deaths and multiple innocent civilians wounded. We are also concerned about the use of force by Israeli security personnel in response to protests and security incidents. The Foreign Secretary and I have publicly called on both sides to restore calm and improve the situation on the ground.

I am conscious of time, so let me conclude. This is obviously an emotive issue. That much is clear from Members’ valuable contributions. I thank the hon. Member for Rotherham for enabling this debate to take place. I welcome the positive steps Israel has made in implementing some of the recommendations of the “Children in Military Custody” report, but the Government remain concerned about the treatment of Palestinian children detained in Israeli prisons. The UK has made repeated representations to Israel about the treatment of child detainees, and I assure Members that this issue will remain a focus for us. We are committed to this matter, and I will raise it when I visit Israel next month. We will remain engaged on it.

10.56 am

Sarah Champion: I welcome the Minister’s comments. The point of this debate is that we want children to be treated in a fair, just and legal manner, regardless of their race or the crime they committed. We want to ensure that international law is observed.

Cat Smith (Lancaster and Fleetwood) (Lab): My hon. Friend will be aware that, as the US State Department noted, the Israeli military courts have a conviction rate of more than 99% for Palestinians. Does she share my concern that it is influenced by coercive interrogation and the lack of an Arabic translation of documents in interrogation?

Sarah Champion: I completely agree. Hon. Friends have made that point very well already.

Richard Burden (Birmingham, Northfield) (Lab): The Minister, in reply to my hon. Friend, said that he wanted to reflect on the five points that she made. He also said that a follow-up delegation will go out in February. May I ask the Minister, through my hon. Friend, to indicate whether he thinks that there should be a full debate in the main Chamber on this issue after that? Clearly, there is a great deal of interest in this issue and a lot of people want to make points.

Sarah Champion: When I have my meeting with the Minister, I will push that very point.

Andy McDonald: Palestinian children have been subjected to such treatment for decades. Generation after generation grow up having experienced violence and trauma, and they harbour feelings of resentment, persistent anger, hatred and mistrust as a result. Does my hon. Friend agree that, unless those gross and offensive violations cease, the prospects for peace will continue to diminish?

Sarah Champion: Sadly, I agree. Everybody in this Chamber and in the country wants lasting peace. We should all be driving for a two-state solution.

I am delighted that the Minister has agreed to meet with me. I want to discuss with him how the UK can meet its legal and humanitarian obligations. I thank the Minister and Members in this Chamber for participating in this debate.

Question put and agreed to.

Resolved.

That this House has considered child prisoners and detainees in the Occupied Palestinian Territories.
Refugees in Calais

11 am

Andy Slaughter (Hammersmith) (Lab): I beg to move, That this House has considered assistance to refugees in Calais.

It is a pleasure to serve under your chairmanship this morning, Mr Chope, and to welcome the Minister to his place as he arrives. In the brief time available, I will first say a little about my involvement with the “jungle” camp in Calais and the circumstances there. I do not know whether the Minister has visited the camp—a nod would suffice.

The Parliamentary Under-Secretary of State for Refugees (Richard Harrington): I have not visited Calais, but I have visited many refugees and I have received extensive reports about the camp.

Andy Slaughter: I am grateful. I hope that the Minister will find the time to visit, because I will not be able to do justice to the situation in the time available to me. Alongside Calais, there is also the issue of Dunkirk. I have several questions for the Minister, but if he is unable to answer them today, I am sure he will write to me.

Martin McTigue, a senior manager at the London ambulance service and a constituent of mine, contacted me in December and suggested that I visit the jungle camp with him, which I then did. Mr McTigue’s involvement came through Samad Billoo, who is involved in a charity called HANDS International. The charity was set up in Pakistan in 1979 to bring relief to villages there. It is a substantial charity in Pakistan, but its first venture outside Pakistan was to set up an immunisation clinic in the jungle camp in Calais. Sam also works for the London ambulance service, and I found quite a number of paramedics and others who work for the LAS out in the jungle camp providing not only immunisations—40% of the 6,000 or 7,000 people have been immunised against flu—but basic medical procedures. I met a great number of people and will not be able to pay tribute to them all, but I want to mention Abi Evans, another paramedic from the LAS, who has also devoted a lot of time. These individuals are giving up every weekend, and substantial parts of their week through leave, to go out to minister to the refugees in the jungle camp and the camp at Dunkirk.

I mention that background, which is interesting in itself, but it is a curious state of affairs when the relief of several thousand people situated 30 miles from the British coast on the land of our nearest neighbour, a prosperous and civilised country, is reliant on the skilful and diligent attentions of British volunteers. Whether they are medics bringing food aid or helping with shelter, clothing and other matters, these people are predominantly British. They are all volunteers. Some of them have expertise and some do not.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Will the hon. Gentleman give way?

Andy Slaughter: I will in a moment.

These people simply saw a humanitarian crisis and wanted to assist. However, that is the limit of the support that has been provided to the refugees so far. There is no support from major charities or from the UN, not because they do not want to be involved—Save the Children and Amnesty International have provided briefings for this debate and are very concerned about conditions at the jungle—but because the French Government have persistently refused to recognise the situation as a refugee issue and see it as a border control issue.

Kirsten Oswald (East Renfrewshire) (SNP): Will the hon. Gentleman give way?

Andy Slaughter: In a moment.

The French Government will not allow major NGOs and humanitarian organisations into the camp, nor have they been providing any real assistance themselves. That is changing, but only following legal action by Médecins sans Frontières, which is present in the camp alongside Médecins du Monde. They had to take the French Government to court in order to get some response, but the Government there will not provide any permanent accommodation. Heated tents are now being constructed for 1,500 people—presumably women, children and the vulnerable—but that is the limit. I saw that part of the camp being built and it will clearly be better, but it is not complete and the winter may well be over before it is finished. That is an appalling way for a civilised country such as France to treat people in dire and desperate need.

I will now give way twice.

Dr Lisa Cameron: Many thanks to the hon. Gentleman for giving way. I share many of the concerns that he has expressed in such detail. Does he agree that it is of the utmost importance that children in Calais have access to education? Even one lost day of schooling for a child refugee is a day too many.

Kirsten Oswald: Like my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), I agree with the hon. Gentleman’s sentiments. I am concerned that those who are supporting the refugees in the Calais are volunteers giving up their time. In my constituency, many volunteers have undertaken collections, raising more than £7,000 for the refugees, and provided a convoy of goods and food to Calais. Funds are now being raised for a trip to Dunkirk to provide more much-needed food and supplies. The situation is unacceptable.

Andy Slaughter: My attempt at a multiple intervention was clearly an innovation too far, but I absolutely agree with the hon. Lady. A lorry load of supplies, organised by Reverend Bob Mayo of the Church of St Stephen and St Thomas in Shepherd’s Bush, went out from my constituency before Christmas. Communities all over
the country are assisting, if not directly by their own intervention, then by giving money and goods, which is to everybody’s credit.

During the day I spent at the camp on 21 December with HANDS International, I met many people. I am unable to do justice to everything I saw; suffice to say, however, that conditions are appalling and will get worse as the winter deepens and the weather deteriorates. Despite all the assistance on offer, the jungle camp is still in an old landfill site under a motorway bridge. There is asbestos lying around. It is waterlogged with mud everywhere. There are chemical plants on either side of it. There is a chronic spate of illnesses, ranging from respiratory problems and scabies to serious diseases such as tuberculosis. The medical and accommodation facilities, which may just be a combination of tents or some rudimentary wooden shelters, are simply unable to cope. I admire the resilience of both the volunteers and the refugees, but they are fighting a losing battle against establishing any quality of life. Of particular concern are the hundreds of unaccompanied children, some as young as 12 or 14, and the increasing number of families.

The people at the camp come from a variety of countries. Many are from Syria, but some come from Afghanistan, Kurdistan, Eritrea and Sudan. Many of them have stories of fleeing persecution. Many of them have their nearest relatives, outside of the countries from which they have fled, in the UK, which is essentially why they are there. It is also true that not all are seeking asylum in the UK. The French authorities have given the situation poor attention. Their involvement in the camp is limited to patrols by riot police, who occasionally fire tear gas into the camp. They do nothing to curb either the problems of violence within the camp, where a 15-year-old boy was stabbed to death before Christmas, or the protests by fascist elements of the National Front. It is a truly beleaguered and desperate situation.

Against that there is a huge amount of hope. There are churches, a theatre and—to take the point made by the hon. Member for East Kilbride, Strathaven and Lesmahagow—classes, including English classes and education for children. Shops and restaurants have also been set up, with extraordinary ingenuity in the circumstances, but all that cannot be a substitute for proper treatment. The Minister says that he has visited a number of refugee camps, as I have, but this is not a refugee camp with facilities able to maintain any basic standards of life; this is simply people camped out in the open in completely unsuitable conditions.

Helen Whately (Faversham and Mid Kent) (Con): The hon. Gentleman is talking about the conditions in the jungle camp near Calais, which I have also visited, with the Bishop of Dover. I was similarly shocked by the conditions, which were much worse than I have seen in the official camps for Syrian refugees in countries such as Turkey. The conditions in the jungle camp are absolutely shocking and simply unacceptable for animals, let alone for humans, and the migrants certainly felt that they were living like animals, which was leading them to have a great hatred for the UK, the country that they hoped to come to and came towards with great hope—instead, they are very angry. It is good news that the French Government are planning to improve facilities and to construct a new camp. The hon. Gentleman might well yet do so, but I ask the Minister to update us on the UK Government’s conversations with the French about improving conditions and on the part that we are playing. Will the Minister also address the concerns of my Kent constituents about the security implications of the new camp?

Mr Christopher Chope (in the Chair): Order. I have indulged the hon. Lady, but normally interventions should be brief—they are interventions, rather than speeches.

Andy Slaughter: I am glad that you indulged the hon. Lady, Mr Chope, because it was a good intervention and one with which I agree. I must speed up a bit, but I will pick up on one point: I am afraid that not much comfort can be given, because the pace of action by the French Government is so slow, whether deliberately or through bureaucracy.

I want to bring another matter to the Minister’s attention, although it might be a debate for another day. If conditions in Calais are atrocious, they are far worse in Dunkirk. I have not visited Dunkirk, but I have had a long report from there. We were told—this was reported in lurid terms in the UK press—that a new refugee camp was to be built, à la Sangatte, at Dunkirk by the French Government. Perhaps so, but it is too early to have those heated tents, and everything is taking much longer than it should be. It might well be winter before it is ready.

Importantly, while the camp is being constructed at Dunkirk, no resources will be allowed in. Only this week I had a report from Mr McTigue to say that police were not letting in any tents, blankets, building materials or wood for fuel, which adds to the misery. There are no signs so far of a permanent camp. I therefore urge the Minister to visit not only Calais but Dunkirk, because the conditions at Dunkirk are truly appalling given the freezing conditions and the lack of shelter, water and toilets. Each day young children are having to sleep in those conditions, without even enough food being supplied. Of the first 100 people vaccinated by HANDS International at Dunkirk, 96 had scabies. Such conditions should not prevail anywhere, frankly, but certainly not in northern Europe.

In the few moments I have left, let me ask the questions that I want the Minister to answer. How much are the UK Government spending in and around Calais? I think that the answer is nothing to relieve the refugee situation, but some £18 million on razor wire fences to stop refugees getting to Eurotunnel or other ways of reaching the UK. How are the Government liaising with the French? What pressure are they putting on the French Government? I ask that because of a Home Office statement—I think about Dunkirk, although it might well apply to Calais—that said:

“We do not get involved in what is a French decision on what they do with a camp in their country.”

I am afraid that that rather Pontius Pilate attitude will simply not do.

What steps are the Government taking to allow the reuniting of families? As I said, a large number of the unaccompanied children and the families in the French camps are there because their nearest relatives are in the UK. At the moment, other than risking their lives and trying to get through the tunnel or over on lorries, there
is no way for them to achieve reunion with their families. What are the Government doing to facilitate asylum claims to the UK? How are they co-operating—this might be a difficult issue for them at the moment—with the European Union?

The Minister will have seen the recent report of the Select Committee on International Development, which was excellent and clearly recommended that this country should take 3,000 refugee children from within Europe. I do not know whether the Minister is in a position to respond to that. I must also pay tribute to the work of my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) on such matters. She has visited the camps and heads the Labour party’s task force on refugee issues. She has called for a major new, co-ordinated humanitarian relief programme, including for Calais and Dunkirk; a proper series of assessments of who needs refugee support; and an increase in the number of people to whom this country is granting sanctuary.

The problems are severe and terrible, but we are still only talking about something perhaps in excess of 10,000 refugees in total; compared with the refugee crisis as a whole, the situation is not one that should be beyond the wit of Britain and France to resolve. I share the frustration of organisations such as Amnesty and Save the Children, which wish the Government to act or to act themselves, but at the moment they are prevented from doing so.

I ask the Minister to look at the terms of Dublin III and the UN convention on the rights of the child to see whether his Government are properly fulfilling their obligations under them. He might rely on Dublin III to say, “Britain has no responsibility,” but I urge him to acknowledge that we do have a responsibility—a humanitarian responsibility—in particular to the children in Calais and Dunkirk who have relatives in the UK, and to say how we may reunite them with their families.

I could say a lot more, but I will give the Minister time to respond. One of the many inspiring people I met in Calais was a man whom I will simply call Muhamad. He was a translator for UK forces in Afghanistan, but he did not qualify for the right to come to the UK, which some translators were given, because he was not still employed at the time—although his services to the UK forces were none the less for that. He is an inspiring figure in the camps and he helps to run the library and the education classes. He let me know through some of the people I met in Calais that a young friend of his called Masood was found dead in the back of a lorry at Dunkirk last week.

Any death of a child is a terrible tragedy, but in those circumstances I find it extraordinary—we are talking about people whom the Minister could get on a train and meet in an hour’s time. The reason why Masood wanted to come to the UK is because his nearest relative, his sister, was in the UK. However, the only way that he thought he could reach her and escape the terrible conditions in which he was living was to take the step that led to his untimely and tragic death. Those are the circumstances with which we are dealing. We cannot turn away and say that the situation is someone else’s responsibility. We have to play our part.

11.19 am

The Parliamentary Under-Secretary of State for Refugees (Richard Harrington): It is a pleasure to serve under your chairmanship, Mr Chope. I apologise for my lateness, but a lot of people were leaving the previous debate and we had to wait outside.

I thank the hon. Member for Hammersmith (Andy Slaughter) for introducing the debate. No one could suggest that this is not an important subject. I have not visited Calais, but I have spoken at length about the conditions there to many of the people whom the hon. Gentleman has mentioned in his speech. For example, I have spoken to the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), my hon. Friend the Member for Faversham and Mid Kent (Helen Whately), who is in her place, and others as diverse as the Chief Rabbi and non-governmental organisations, so I feel familiar with this subject.

In the limited amount of time that we have, I would like to say that the Government are not standing idly by and doing nothing. The gist of one of the questions the hon. Gentleman asked really was, “Is it being left to the French on their own and what are the British Government doing?” My hon. Friend’s question also related to that. Therefore, rather than giving hon. Members a lecture about the migration crisis, which they are familiar with, given the limited time I will attempt to stick to the core subject.

A lot of what the UK is doing stems from work done together by my right hon. Friend the Home Secretary and her French counterpart, Monsieur Cazeneuve. As I am sure Members are aware, that led to a joint declaration. That was not just a political declaration; it set out a programme of achievements for the two Governments. It has led to significant improvements in security for example, which answers my hon. Friend’s question.

I understand that, from a security point of view—I will mention this before we skip on to the refugee side—the situation is very different from the middle of last year, with extensive fencing installed and infrared cameras on the way, so there are many different methods to detect people trying to get into this country. It is not perfect, but there has been a dramatic improvement. I want to ring-fence that security point, because while that is not the main purpose of the debate, the question was asked. I accept the worries that my hon. Friend’s constituents have, but a lot of work has been done on that and I could spend the whole 10 minutes talking about it.

On the core subject of what the joint agreement between the two countries has achieved, other than on security and the related subjects of challenging organised crime gangs, intelligence sharing and everything like that—I do not want to detract from the importance of that—I shall use the remaining time to talk about the refugee side of the agreement. What has actually happened? On the main effort—that answers the hon. Gentleman’s question about what money the UK Government are spending on refugees—I want to put on record that the efforts of the Department for International Development are predominantly in helping refugees in the areas around Syria. As people may be aware, in particular those who have read the International Development Committee’s report, which was ably referred to by the hon. Gentleman, we are spending £1.2 billion. Apart from the United
States, we are the major provider of humanitarian resources in the areas adjacent to Syria, as I saw when I visited the region as the Minister for Syrian refugees.

To get back to Calais and the French situation, the UK has supported significantly—I believe to the tune of €750,000—a French NGO that operates for the most vulnerable people around the jungle camp. That work has involved the construction of a day centre away from the camp and facilities to take the most vulnerable people away from that site. That is coming to fruition now. The steering committee behind that is made up of UK and French officials and others, and it hopes to target the most vulnerable people—children, women and those who have suffered particularly—and remove them from that spot. Therefore, while I cannot say that that is a financial priority for DFID—after all, France is a high-income country with adequate resources of its own—it is trying to target financial efforts on vulnerable people. I know that some people are sceptical about whether that will work, but the strategy is serious.

Andy Slaughter: I accept that the French Government have primary responsibility—if it were on UK soil, it would be the British Government—but the French are failing on this. I ask the Minister to ensure that his Government take a proactive stance. They do so, rightly, on security measures in terms of co-operation and they should do so on humanitarian measures. By setting an example on both the conditions in the camp and the resolution for the individuals there, they may encourage the French Government to do what they should be doing.

Richard Harrington: In answer to the point about the French failing, I cannot speak in complete defence of the French Government because the conditions are as they are, but—as the hon. Gentleman may be aware—they have pledged that people will not sleep under canvas this winter: large amounts of heated container-type accommodation, similar to what I saw in Jordan, is currently being installed.

The strategy is based on reducing the number of people at the jungle camp. According to the most recent report, which I received yesterday, there are about 4,000 people currently in the camp and it is expected that significant numbers will leave as a result of beefing up the French asylum programme and moving them to other centres throughout France, away from the Calais area. My information is that significant numbers of African refugees are taking up that choice and being relocated voluntarily.

Richard Harrington: I would love to take the hon. Gentleman’s intervention, but there is a very small amount of time left. I will happily talk to him outside the Chamber if I may.

It is an important point that the hope is to halve the number in the camp. In terms of specialist accommodation for children and other people, it is significant that the number of vulnerable people is in the hundreds and expected to increase. Given the scale of the problem, one may argue that that is just a small part, but the British Government are pushing the French Government on that. The joint declaration is a programme of work that is being monitored all the time.

This is not quite as simple as it sounds. The UK is not saying, “We wash our hands of it—it is not our problem.” We accept that people are going to Calais because they believe that they want to come to the UK. We have officials there who explain to people what life in the UK is like and that, actually, a lot of the reasons why they thought they could or should come to the UK are not valid in reality.

The French Government are being pushed by us to beef up their asylum programme. To take up the final question the hon. Gentleman asked about the family reunion side for children in particular, of course if those children can, under guidance, claim asylum, they can then apply through our family reunion scheme to come to this country. I believe that such requests through the normal channels for those with family in the UK would be looked at favourably. However, they must have it explained to them how to become asylum seekers in France. The French policy is to make them become asylum seekers in France, because they then get a whole lot of benefits and things that they otherwise would not.

This is a complicated subject that must be seen in the context of what the UK is doing overall. We are not the only country: there are all the countries in Europe and others who are trying to deal with the refugee situation. However, I am proud of what the Government have done. That does not mean that we can say, “Calais is nothing to do with us,” because, as everyone knows, it is only 22 miles away from parts of Kent.

The British and French Governments are working together well. I hope that what the French Government have said about reducing the number of people under canvas will happen shortly. I also hope that the enhanced security will work and that our money, through the French NGO, will really help those most vulnerable people.

Question put and agreed to.

11.29 am

Sitting suspended.
Food Security

STEVE McCABE in the Chair

Steve McCabe (in the Chair): I should apologise for being late: I have been rescheduling on my own and it took a little longer than planned. I call Derek Thomas to move the motion.

2.31 pm

Derek Thomas (St Ives) (Con): I beg to move, That this House has considered food security.

It is a pleasure to serve under your chairmanship, Mr McCabe. This is my first Westminster Hall debate; I will try to follow all the correct procedures.

I requested this debate because the past year or so has been particularly difficult for most farms, big and small, and specifically those in the dairy sector. Since securing this debate, I have been encouraged by the fact that so many MPs share my concern about food security. I thank in particular my hon. Friend the Member for Taunton Deane (Rebecca Pow), who has given me some insight into the difficulties faced by farmers in her constituency. She is unable to attend as she has Select Committee responsibilities.

Farming remains an important part of the economy. That is particularly true in my constituency, St Ives, which includes west Cornwall and the Isles of Scilly. I grew up among farms and live today at the bottom of a farm lane—do not get that wrong: I live in a house, but at the bottom of a farm lane—so I see first-hand the hard work that is put in and the challenges to which farmers are exposed, year in, year out. Living in a rural area such as west Cornwall brings home the contribution that farmers make and the vital role that they play. They preserve, maintain and protect our countryside, and create jobs not only in farming but in sectors such as food processing, engineering and tourism. Most importantly, they feed the nation.

Maintaining food security has long been a concern of mine. We must take it much more seriously. Conflict around the world affects food security, and population growth leaves more mouths to feed. Food security is defined by the Food and Agriculture Organization of the United Nations as “when all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.”

I recognise that imports are included in the calculation when food security is measured, but for the purpose of this debate I would like to concentrate our minds on the ability of British farmers to produce the lion’s share of the food we need and to ask what more can be done to ensure that they continue to feed our nation. That is important, because it would be unwise, and there would be moral implications, were we to assume that whatever we cannot produce for ourselves can simply be imported. As the world’s population grows, and taking into account growing unrest and conflict that threaten some regions’ ability to produce food, we should not assume that affordable imports will always be readily available. Indeed, we must not, because every tonne that we import is a tonne less that is available to other nations that might not have the ability to produce as we can.

As a parliamentary candidate of eight years and an MP of eight months, I have had ample opportunity to meet local farmers and gain an insight into their industry.

I am grateful for the time that farmers have taken to explain their work to me. I have learned that the challenges are considerable and the solutions complex. Having seen how hard farmers work, I would never claim that their business has ever been easy or straightforward. Nevertheless, 2014-15 was a particularly difficult period for British farming. Farms have been more productive, largely as a result of investing heavily in technology and machinery, but farmers are having to work harder for their money and, in some cases, getting less for their product than 20 years ago. That is particularly true in the dairy industry.

Dairy prices hit the headlines last summer. The price of milk continues to fall, and the dairy sector in Cornwall has a particular problem because of the limited markets available. Basically, there is Dairy Crest for cheese, Arla, which includes Rodda’s, and Trewithen. The latter two pay between 22p and 24p per litre.

Cauliflower growers have had a terrible winter—admittedly because of the warm weather. They tell me that they need to be paid 48p per head to have a future that they can invest in, but prices have been between 18p to 22p per cauliflower.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): My hon. Friend mentioned the difficulties with dairy prices, which the House has been discussing for more than a decade. Will he join me in pressing the Minister for an update on the concrete steps that the Government are taking to support dairy prices?

Derek Thomas: I welcome my hon. Friend’s intervention. I first met him at a farming industry event at a conference many years ago—probably when I was first selected as a parliamentary candidate. I will certainly continue to press my hon. Friend the Minister on that matter.

Income figures for 2014-15 from throughout the UK show the harvest down by 9%, with a 24% drop in general cropping, a 25% drop in income for pig farmers, a 20% drop for poultry farmers and a 29% drop for mixed farms, so the situation is bleak. Basic business sense says that no one will invest in a business when they have no idea what the return will be from one month to the next, and no one can expect a business to survive if they are consistently paid less than the cost of production. Yet that is the daily reality for large parts of the British farming industry. They persevere when any other business would pack up and go home. We cannot afford for British farmers to pack up. We must not ignore the threat to British producers.

For many farmers, the price they are being paid does not cover the cost of production. If that continues, we will see farms disappear and less food produced—indeed, we already have. We need to create an environment in which farmers are consistently paid a fair price so that they have the confidence to invest in their businesses, employ the workers they need and produce food and drink to meet UK demand and beyond. Why is that so important? Because British farmers play such a vital role, as I said earlier. They protect, maintain and preserve our natural environment. They provide jobs in farming, processing, engineering and tourism—some 3.8 million jobs in food and farming alone. They contribute £10 billion to the UK economy. In rural Cornwall, it is primarily our farmers who keep our Methodist churches open. Most importantly, our farmers feed the nation.
It is difficult to establish exactly how much of the food and drink that the UK needs is produced by UK farmers. The widely accepted figure currently stands at around 62%, but a recent National Farmers Union report suggests that as things stand, taking into account predicted UK population growth, it will drop to just over 50% when my children reach retirement age. The UK does not want to be in a position where we rely on imports for nearly half the daily food and drink we need. It does not have to be like that.

It is widely acknowledged that there is an opportunity for the UK to import less indigenous fruit and vegetables. The UK supplied only 23% of the fruit and vegetables it needed in 2014, yet frustration exists in the industry and further afield with what appears to be an inability to tackle the issue and maximise the potential of our food industry for the future. The National Farmers Union has done some very useful work in that regard, which the former Secretary of State for Environment, Food and Rural Affairs, my right hon. Friend the Member for North Shropshire (Mr Paterson), reinforced in January 2014 when he said:

“By buying seasonal fruit and veg we can improve the nation’s health, help the environment and boost the economy... As British farmers and food producers, you know that we grow some of the best food in the world here, so why is 28% of the food eaten in the UK imported when it could be produced here? We have a top-class fruit and veg sector which produces everything from green beans to strawberries, yet we imported £8 billion of fruit and veg in 2012.”

It is in our interests to produce as much food as possible. If we want to ensure that good quality food continues to be available to us at a reasonable price, we must support our farmers.

**Julian Sturdy** (York Outer) (Con): My hon. Friend makes a powerful argument, and I congratulate him on securing this important debate. Is it not the case that we need to be absolutely clear with our food labelling? My local paper, the *Yorkshire Post*, has a “Clearly British” campaign to label food. Clear labelling will obviously help the whole process and help our hard-hit dairy industry at the same time.

**Derek Thomas**: I am glad my hon. Friend raised that point, which I will come on to. Clear labelling is a powerful tool for consumers, because they know exactly what they will get when they buy their produce.

The NFU’s recent “Back British Farming” campaign, carrying the slogan “Want great British food tomorrow? Buy great British food today”, makes it clear that the time for action is now. With a growing global population, there is every reason for us to produce more. We have the opportunity to grow because there is a huge international demand for food, and we want to be part of the solution.

Earlier I referred to complex challenges that require equally complex solutions. I am grateful to be speaking as a Back Bencher; I do not envy the position of my hon. Friend and colleague the Farming Minister, who is required to respond to this debate. However, there is some capital we can build on, which I believe is ripe for the taking—I hope Members will excise the pun. If we get it right, it will help the British food industry no end.

UK farmers enjoy significant levels of good will from the British public. Recent research shows that 88% of the UK public think that farming is important to the economy and are concerned that we have a secure and safe domestic food supply. The British shopper wants to support the British producer. Over the recent—this takes me on to the point made by my hon. Friend the Member for York Outer (Julian Sturdy)—I wanted to see how easy it was for shoppers to support producers. I visited five supermarkets with two simple questions in mind: can I be sure that I am buying British produce, and can I be sure that the farmer is receiving a fair price?

To the credit of the Government, suppliers, retailers and, most importantly, consumers, the issue of labelling and country of origin has largely been resolved. Although legislation only requires the country of origin to be shown for products from outside the EU, we can often see the county of origin as well as the country of origin when buying fruit, vegetables, dairy products and meat. It is clear that the industry has responded favourably to consumer demand. However, I did find some butter that simply stated it was produced in the UK, whereas all others stated they were produced using British milk in the UK. I also found some salmon that was labelled as being from “Scotland or Norway”, which I found curious, as I had not previously met a salmon with such an identity crisis.

Despite various claims on packaging, I left each of the five supermarkets unsure whether the farmer received a fair price. I am not suggesting that they did not, but I found the packaging confusing. What consumers need, as they seek to support British producers, is absolute confidence that the product is British and that the farmer is getting a fair price. Unless we can provide that assurance, consumers will not be able to fully support the British farming industry, especially if they are being asked to pay a little extra.

We have seen consumers demonstrate that they are willing to pay more for milk and dairy products once they have complete confidence that the product is British and the farmers are getting paid a fair price. If they do not have that, they will continue to buy cheap milk. No noble-minded British person wants to give more money than they must to the supermarket bosses, but they would to the farmer, because they value British farmers and are concerned about food security. The truth is that we do not necessarily need to pay more. If I had purchased a Cornish cauliflower before Christmas, I would have parted with £1, knowing full well that the grower was getting just 18p for the cauliflower. It is possible to pay a fair price to the grower without hiking supermarket prices on many of the goods that the UK produces.

The great advantage of being a Back-Bench MP is that I have the space and privilege to do some blue-sky thinking. My blue-sky thinking is this. With such solid support for our producers from British consumers, with increasing concern about future food security and in the light of the torrid time our farming industry is enduring, is this the time for the Government to establish a UK fair trade brand, giving the consumer a rock-solid guarantee that when they choose to buy British, British farmers will get a fair price for their products? We need to remove all confusion and empower consumers to support the British farming industry further.

My objective is clear: to support British farmers and producers by encouraging consumers to buy locally farmed and produced food and by enabling them to...
easily identify genuine domestic products that have rewarded the farmer fairly. I want to see a Government-backed initiative to deliver that objective.

To conclude, I would like to ask the Minister to address a few short questions—which I gave him in advance, to allow him time to prepare. [Laughter.]

Daniel Kawczynski: How very generous.

Derek Thomas: Well, I have got to see the man on the train every week.

What can the Government do to give consumers confidence that when they buy British, British farmers are getting a fair price? What can the Government do to ensure that the public sector is playing its part and is buying as much British produce as it can to feed our children, our armed forces, our patients and others in its care? What can the Government do to support the NFU’s “Back British Farming” campaign to enable consumers to choose to buy great British food today, so that they can continue to buy great British food tomorrow?

We do not expect farmers to tolerate a price below the cost of production, but as consumers we quite often expect to pay half the price for a pint of milk than we would for a pint of bottled water. What can the Government do to quash the myth that milk is cheap to supply and should always be cheap to buy? What can the Government do to reassure consumers that buying British produce has the added benefit of supporting good welfare of livestock and achieving the highest standard of food hygiene and production? What can the Government do to create an environment in which British farmers are consistently paid a fair price, so that they can invest in the future of their farms, attract new blood into the industry and weather the storms, whether they are Russian, Chinese or just wet and warm? What can the Government do to help ensure that we prevent food security being affected by influences such as climate change.

To what the appetite, I could suggest nothing better to any Member in this Chamber than to start off their meal with vegetables from Killinchy. They could follow that up with the Comber spud—the name, “Comber potato”, is guaranteed and secured under EU legislation—and what would go better with Comber potatoes than a bit of Strangford lamb? And they could finish it off with a third course—not from my constituency, of course—of Armagh apples. There we have it: all three courses—two from my area and the third, unfortunately, we have to bring from Armagh. I say that a bit in jest, but it does illustrate clearly what we have.

In Northern Ireland, as 70% of the production line in Northern Ireland for agriculture is exported, we depend to a great extent upon the export industry and it is highly important to us. In my constituency we have Rich Sauces, which exports and has to do so. We have Willowbrook Foods and Mash Direct. At Kiltonga we have Pritchitts, which takes its powdered milk all over the world—as far as the far east and down into south America, as well as across all of Europe and Africa. These are key factors for us in my constituency; we need to export to survive. Some 20,000 people are directly employed in agriculture and the agri-food sector is worth £1 billion per annum in Northern Ireland. It is a massive industry and its importance cannot be underlined enough.

With the instability across the world and the links between food production and climate change and extreme weather, we cannot take food security for granted. Even when we are enjoying food security across the nation, we should be taking steps to reduce waste. A proactive rather than reactive approach is what is needed to ensure that we prevent food security being affected by influences such as climate change.

The Select Committee on Environment, Food and Rural Affairs has already considered all aspects of UK food security in its reports and has highlighted that as a key issue. I understand that the Committee met yesterday with health officials to discuss this matter. I think the Minister is in a position to do so, I would be keen for him to give us some idea of how those discussions went and what took place. The positive situation with regard to food...
security will not last unless the Government plan for the future and allow for future changes in UK weather and global demand for food.

“Buy British” is what the hon. Member for St Ives said. As a member of the United Kingdom of Great Britain and Northern Ireland, I look upon myself very much as British. I want to be part of that “Buy British” campaign and I ask the Minister whether it is time, as I believe it is, to do joint initiatives for promoting the food that we produce in Northern Ireland collectively.

In the past I have said the same thing to my Scottish colleagues on my right, the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr) and the hon. Member for Kilmarnock and Loudoun (Alan Brown). We can sometimes do this better if we do it together. I am of course a great believer in doing it better together—sometimes do this better if we do it together. I am of course a great believer in doing it better together—

[Interruption.] I am not sure whether these two men would agree we should do everything together, but I think we should, because I am very much committed to the United Kingdom of Great Britain and Northern Ireland. The NFU and the Ulster Farmers’ Union have also stated that.

I want to put this point in Hansard for the record. I understand that there have been some discussions with the farmers union about the need for a market-led, not production-led, strategy. I would like to hear the opinions of the Minister and shadow Minister on that. I think we need to be market-led, when the contract and business is there and then the production comes in behind that. However, we need to know perhaps how that works. Some discussions may have taken place with the NFU and I hope that the Minister is in a position to respond to that point.

Although the UK does not have the growing conditions to produce all types of produce, or some produce, as cheaply as other nations, we need to take the opportunity to import less non-indigenous fruit and vegetables. That will be good for the economy, reducing our already huge fruit and vegetable trade deficit, which amounted to some £7.8 billion in 2014. Again, perhaps the Minister has some ideas about how that can be addressed. We could, we should and we must do more.

I understand that the Agriculture and Horticulture Development Board has been helping UK farmers to extend their growing seasons for cherries, strawberries and asparagus, and I hope that we can see a similar approach to improving our self-sufficiency in fruit and vegetables.

The UK food security assessment from 2010 noted that UK food security depended on being able to source food from a variety of countries, and that that diversity of supply enhanced security by spreading risks, widening options and keeping prices competitive. One production farmer in the agri-food industry in my area told me one day that it is actually cheaper—I find this impossible to comprehend—to import some vegetables from South America to use in his salads in Northern Ireland. I do not understand how that works economically, but he tells me it is cheaper. We need to check it, because we are very conscious of “farm to fork”, and we need to be able to track the movement of food so that its history is traceable, from where it is produced to where it ends up. We need to know that there are not any problems; we need food security. Where does food security come in when it comes to importing food from other countries? Ensuring that in addition to backing local producers, we have an array of different producers in different countries will ensure that food security is not too adversely affected by any extreme or unusual weather in the UK.

Just last year, we saw throughout the UK mass protests by dairy farmers over milk prices. We had farmers across Northern Ireland and farmers in my constituency suffering because of abusive monopolies driving prices below the costs of production. Although it is not a topic for this debate, we also have the EU bureaucracy and red tape that choke and strangle the farmer and make it very difficult for them to produce. Of course, everyone wants to pay less for things and milk is no exception, but should a debate like this ever come up again, we need to make sure that we are on the side of the everyday, normal, hard-working people in our food sector who produce the food and continue to give our great nation a comfortable and secure level of food security.

What discussions has the Minister had with the devolved Administration, the Northern Ireland Assembly, and in particular with the Minister responsible, on how we can have that food security across the whole United Kingdom and how can we promote our food much better?

UK food is, on the whole, the cheapest in the world after the United States and there are some positives to take from that. Inflation is as low as it can go. Food prices, along with fuel prices, have played their part in that and it is making life easier for many of our citizens. We cannot ignore that; it is important that people do not pay too much. Too many are still dependent on food banks, but we are moving in the right direction.

In conclusion, with the right support and long-term strategic thinking, we can ensure that the United Kingdom enjoys food security for generations to come, regardless of what the climate or global economy may throw at us. Only by taking a proactive approach and addressing concerns head-on, rather than reacting to preventable problems, can we ensure that our citizens are secure when it comes to their access to food. Thanks again to the hon. Member for St Ives for giving us the chance to speak on this issue.

2.59 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I congratulate my hon. Friend the Member for St Ives (Derek Thomas) on securing this very important debate. When I was first elected 10 years ago, we set up the all-party group for dairy farmers, given the perilous conditions that they were facing in Shropshire—all the difficulties that they were facing with supermarkets and the prices that they were getting for their dairy products and milk. An extraordinary number of MPs—290—joined the all-party dairy group, which made it the largest all-party group in that Parliament, and we had a very good secretariat.

Mrs Sheryll Murray (South East Cornwall) (Con): I congratulate my hon. Friend on his initiative at that time. Does he agree that we still need the good measures that were introduced in the last Parliament to help farmers to combat bovine TB with a roll-out of the badger cull, so that they do not face such hardship as in the past?
Daniel Kawczynski: I agree with my hon. Friend and I will come to that.

It is worrying that, despite all the work that has taken place over the last 10 years, we are still receiving anecdotal evidence from farmers that they are under strain from prices. My hon. Friend the Member for St Ives referred to the pressure on milk prices. I am keen to hear from the Minister—I have come here specially—how the Groceries Code Adjudicator is getting on. When we set up the all-party group, we spent a year preparing a report on the critical issues and the measures that needed to be implemented to help dairy farmers. We came up with two solutions. One was a groceries adjudicator to regulate and control the supermarkets and to make them realise they could not continue with their pernicious actions towards farmers and suppliers. We also called for a limited badger cull to control bovine tuberculosis.

When we took those proposals to the then Secretary of State, David Miliband, we were laughed out of his office, being told that both were ridiculous and not feasible. I am pleased that under the Conservative Administration we have seen progress on them, but I am keen to hear from the Minister what additional powers he will give to the Groceries Code Adjudicator, how the adjudicator is getting on and what further needs to be done to ensure that supermarkets comply with the important proposals that we set out.

On bovine tuberculosis, which my hon. Friend the Member for South East Cornwall (Mrs Murray) mentioned, in 1997 we slaughtered 47 cows in Shropshire as a result of bovine TB. Last year, that figure was over 2,000. I have been with some of my dairy farmers—I have referred to this in previous speeches—on their farms after their entire herd has been taken away. One farmer and I sat together at his kitchen table and cried unashamedly together, such is the raw emotion of what happens to farmers and their families when herds are taken away for slaughter and such is the extraordinary pressure they face with finance and devastation of their herds after all the work to create them. It is important to take action to deal with bovine TB.

Interestingly, what is the biggest organisation in Shropshire? It is the Shropshire Wildlife Trust with 5,000 members. What is the trust’s symbol? The badger. Some people in the trust would like me hanged from the nearest lamp post—they would have difficulty as I am so tall at over 2 metres—because they believe it is appalling that any Member of Parliament could advocate a badger cull. It is a polarising issue and they feel strongly about the need to protect badgers.

I have sat on the Select Committee on Environment, Food and Rural Affairs, taken hundreds of hours of evidence from scientists and professors from around the world and heard how bovine TB has been eradicated in France and many other countries with a cull of badgers being part of that process. It is extremely important that it is considered. I would like the Minister today to give an update on the badger cull trials and, if they have been successful, to say when they will be rolled out in other parts of the country and whether he will consider Shropshire as one of the next places for the cull to be implemented.

I am passionate about British exports and pay tribute to a colleague, Martin Oxley from UKTI. I have worked closely with him in exporting Shropshire dairy products to Poland. I want the Minister to be aware of the tremendous success of UKTI in exporting not just Shropshire dairy products, but many British dairy and agricultural products to Poland. It may be like selling coal to Newcastle because Poland is an agricultural country, but we must not forget how strong the British brand is. The international perception of animal husbandry and its excellent quality in this country, which is unsurpassed, and the quality of the British brand are why marketing attempts to sell British agricultural products abroad have been so successful.

I would like to hear from the Minister what is happening in UKTI to continue to prioritise British exports. I recently met Lord Maude, who has taken over the strategic management of UKTI. I would like it to have a dedicated team supporting the export of British agricultural products, and I would appreciate further updates from the Minister on collaboration between his office and UKTI.

I have asked the Secretary of State to visit Shropshire this year and she has promised to visit either the Shropshire show or the Minsterley show, which are our two main shows. The Chairman of the Environment, Food and Rural Affairs Committee came last year and went down extremely well. It is very important that farmers have the opportunity to meet politicians and the people at the head of DEFRA who make the decisions. I am still waiting to hear which show she will visit, but she has promised to visit Shropshire this year and I would be grateful if the Minister will pass that on to her and ensure that she—or indeed he himself—comes to one of the main agricultural shows in Shropshire this year.

Steve McCabe (in the Chair): If the remaining speakers take between six and seven minutes each, we will be able to accommodate everyone, including the Front Benchers, and give Mr Thomas a moment to reply.

3.7 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): I commend the hon. Member for St Ives (Derek Thomas) on bringing forward this debate. I agree with most of his comments and particularly liked his suggestion of a fair trade logo for UK produce. The title of the debate, “Food Security”, allows a wide-ranging debate and I may have a scattergun approach—I will see what I can do.

The World Health Organisation has defined food security as existing, “when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life”. That definition means that food security will not exist until the wider world population has access to a sufficient and nutritious diet. That means an end to conflict, true implementation of the Paris COP 21 agreement, control of climate change, greater land reform, the ending of harmful deforestation, and more crops grown seasonally for domestic markets. I do not have any answers but we are a wee bit away from that utopia, so—I like most of the previous speakers—I will concentrate on UK issues, including Scottish ones.

At present, just over half of the UK’s food is produced in the UK so greater consideration should be given to reliance on the wider EU single market against the benefits of greater self-sufficiency. The farmers’ unions would certainly like to see the latter, and it has come out in previous contributions. I agree with that philosophy.
We all accept that the UK will always import some produce; indeed, some of our favourite meals rely on imported ingredients. Imports can also help to provide better balance in diets overall, particularly in the winter months. However, nearly 20% of the food eaten in the UK comes from just four EU countries, and the UK supplies only 23% of the fruit and vegetables eaten here. I suggest that the upcoming EU referendum could provide a further risk to food security, and the Minister needs to make contingency plans with regard to the risk of a leave vote.

As we have heard, it makes sense for the UK not to import such quantities of indigenous fruit and vegetables, and that was flagged up in the EFRA Committee’s 2014 report on food security. If we are to maximise the amount of indigenous fruit and vegetables produced here, farming in this country must, first and foremost, be more profitable. This year, I have met Scottish farmers and heard first hand that farmers across all farming sectors have suffered, even where they have diversified. Measures must be put in place to encourage continued diversification so that the wider industry can survive and, I hope, produce greater amounts of indigenous fruit and vegetables for the domestic market.

Growing more produce in the UK for UK consumption clearly reduces our carbon footprint, which is a must in terms of wider climate change issues. As I have suggested, those pose a risk to food security around the world.

The continued promotion of domestically grown produce in supermarkets will clearly help when done in conjunction with wider country of origin labelling. I therefore welcome the Farming Minister’s recent comments that the Government will continue to pressure the European Commission on country of origin labelling for dairy products. The high percentage of country of origin labelling that is already undertaken voluntarily shows that it can be done and that it should not be too cost-prohibitive to do it more widely, and I would certainly like to see it introduced on an EU basis.

For some customers, budget considerations will, of necessity, override considerations of origin. However, there is no doubt that proper, true labelling would encourage people in this country to buy British or, in some cases, regional. I would also like to see the Scottish brand promoted.

I echo the call for a Government commitment to take up the EFRA Committee’s recommendation to extend the role of the Groceries Code Adjudicator. We cannot have another dairy farming crisis, and it would be good to see what the Government are doing about the issue with regard to the long term.

On the wider issue of farming sustainability, there are two clear issues for farming in general, and these particularly affect Scottish farmers: common agricultural policy payments and continued membership of the EU. CAP payments account for an average of 70% of Scottish farming profits. The Scottish Government have rightly identified that farming needs to be more profitable and sustainable, but the hard fact is that those payments are literally the difference between survival or otherwise.

Also on CAP payments, Scottish farmers feel they have missed out on the pillar one convergence uplift that was given. That amounts to £230 million, which should have been allocated to Scottish farmers up to 2020. If we have an EU exit, and the UK Government maintain the equivalent of CAP support for farmers, it is vital that we have a clear policy position from them.

I would go on, Mr McCabe, but I realise that I have to draw to a conclusion. We all agree that more support needs to be given to farmers, and I again applaud the hon. Member for St Ives for bringing the issue forward.

3.14 pm

Mrs Sheryll Murray (South East Cornwall) (Con): I thank my hon. Friend the Member for St Ives (Derek Thomas) for securing the debate. It is a pleasure to serve under your chairmanship, Mr McCabe. I am proud that we have quite strong Cornish representation here today, but we are also joined by my hon. Friends the Members for Shrewsbury and Atcham (Daniel Kawczynski), for Hendon (Dr Offord) and for York Outer (Julian Sturdy), so the debate is not entirely Cornish led.

I was part of the Environment, Food and Rural Affairs Committee when it did an in-depth study into food security. The report was published in June 2014, and I have a copy here—I would be happy to furnish my hon. Friend the Member for St Ives with one if he has not seen it. During the production of the report, we received 50 written submissions and undertook five oral sessions. We left the House to conduct visits, and I was pleased to welcome members of the Committee to the world cheese award-winning Cornish Cheese Company in my own constituency. The report was very timely, as is this debate. It is incredibly important that we have enough for the people of the UK to eat. We must look at the changing global demand for food as population increases, at the impact of weather changes on production and at the dangers of disease.

The world and UK populations are growing. With the world population likely to hit 8 billion in 20 years, even on the lower UN projection, and the UK population likely to hit 70 million over the same time span, we have to prepare for extra demand. It is simple: production must increase, or people will go hungry.

I do not need to say today that the weather in the UK is changing. As we have all seen on our television screens, many people have suffered over the festive season, and my thoughts are very much with them, given what they have had to endure. However, with flooded fields and destroyed crops, we need to take these issues into account in any future plans.

We do not have to go back to Ireland’s potato famine to see the dangers of disease. We can all remember the haddock—sorry, the havoc—that BSE caused and that TB is still causing today. We can also look abroad to new threats. Only this week, a 26-year-old woman died in southern China. 3.14 pm

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We do not have to go back to Ireland’s potato famine to see the dangers of disease. We can all remember the haddock—sorry, the havoc—that BSE caused and that TB is still causing today. We can also look abroad to new threats. Only this week, a 26-year-old woman died in southern China.
We must do what we can to protect our producers. We must take steps to ensure that our route to production is disease-free, and we must take steps at our borders to help to limit the possibility of disease entering this country.

We must recognise the importance of food production when we look at flood defences—a priority that seems, possibly, to have been overlooked in the past. We must also look at the regulatory framework that our food producers operate under, much of which comes from Europe. I want to work to ensure the best deal for farmers under the CAP.

I want, however, to limit the rest of my remarks to supporting those other food producers—our fishermen. Speaking as an individual, and not as the chairman of the all-party group on fisheries, I would like to raise my strong concerns over the common fisheries policy and the disappointing result for my fishermen in south-east Cornwall of the latest round of quota negotiations.

If we are to have food security in terms of our fishermen, we must now vastly reform the common fisheries policy or pull out altogether. That is why I said at the start of my remarks that this is indeed a timely debate. I believe in the importance of food security for our fishermen, that means fundamental change in the way that the rules under which they operate are put in place. It is vital that the Prime Minister recognises that in his negotiations with Europe. If that does not happen, we should vote to leave the European Union.

3.19 pm

Melanie Onn (Great Grimsby) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. I thank the hon. Member for St Ives (Derek Thomas) for calling this important debate. As he said on his website, “we take future food security seriously, given that we are an island nation”.

Food security is a subject that lends itself to a focus on agriculture, but—rather neatly, as I am following the hon. Member for South East Cornwall (Mrs Murray)—I feel that as an island nation we should not forget in this debate the vital role played by our fisheries industry in providing food for Britain.

Fish is one of the healthiest sources of protein and a rare source of essential fatty acids, but fishing also sustains a significant industry, which employs thousands of people in coastal communities and at food processing sites across the country. To take perhaps a slightly different perspective from the hon. Member for South East Cornwall, people in the industry in my patch, Great Grimsby, tell me that they are cautiously optimistic about the current state of the sector.

Not only does the fisheries industry feed people in Britain; fish exports are worth £1.6 billion a year to our economy. The industry has proved itself able to operate in a sustainable way. Fish stocks are up 400% in the last decade, allowing a welcome increase in quotas for 2016. This year fishermen will be able to catch 47% more haddock in the North sea, twice as much place from the channel and 20% more Celtic sea hake. While consumers have understandably been concerned about declining stocks in the past, people can now have their hake and eat it too. [HON. MEMBERS: “Ooh!”] I know—but the hon. Member for South East Cornwall had a “havoc” and a “haddock”.

Many colleagues have rightly raised the challenges that agriculture and farmers face, but there are very few workers who have it tougher than fishermen. I would like us to regard them as the farmers of the sea. They can be out at work and away from their families for weeks at a time. The task itself is tough, dangerous and often not well paid. It is not surprising that it can be a tough sell to get young people to consider it for a career. The workforce are ageing, and there is a risk that the skills in the industry today will be lost. I have asked the Minister before, and I will ask him again, how the Government plan to address that. The industry needs a proper strategy to secure its long-term future.

Mrs Murray: Is the hon. Lady aware that the Seafish training authority does a lot of training for young fishermen, and in particular people who want to move into the industry? Perhaps she would like to contact Seafish to ensure that those courses are run in her constituency.

Melanie Onn: I believe that that was mentioned in the debate on fishing before the December break, and I feel that it needs to be expanded and heavily publicised, although the hon. Lady is certainly doing her part and assisting with that. I shall take her advice.

Daniel Kawczynski: I pay tribute to the hon. Lady’s predecessor, Austin Mitchell, who I knew well over 10 years as a Member of Parliament. He was a great advocate for fishermen and I would like her to take our tribute to him, if she is in touch with him.

Melanie Onn: I thank the hon. Gentleman; I am sure that I will be able to tweet him. I believe he is in New Zealand, but he remains a strong advocate for the fishing industry and the fishermen of Grimsby and the surrounding areas. In particular, he played a strong role in ensuring that appropriate compensation was delivered to those fishermen when trawler owners were being given significant compensation but the people doing the work were not so lucky. I entirely concur with the comments of the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski).

What discussions has the Minister had with his colleagues in the Department of Health, for instance, about promoting healthy British food such as seafood? As the Government look to tackle obesity and unhealthy eating, surely fish has a role to play as a nutritious, local and environmentally sustainable alternative to other foods. What are the Government doing to encourage supermarkets to act responsibly when sourcing and purchasing fish products? That should be a top priority in securing the sustainability of this major food source. Does the Minister believe that public procurement has a bigger role to play in supporting the industry, as the hon. Member for St Ives mentioned? Does he believe that the public sector, starting with Whitehall and the parliamentary estate, does enough to support the UK’s fishing industry?

3.24 pm

Steve Double (St Austell and Newquay) (Con): It is a pleasure to serve under your chairmanship, Mr McCabe. I congratulate my Cornish colleague, my hon. Friend
the Member for St Ives (Derek Thomas), on tabling this important debate. I agree wholeheartedly with everything that he and my hon. Friend the Member for South East Cornwall (Mrs Murray) have said in the debate. In view of the time restraints, I will not repeat everything that has been said that I wholeheartedly agree with; I will pull out a few of the main points that I believe are worth reinforcing.

It is clear, and I am sure we all agree, that food security is increasingly becoming one of the most important issues that the country will face. As we have heard, the increasing population in our country and globally, the rapid growth of the middle classes in developing countries, and world security issues mean that food security for the UK will become very important. Climate change will also increasingly be a factor. I recently visited Kenya and saw for myself the impact that the changing climate is having on food production in that part of the world. When all those things are put together, it is clear that we will not be able to rely as certainly on food imported into the country as we have in recent decades.

That is why I believe it is important for us to do all we can as a country to become as self-sufficient as possible in food production. Various figures are bandied around, but I believe the most reliable is that we currently produce about 65% of the food we need. We need that figure to go up. It is unlikely ever to be 100%, and I am not sure we would ever want it to be, but we certainly need it to move nearer to that.

The food supply chain is a complex matter, but our farmers and, as other hon. Members have been saying, our fishermen are at its very foundation. We need to do all we can to support them. I should probably declare an interest at this point, by saying that I married a farmer’s daughter 30 years ago this year and that at the moment her father, my father-in-law, is still—in his mid-80s—to be found every day in the fields on his farm on the Isles of Scilly; and a great inspiration he is. Our farmers are facing some of the most challenging times that they have faced for many generations. We have already talked about the downward pressure on prices both from supermarkets in the UK and from global markets. The increasing costs and bureaucracy in farming are making it harder than ever for farms to remain viable and sustainable businesses. We need to understand those challenges and do everything we can to give support, and to address them.

Farming is viable in this country only because of the significant subsidies that farmers receive, but I think we need to be clear.

Scott Mann (North Cornwall) (Con): Does my hon. Friend share my disappointment that there was nothing in the EU negotiation about reform of the common agricultural policy or the common fisheries policy?

Steve Double: Absolutely—I agree wholeheartedly. It is a point that I want to come on to. I am very disappointed that there is nothing in the renegotiation in our relationship with the EU on seeking to reform either the common agricultural policy or the common fisheries policy. I believe that they are things that need to be reformed, and that is one reason why I am quite likely to vote to leave the EU. We need to recover our own powers over those aspects for this country and not to be so reliant on the EU for them.

We also need to be clear that the subsidies paid to our farmers are, in effect, subsidising not farmers but British households. They are there to keep food prices down. We need to kill the myth that somehow farmers are subsidy junkies. They receive those subsidies only because of the downward pressure on prices. Virtually every farmer I know and speak to would say that they would rather have a fair and sustainable price for the food they produce than to be so reliant on subsidies.

In the recent crisis involving milk prices, we saw that the British consumer is willing to pay a bit more when they know that a product is local and the farmer will receive a fairer price for that product. That is particularly true in Cornwall. The Cornish brand for locally produced food is incredibly strong; there is a very strong feeling in Cornwall that people are willing to pay a bit more if they know that something is Cornish and that local farmers are getting a fairer price for it. The Government would do well to push that further. We have already talked about better labelling for locally produced food. The Red Tractor scheme has been mentioned. That is a very good label, but we need to do more to promote such schemes so that the British consumer can know for certain that they are buying local food.

I am sure that my hon. Friend the Member for St Ives did not intend the debate to become dominated by the issue of TB, but we cannot avoid the subject. When I go out and speak to local farmers in my constituency and ask them, “What is your No. 1 concern that you would like the Government to do something about?”, the most common response is, “Address the issue of bovine TB.” I congratulate the Government on the steps they have already taken to address the issue, despite strong opposition, but I firmly believe that we need to allow those who live off the land to manage the countryside. They know best, and I encourage my hon. Friend the Minister and the Government to press ahead and do everything they can to rid our farms of that awful disease. I can assure him of my full support in any steps he takes to do that. We need to make no bones about it. Again, as we have heard, this is not about just saving a few badgers. Hundreds of cattle are slaughtered every week as a direct or indirect result of TB. We must address the impact that that is having on the sustainability of locally produced food.

To sum up, we need to do everything we can to support British farmers. I know that I do not have to twist the Minister’s arm to do that, but I encourage him to take the clear message back to Government that we want to see a very strong positive message from the Government about supporting British farmers and getting behind them in every way we can.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): This feels like a visit to the Celtic Connections festival. We have the Irish, the Cornish and the Scots; we just need a few more Welsh. I do not know where—[Interruption.] Does Grimsby count? Not really!

Thank you, Mr McCabe, for giving me the opportunity to speak. I congratulate the hon. Member for St Ives (Derek Thomas) on securing this important debate. He kicked it off superbly well by emphasising how important rural farmers are to the rural economy in many ways. It is not just about the food that they produce, but about
the way they contribute to the land and the communities in which they live. The hon. Gentleman also outlined the severe pricing challenges, which has been a common theme throughout the debate.

I am acutely aware of the importance of labelling—not just the labelling of products but how they are sold in supermarkets. I wrote to the chief executive of Tesco about its selling of New Zealand products under a Scottish banner and received a fairly poor response, which I have had to follow up on. Supermarkets need to be clear in their practices when selling as well as in their labelling. There may well be salmon that have been to Scotland and Norway, but we need a lot more clarity than just lumping different geographical locations together.

I always enjoy having the hon. Member for Strangford (Jim Shannon) here. I will not even try to compete with the number of products that he referenced from his constituency—he wins hands down.

We also heard from the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski). I will come on to the issue of the Groceries Code Adjudicator; I agree that it is important. Bovine TB is clearly a big issue down here, but less so north of the border. I agree that it should be at the forefront of our minds lest it spread and become an issue for other parts of the country.

My hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown) focused on the need for farming to be profitable. I will return to a couple of the themes that he raised.

It is always a pleasure to be in Westminster Hall with the hon. Members for South East Cornwall (Mrs Murray) and for Great Grimsby (Melanie Onn), who fly the flag or rather sail the ship for the many fishermen around the country.

It is also a delight to see the hon. Member for St Austell and Newquay (Steve Double). Taking part in this debate also serves the purpose of making me more familiar with my many wonderful fellow MPs. He can now visit his father-in-law safe in the knowledge that he has referenced him in a debate in Parliament, so I congratulate him on that.

Jim Shannon: Has it convinced you of the need for the Union?

Calum Kerr: There are many unions, so it depends on which one the hon. Gentleman is referring to. I personally would prefer to stay in the European Union and I look forward to the Westminster Hall debate on Cornish independence as well.

Food security is vital. That is why food supply is classed as a critical national infrastructure sector and DEFRA assesses it annually. Of course, large elements of this area are devolved to Scotland, and last June the Scottish Government drew up their own agricultural discussion document, setting out a vision for Scottish agriculture, which includes contributing to global food security, with a particular focus on Malawi, where the Scottish Government have an involvement.

International interdependence is critical. More than half the food in the UK is home-grown and on the whole, as we heard, our prices are the lowest in the world after those in the US, but we still need to maintain strong supply chain links to other countries. There will always have to be imports, as the UK does not have the growing conditions to supply all the types of produce for which there is demand, but that also offers an opportunity in terms of the capabilities for exports.

I am particularly interested in branding—national or regional branding—for both food and drink. That is particularly important in Scotland, where the sector has promoted itself to great effect with its reputation for high-quality, distinctive and environmentally sustainable produce. We have just finished promoting our Year of Food and Drink and it has been a great success story. Turnover has risen by more than 24% since 2008 to more than £14 billion, and the industry is on target to reach next year the figure of £16.5 billion.

Before raising a couple of specific points on agriculture, I would like to mention fishing. When we talk about food security, it is easy to forget about fishing, yet it is a fantastic contributor to food security and the Scottish economy, with exports worth £600 million. Fishing takes a lot of pressure off land production. Of course it has to be sustainably managed, which presents some challenges, as we heard from the hon. Member for South East Cornwall, but when done well, it is a very profitable and successful source of food.

Let me now talk from a farming perspective. My hon. Friend the Member for Kilmarnock and Loudoun has already raised a couple of the old chestnuts that the Minister is very used to. However, it is worth emphasising again that the CAP is critical. I think that as Members of Parliament we have to be very careful with our language in this area, and I welcome the comments about getting away from the idea of subsidy. Our farmers need support. Most farmers in Scotland would be underwater financially if it were not for the CAP payments. As we go into a debate on the EU referendum, which has been mentioned several times, we have to be very careful on and clear about what an EU exit would mean for this industry. For farming in Scotland, without a comparable payment system, it would be a disaster.

The supply chain is well established, but I totally agree with the comments about the importance of addressing the inequalities in the supply chain. That affects all areas of farming, but in particular the dairy industry. It is of course important that we have reasonable prices, because lower income households are hit disproportionately hard by higher costs, but farmers have the right to a fair price for their quality product. We need to do more in terms of regulation in this area. I appreciate that it may not be a DEFRA area of responsibility, but it is clearly an area in which the Minister takes a keen interest.

The office of the Groceries Code Adjudicator was set up in 2013 to oversee this area, but the powers do not go far enough and she cannot respond adequately to the failures in the supply chain. The adjudicator can deal only with retailers with a turnover of more than £1 billion and with direct suppliers, and can act only if a complaint has been received. Those are things that need to be visited and addressed so that we can reduce the inequalities in that area. When I raised the matter with the Secretary of State for Environment, Food and Rural Affairs, she told me that she seeks an adjudicator that will operate across the EU, and better transparency in the European
supply chain. Regardless of that, I am keen for efforts to be made and clarity to be achieved in this area as soon as possible.

My hon. Friend the Member for Kilmarnock and Loudoun raised the convergence uplift, and I appreciate that I am something of a broken record on that subject. Slowly, elements of progress have been made on the timescale, but we need to push the Minister harder on the matter, and I look forward to future discussions with him. We have a meeting coming up at which I will seek clarity on the process and some timescales for achieving a resolution in this area, where we feel that Scottish farmers have been badly let down.

Overall, we need longer term thinking, and strong, durable, fair, safe and secure supply chain relationships. As the NFU has pointed out, those are key to success. Farmers in Scotland and the UK are the primary source of our food security, as well as being major eco-contributors, hugely important sources of rural employment and guardians of our landscape. They support us, and we need to support them in return. Let us ensure our food security and sustainability by doing so.

3.41 pm

Nick Smith (Blaenau Gwent) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. I thank the hon. Member for St Ives (Derek Thomas) for introducing the debate, and I thank the many colleagues who intervened and added contributions. The hon. Gentleman raised important concerns about the dairy sector and spoke with real energy about supporting British producers. The hon. Member for Strangford (Jim Shannon) showed his usual deep rural knowledge, and suggested three courses of home-produced food for us; his serious point was about reducing food imports. The hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) raised important questions about the role of the Groceries Code Adjudicator, and sought visitors to his great county’s shows this summer. The hon. Member for Kilmarnock and Loudoun (Alan Brown) talked about the importance of consumers buying more fruit and veg. He spoke in support of country of origin labelling and, unsurprisingly, Scottish branding.

The hon. Member for South East Cornwall (Mrs Murray) reminded us about the impact of climate change and flooding in recent weeks on people around the country, and she expressed strong support, as we would expect, for Cornish fishermen. My hon. Friend the Member for Great Grimsby (Melanie Onn) said with him. We have a meeting coming up at which I will see clarity on the process and some timescales for achieving a resolution in this area, where we feel that Scottish farmers have been badly let down.

Overall, we need longer term thinking, and strong, durable, fair, safe and secure supply chain relationships. As the NFU has pointed out, those are key to success. Farmers in Scotland and the UK are the primary source of our food security, as well as being major eco-contributors, hugely important sources of rural employment and guardians of our landscape. They support us, and we need to support them in return. Let us ensure our food security and sustainability by doing so.

The hon. Member for St Austell and Newquay (Steve Double) talked about the impact of climate change on food production in Kenya, and made a powerful point about how it is reducing the certainty of food imports from that country. He also spoke with real vigour in support of the red tractor label. The hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr) raised a great round-up of the debate, and warned everybody about the loss of EU funding for farming across the country.

The Government’s chief scientific adviser said in 2013 that food security in the UK was dependent on two things: well-functioning markets and a vibrant farming and food industry. I celebrate every penny of the contribution that agriculture makes to this country, and the millions of jobs and the billions of pounds in exports that it creates. Against those factors, however, I see not a job well done, but a job that should be done better. I see farmers at the mercy of a supply chain where they hold none of the cards, gaps in research funding in areas that are vital to enable us to compete on a global scale, and a market where the food that we can and do grow is supplanted in the supermarket aisles and at the tills by billions of pounds worth of imports. All the while, the Government, who rejected a Labour plan that made food security a priority, have dragged their heels over an alternative.

The problem cannot be solved with quick fixes—although with the heavy cuts in the Department for Environment, Food and Rural Affairs, I doubt that quick fixes will be possible anyway. Instead, we need to tackle the issue of food security properly. The difficulties that farmers have faced over farm-gate prices are one area in which real differences could be made. Although the average farm-gate price for milk is lower than it was in October 2014, Lamb prices are under pressure, and even wheat has fallen 9% since January last year.

Although organisations such as the NFU recognise that such problems are among the perils of farming, they put at massive risk the sort of investment that is needed for farmers to grow and thrive—that is, for the farmers and businesses that are lucky enough not to go under as a result of the price drops. Unfortunately, as has been said several times today, when policies have been suggested such as increasing the powers and scope of the Groceries Code Adjudicator to give producers more bargaining power, the Government have poured cold water on those ideas, because they would require legislation. Why is that too great a hurdle to clear, if such action would protect our food producers across the country?

I turn to the question of the food that fills our shelves. Like many colleagues, I have delighted in the range of foods from around the world that we can now buy in our supermarkets and shops. Of course, there always will be food imports, but why does the UK supply just 23% of its own fruit and vegetable needs? The £7.8 billion trade gap between exports and imports in that area is shocking. The Government will soon embark on their “Great British Food” campaign. Promoting our foods to be sold around the world is a good venture, and to be applauded, but can the Minister assure us that the campaign will include efforts to promote British fruit and veg on our shelves?

I note that the Department has made little headway with convincing Europe on country of origin labelling for the likes of dairy products. Instead, it has “encouraged” retailers in Britain to use the voluntary country-of-origin labelling scheme, even though 86% of shoppers want to buy more traceable food that has been produced on British farms—and in Scotland, too. Will the Minister ensure that the supermarket’s play ball and give British producers a chance to stand out?

Although such measures can help to ensure well-functioning markets and a vibrant industry, food security is something that will play out over decades and centuries,
not just over years. Climate change, which has come up a number of times this afternoon, and the rapidly increasing population of the UK and of the world may stretch, or even render obsolete, current farming methods.

We need a long-term strategy that ensures sustainable gains in economic growth while replenishing the natural environment over which we hold stewardship. Top agri-tech research will be required to meet that challenge, but both the Committee on Climate Change and our all-party group on science and technology in agriculture have noted Britain's stagnation when it comes to research and development. In a global market in which other countries are surging ahead, the NFU predicts, as the hon. Member for St Ives has pointed out, that by 2080 we will be forced to import more than 50% of our food unless we do something now. We have finally had a commitment from the Government for a big investment in agri-tech support, but my question is simple: why, when organisations across the spectrum have called for it, has that taken so long? Valuable time has been wasted.

It would be remiss of me, in a debate on food security, to ignore the plight of the more than 1 million people who now use food banks in the UK. Food bank usage increased by 18% from 2013-14 to 2014-15. Any food security policy must be about not just producing more food but giving everyone in the UK access to safe, healthy and affordable food. The previous Labour Government knew how important food security was for the UK; in our “Food 2030” strategy, we reckoned that it was as important as energy security to the country’s wellbeing. That strategy would have been the start of a consumer-led, technological revolution, with the aim of producing more food in a sustainable manner with a smaller environmental footprint. Instead, 2010 saw this Government consign those plans to the scrapheap. I believe that they are playing catch-up to this day, and our food and farming industries have paid the price.

3.49 pm

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): May I begin by congratulating my hon. Friend the Member for St Ives (Derek Thomas) on securing the debate? His constituency neighbours mine and I know that he champions the interests of farmers in his constituency. Indeed, we often jointly attend west Cornwall branch meetings of the National Farmers Union, and in the autumn I had the pleasure of speaking at a village called Madron in his constituency, which ran a series of events on the future of farming.

I worked in the farming industry for 10 years. I care deeply about the industry, and the Government value the role of agriculture and our food industry because it is the biggest industry in the country. Food manufacturing is our biggest manufacturing industry—bigger than the aerospace and automotive industries put together. It is worth about £100 billion a year throughout the supply chain and employs about one in eight people. That is why we made a manifesto commitment to put in place a 25-year food and farming plan, which is currently under development and will be published in the spring. It will look at how we attract new skills to the industry, how we use technology to improve productivity and use of resources, how we open new export markets, and how we develop risk management tools for the agricultural industry.

As my hon. Friend the Member for St Austell and Newquay (Steve Double) pointed out, there is growing consumer interest in food provenance. People want to know where their food comes from. There is a growing interest in local sourcing and local brands, particularly in Cornwall where we have some strong local food brands. We are keen to develop that, so 2016 will be the year of great British food. Our Great British Food Unit will champion those artisan food producers throughout the course of the year.

We are also doing a huge amount on exports. My hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) asked about that. At the end of last year, the Secretary of State went to China and was successful in opening new markets for British barley and for pigs’ trotters. In fact, we have been opening about 100 new markets a year over the past two or three years. Our food exports are now rising to £19 billion a year.

We have made some very good progress on exports, but I do not deny for a moment that farming is going through an incredibly tough and difficult time, due to a number of factors. The exchange rate of the pound against the euro is not favourable to farmers; the weakness of the euro has put pressure on all commodity prices for British farmers. Set against that, there has been a global oversupply in many areas and some key markets have been disrupted. In Europe, milk production has risen by about 10% due to very good weather and favourable conditions for production. That has had a downward pressure on prices and, as many hon. Members have said, many farmers are experiencing prices that are well below the cost of production.

There has been difficulty in other sectors such as pig production, where the market in Russia has been disrupted, exacerbating the problems. There has also been difficulty with lamb. New Zealand lamb has been finding it more difficult to get access to the Chinese market, so there has been a surplus of New Zealand lamb on the world market. Despite those short-term pressures, my message is that the long-term prospects for our farming industry remain good. As my hon. Friend the Member for South East Cornwall (Mrs Murray) said, there is a growing world population. It is set to reach about 9 billion by 2050 and many projections suggest a rise in demand for food of about 60%. That brings me to the issue of food security.

As the shadow Minister said, we are clear that there are two key elements to delivering food security in the world. One is that we must have open markets and the second is that we must have a vibrant, profitable and successful food production and supply system. The reason that self-sufficiency and food production alone is not enough to guarantee food security is that farming is always at the mercy of the weather. If there is a severe weather event in one part of the country, we need to be able to move food around the world, so open markets are crucial to ensuring food security.

Although our self-sufficiency is lower now, at about 64%, than it was at its peak in the late 1980s, we should recognise that then there was an incredibly distorting common agricultural policy. It was an era of grain mountains, butter mountains, wine lakes and so on.
That had a distorting effect. Against historical standards, we are still producing far more of our food than we have done in the past. Indeed, in the 1930s just before the second world war, our food self-sufficiency was only about 30% to 35%, so things are not as bad as some would suggest. However, if the Government do what we want to do—produce more, sell more, export more and import less—over time I hope that our current self-sufficiency will improve.

My hon. Friend the Member for St Ives posed a number of questions. He raised the plight of cauliflower growers in Cornwall, many of whom are in my constituency. That situation is wholly driven by weather. The autumn has been warm and many of the varieties have come in simultaneously, which has caused particular problems. I agree with him about country of origin. The UK has been at the fore of arguing in the EU for mandatory country of origin labelling—successfully when it comes to beef, pork, poultry and other fresh meats. We have been arguing tenaciously for country of origin labelling to be mandatory on some dairy products. I have to say that the Commission is pushing back on that at the moment, but we will redouble our efforts to improve the voluntary code in that regard.

My hon. Friend also asked what supermarkets are doing. It is important to recognise that and to give credit where credit is due. For instance, Morrisons has its “Milk for Farmers” brand. Many people scoffed at that when it came out, but it has actually been very successful. It pays an extra 10p a litre to farmers and its sales have well exceeded expectations, which shows a consumer interest in helping British agriculture. The other thing is that many of the main supermarkets, including Sainsbury’s, Tesco, M&S and the Co-op all have aligned contracts with virtually all of their liquid milk suppliers. The farmers supplying some of those supermarkets with liquid milk in particular are still quite often getting somewhere in the region of 29p to 32p a litre. There is a wide spread of fortunes in the dairy industry currently and we should recognise that some supermarkets are supporting farming through aligned contracts. Tesco is experimenting with the idea of an aligned contract on cheese, although that is more difficult because it is more exposed to commodity markets. M&S has also experimented with aligned contracts in other sectors, such as lamb.

On the other questions asked by my hon. Friend the Member for St Ives, public sector procurement is an important issue. We set up the Bonfield report to set out a balanced scorecard so that more locally sourced food is bought by the public sector. He asked what we are doing to back British farming. We have our Great British Food campaign and we will be working with organisations such as the NFU. He is right to highlight the benefits of animal welfare that we have. In fact, World Animal Protection rates the UK as top in the whole world for farm animal welfare. When it comes to getting a fair price, we are doing things to try to improve risk management so that farmers can mitigate the price volatility that they experience.

The hon. Member for Strangford (Jim Shannon) mentioned the issues in Northern Ireland. There has been a particularly difficult situation with dairy in Northern Ireland and we have recognised that by arguing for an increased share of the support fund from the EU in November. My hon. Friend the Member for Shrewsbury and Atcham asked about the Groceries Code Adjudicator. That will be reviewed later this year by the Department for Business, Innovation and Skills. We have now put in place the ability for it to levy fines of up to 1% of turnover. In fact, looking at the survey data, the number of complaints about supermarkets has gone down slightly and Christine Tacon reports that more buyers and more suppliers to supermarkets are using the code in the way that they should.

The hon. Members from the Scottish National party mentioned convergence uplift. I am meeting NFU Scotland later this week. I have committed to reviewing that once everybody is on an area-based payment system, and we will continue to do that. Finally, a number of hon. Members, including the hon. Members for Berwickshire, Roxburgh and Selkirk (Calum Kerr) and for Great Grimsby (Melanie Onn) and my hon. Friend the Member for South East Cornwall, made a very important point about fisheries. I completely agree with that, although I do not share the analysis of my hon. Friend the Member for South East Cornwall that it is all bad news. We have seen big uplifts for plaice, haddock and cod this year, which shows the benefit of sustainable fishing.

In conclusion, we have had a very good debate in which lots of interesting points were raised. I again congratulate my hon. Friend the Member for St Ives on securing the debate.

3.58 pm

**Derek Thomas:** Mr McCabe, thank you for chairing the debate so well. I thank all Members for contributing and I especially welcome the support of my Cornish colleagues. It has been good to hear such a wide range of issues covered and addressed. I thank the Minister, who is extraordinarily patient with me and my constant pestering regarding farmers and fishermen in west Cornwall and the Isles of Scilly. He probably gets tired of that.

I welcome the Minister’s words and look forward to the publication of the 25-year food and drink strategy, but I ask that we step up our efforts to back British producers in any way that we possibly can. I am genuinely concerned for the future of many farms because there is considerable pressure on farmers to look at alternative uses for their agricultural land. There are only so many green fields that can be lost to house building and solar farms before we seriously compromise our ability to feed ourselves in the future. I hope the debate has served to empower the British consumer to support British products further and I hope that it is something that we continue to look at closely throughout this Parliament.

**Question put and agreed to.**

Resolved,

That this House has considered food security.
Broadband Speeds: Northern Ireland

[SIR DAVID AMESS in the Chair]

4 pm

Ms Margaret Ritchie (South Down) (SDLP): I beg to move.

That this House has considered broadband speeds in Northern Ireland.

I welcome this opportunity to raise an issue that is incredibly pertinent to the constituents of all Members representing constituencies in Northern Ireland. I am pleased that the Minister for Culture and the Digital Economy is present to hear our views. I have received correspondence from a number of individuals, families and companies who are frustrated by the slow progress on this issue and its economic impact. I have also been in touch with business owners and individuals from my constituency who have detailed the impact that “not spots” and poor internet connectivity have had on them, on their children’s education and on driving economic growth and productivity.

Jim Shannon (Strangford) (DUP): I thank the hon. Lady for highlighting the issue of broadband and superfast broadband in Northern Ireland. It is obvious to me as an elected representative, and to all elected representatives in Northern Ireland, that better superfast broadband is essential for creating jobs and employment and for helping the economy to grow even further. Does she feel that the Minister needs to endorse that and to support our Minister in Northern Ireland?

Ms Ritchie: I thank the hon. Gentleman for his intervention. Of course, I agree that faster broadband is critical to driving economic growth and fuelling productivity. I am anxious to hear the Minister’s response and how he is working with the Northern Ireland Executive and with BT and the other providers, because there is no doubt that the majority of people now expect reliable and accessible broadband as a matter of course, yet in rural constituencies such as mine and many others in Northern Ireland there are businesses, families and farmers who are denied the necessary internet access and speeds that are the norm in urban areas, which may be due to topographical reasons. The lack of adequate broadband in other rural communities across Northern Ireland and Britain has created a digital divide that will only be exacerbated without meaningful action from the Government.

Danny Kinahan (South Antrim) (UUP): Is the hon. Lady aware that Fermanagh and South Antrim have two schemes that are being promoted, because we all want better broadband?

Ms Ritchie: I thank the hon. Gentleman for highlighting those schemes that are being promoted, because we all want better broadband. In addition, there is still further work to be done by the Department for Culture, Media and Sport to secure such a scheme for rural areas, which need it most?

Ms Ritchie: I thank the hon. Gentleman for his helpful intervention. While the concentration of that money was clearly in city areas of Belfast and Derry, there is still a need to concentrate funds within rural areas, working in particular with the alternative technologies that are currently being promoted, because we all want to avail ourselves of those.

Danny Kinahan: I will have another go. I just wonder whether the hon. Lady, who I thank for bringing this subject forward, is aware of the Avanti rural broadband schemes in Fermanagh and South Antrim, particularly in leisure centres. Would she support looking for private companies to come in, because there is a hint that Virgin might help us as well in the future?

Ms Ritchie: I thank the hon. Gentleman for that intervention. At this stage I will perhaps argue slightly against my political ideology and say that there is a need for increasing competition between private investors—[Interruption.] As Virgin and others have said, incentivising take-up has been proven to be a more effective driver of improved coverage of superfast broadband speeds.

Let me say to the Minister that many of my constituents in rural areas who have direct access to broadband have speeds of only 2 megabits per second, but there are other parts of my constituency—in much higher druidlin country and also in the mountainous areas of the Mournes—that do not have any access at all. That leaves people at a distinct disadvantage, whether they are families, business people or farmers. That issue needs to be addressed by working in partnership with other bodies, but the Government need to pay particular attention to it.

There was the voucher scheme, which many businesses in Northern Ireland availed themselves of. Sadly, around 12 October 2015 that funding ceased—because, I suppose, demand exceeded supply of resources—and many businesses found themselves without that resource and lacking the capacity to develop their broadband expertise and their business, and to fuel productivity and economic growth.

I believe that speeds of over 100 megabits per second are technically possible, but many of my constituents and those of my colleagues who are here today would be happy with speeds that just meet the Government’s own definition of superfast broadband, which is 24 megabits per second, and the EU level is defined as 30 megabits per second. There are homes and businesses throughout Northern Ireland that struggle to access a meagre 2 megabits per second. Effective and reliable access to broadband should not be a luxury. We would rightly not accept such a speed on the parliamentary estate, and nor should it be acceptable for any of our constituents.

The recent Ofcom report of June 2015 highlighted that although 83% of small and medium-sized enterprises

Gavin Robinson (Belfast East) (DUP): I am very grateful to the hon. Lady for giving way and for securing this debate. She may be aware that when I was on Belfast City Council we secured the second largest amount—£13.7 million—from the urban broadband super-connected cities scheme for Belfast. However, does she agree that there still is further work to be done by the Department for Culture, Media and Sport to secure such a scheme for rural areas, which need it most?

Ms Ritchie: I thank the hon. Gentleman for bringing this subject forward, is aware of the Avanti rural broadband schemes in Fermanagh and South Antrim, particularly in leisure centres. Would she support looking for private companies to come in, because there is a hint that Virgin might help us as well in the future?
felt that their businesses were well catered for by the communications market, a significant number expressed concerns about broadband speeds and availability, quality of service, and choosing between providers.

Today I want concentrate on possible solutions, which the Minister might also wish to concentrate on. All of us have experienced the frustration of a delayed or broken broadband connection, yet for people who experience that frustration on a permanent basis it is a lot more than just a minor frustration. It becomes a serious impediment to everyday life, to social inclusion and, of course, to economic development. Thousands of people across Northern Ireland are being denied that connectivity, so I want to concentrate on the solutions. I have talked to Virgin Media, I talked this morning to the internet broadband group, which has many members and looks after that level of connectivity for them, and yesterday I also talked to Vodafone. They all have a collective vision that there needs to be a greater level of partnership between Government, the devolved Administrations and the community.

Ronnie Cowan (Inverclyde) (SNP): The Scottish Government have invested in research as part of their world-class Digital 2020 vision. Two such projects are the free-space optics project at Edinburgh University and the white space project at Strathclyde University. Does the hon. Lady agree that the UK Government must invest in research if we are to have any chance of providing the level of service that our constituents deserve?

Ms Ritchie: I thank the hon. Gentleman for his very helpful intervention. I agree that there needs to be more evidence-based research to highlight the areas that are not yet covered by good quality, high broadband speeds, particularly those areas that are so distant from the cabinets. There also needs to be an emphasis on bringing fibre to the premises. FTTP needs to be a part of digital infrastructure and needs to be investigated.

There is also a view that Openreach should be structurally separated from BT, as BT is the sole provider, to allow Openreach to invest in delivering an effective infrastructure for the whole telecommunications industry. Communication providers could then consider investing in an independent Openreach. Ofcom should look at that, and the Minister should also look at it, perhaps to refer it to the Competition and Markets Authority.

Stephen Pound (Ealing North) (Lab): When the hon. Lady and I enjoyed each other’s company—I certainly enjoyed her company—in Downpatrick just before Christmas, I was mightily impressed by the way that the local council was providing a vast range of services online. Is there any evidence that there is a failure of take-up in those essential council services because of the lack of connectivity, particularly in the Mournes region?

Ms Ritchie: I thank my hon. Friend for his helpful intervention and for his good visit to South Down on 5 December. He is right: businesses that are not near the cabinet and premises that are not served need much better levels of technology. It is our local economy and local services that lose out.

Another issue is that structural separation will take time, so there is a need to move quickly to open up BT Openreach and provide better access for competitors, including to the network infrastructure. For example, other countries in Europe have managed to do that through physical infrastructure access under the existing regulatory regime. Spain and Portugal are leading examples of that. There is also a need to investigate the research into the whole rural broadband scheme, which has not been terribly effective. Alternative technologies need to be investigated. I met the Internet Services Providers Association this morning. It has a broad umbrella membership, and people and companies within it are doing that work. We need to look at alternative technologies that are capable of delivering the superfast speeds that are already universally available elsewhere. Subsidising take-up would be a more efficient solution for remaining rural areas.

The Government should focus any intervention on stimulating demand by subsidising the up-front costs of satellite broadband take-up. I would like to see the re-introduction of the broadband voucher scheme, which businesses found useful. I thought it would have happened in the autumn statement, so perhaps the Minister can reflect on that issue. In a recent written answer, he stated that “this Government is working closely with Ofcom to implement the broadband Universal Service Obligation by 2020, as recently announced by the Prime Minister.”

There is doubt and apprehension that that might not happen, because there is not that collaboration between the technologies. There is monopoly control by BT, and separation and structural reform needs to take place.

Jim Shannon: Will the hon. Lady give way?

Ms Ritchie: No, I will conclude, because I think it is fair that the Minister has time to respond to the issues. I hope that we do see that universal service obligation by 2020. To quote the Minister’s written answer: “This will give people a legal right to request a broadband connection no matter where they live.”

It will enhance business and economic opportunities and drive the economic growth and job creation that we aspire to for all our citizens, as well as ensuring the social and economic development of all our peoples. I look forward to the consultation that the Minister will announce later this year, and I hope he can give us some information about that today.

There are two issues. In 2015, 77% of Northern Ireland premises had access to superfast broadband at speeds greater than 30 megabits, compared with the UK average of 83%. Suffice to say that my colleagues representing Northern Ireland constituencies are looking for a substantial improvement on that. Another interesting fact is that superfast coverage in Northern Ireland remained static from 2014 to 2015, while UK-wide it increased by 8%.

It is important that all the issues to do with technologies and increasing superfast broadband speeds are addressed. We need assurances that cable and fibre cable will be provided to premises and not solely to cabinets, because some find themselves at quite a distance, and speed reduces with distance from the cabinet. The bottom line is that we want to see our local economy and productivity
Ms Ritchie: Will the Minister tell us what the Government are going to do about obtaining better superfast broadband speeds?

Mr Vaizey: I certainly will. Like an ageing router, I am gearing up to move at speed towards the substance of the debate. The point I was trying to make was to praise my hon. Friends from Northern Ireland for bringing such passion and expertise to a subject that is important not only for their constituents, but for constituents across the United Kingdom.

To begin at the beginning, we work closely with the Department of Enterprise, Trade and Investment, which is in charge of the broadband roll-out. In the devolved nations, the devolved Governments take ownership of the broadband roll-out scheme, and we work closely with them to ensure that it is under way. Northern Ireland was ahead of the game at the beginning of the process, thanks to European funding, and had more fibre than most of the UK. It remains a very connected nation. Ofcom’s recent “Connected Nations” report said that overall coverage is around 77% and that the availability of superfast broadband to rural homes had increased, too.

The current Northern Ireland project will add 24,000 superfast premises by March this year, and by 2017, a total of 38,000 premises will have been connected, thanks to our programme. Thanks to the £11 million of Government funding, we expect that Northern Ireland should have 87% of premises receiving superfast coverage by the end of 2017, which compares favourably with elsewhere. Small and medium-sized enterprises in Northern Ireland, for example, have the highest coverage of all the four nations for superfast broadband, according to Ofcom, the independent regulator. Also, I was pleased that Ofcom showed that the average downstream speeds for broadband in Northern Ireland increased from 50 megabits—already pretty substantial—to 56 megabits a second from 2014 to 2015, so we are definitely on an upward curve.

The hon. Member for South Down (Ms Ritchie), who clearly knows her subject extremely well, covered various other important issues to do with broadband in Northern Ireland. She mentioned, for example, the scheme that we put in place to support small and medium-sized enterprises; our broadband voucher scheme. I am pleased to say that almost 2,500 businesses in Northern Ireland took advantage of that scheme. There has been cross-party support for the scheme, which has been a success. We will keep an open mind about whether it was right to reintroduce the scheme at a later date, but at the time it was time-limited. We wanted to get businesses to sign up to the scheme within a certain period of time, and I am afraid we had a deadline. However, I was pleased that more than 50,000 businesses in the UK took advantage of the scheme.

Importantly, wi-fi in public buildings was part of the scheme. In Belfast and Derry/Londonderry, 163 public buildings now benefit from wi-fi, but we need to go further. I have never made any secret of the fact that I hope that by the end of this Parliament we will have achieved 100% broadband coverage for the UK, and we need to do this in a variety of ways. First, we have our universal service commitment: everyone should have access to speeds of at least 2 megabits. We are doing this by allowing people who have speeds below 2 megabits to connect to satellite, and we will pay for them to be connected. That scheme is managed by the Department of Enterprise, Trade and Investment, so if any of the hon. Lady’s constituents do not have access to broadband
We will introduce legislation to ensure that anyone who universal service obligation, which is a different thing. We have also put in place some trial pilots and a satellite scheme as part of the pilot in Northern Ireland and in Scotland, where some 300 premises have benefited from that trial scheme, which is designed to show us the costs of getting to the very hardest to reach premises—what we call the last 5%—and how we can get to them in the most cost-effective way. Northern Ireland has also benefited from the mobile infrastructure programme, and we are putting masts in “not spots” where there is no mobile coverage. Two of those masts are already live and another seven are being built.

Ms Ritchie: The Minister mentioned the mobile trialling project, which I understand was placed in South Antrim and in Fermanagh. Can he indicate whether that scheme is likely to be extended to other parts of Northern Ireland? He has indicated that there is a high level of speed in Belfast and in Derry, but I am concerned primarily about the rural areas that cannot access the speeds that are necessary for economic growth.

Mr Vaizey: If the hon. Lady is talking about mobile coverage, we have concluded the mobile infrastructure programme. At the moment there are no plans to build more masts, but, again, I will keep an open mind about that, because I am aware that some communities have not benefited from the scheme and would like to, and I will continue to keep that under review. It is worth reminding hon. Members that we have, in conjunction with the mobile operators, changed the terms of their licences, so that all four mobile operators are now committed to reaching 90% geographic coverage for 4G by the end of 2017. The distinction between premises coverage, which should be about 98%, and geographic coverage is important because there are many areas with very few premises, but that are large geographic areas, and we hope that the 90% commitment will see far wider 4G coverage for people in rural areas, and also for those of us who as passengers might use our mobile phone while being driven. Of course, we would not dream of doing that while we were driving ourselves. That is a very important point.

Going further into the future, the hon. Lady mentioned two or three issues that are important when we look at digital broadband roll-out over the next few years. The first is the potential break-up of Openreach, about which there is a lively discussion in this House and outside. The hon. Lady may be aware that Ofcom is conducting a digital communications review, and it is due to report towards the end of February, when it will make clear what it regards as the appropriate way forward for Openreach. We will wait to see what the independent regulator concludes in that respect.

I have already mentioned our universal service commitment, but the hon. Lady also talked about the universal service obligation, which is a different thing. We will introduce legislation to ensure that anyone who does not have fast broadband can require a provider to provide them with speeds of at least 10 megabits, which is twice what the European directive requires. We intend to introduce that legislation over the next two years, so that by 2020 everyone should be able to apply for fast broadband, if they do not already have it, through our other various initiatives.

The hon. Lady rightly talked about fibre to the premises, which is, to a certain extent, the holy grail of superfast broadband. I was lucky enough to visit TalkTalk, which was conducting a trial in York, at the end of last year. It is delivering 1 gig to the premises. However, it is important to remember two things: first, it is very expensive to deliver fibre to the premises, and secondly, it is pointless to deliver fibre to the premises for people who do not necessarily want it. In the small tech world that I tend to inhabit, almost everyone I converse with thinks that everyone in the country wants 1 gig. Actually, most people want 10 or 20 megabits so that they can run a home office or a business from home, or take part in various consumer activities that they and perhaps the rest of their family want to take part in. Those are the sorts of speeds we want to give everyone in the country.

To reiterate, first of all, I welcome this debate. I think the hon. Lady is right to highlight the problems and issues faced in her constituency and in Northern Ireland as a whole, and I welcome the contribution of other hon. Members. As I have said, we have an £11 million roll-out of the broadband programme. We will get to 87% of Northern Ireland by the end of 2017.

Ms Ritchie: The Minister made reference, as I did, to fibre to the premises. He indicated that that was the Government’s holy grail: the top-level aspiration. Currently, less than 1% of the UK has fibre to the premises. Although I understand that it is costly, it could be one way of ensuring that those hard-to-reach rural communities could have access, so what plans do the Government have, working with the technological companies, to ensure that that is part of the pathway to a universal service obligation?

Mr Vaizey: As I was saying, fibre to the premises is very expensive and is not necessarily what the consumer wants at this moment in time, but we will certainly see individual companies over the next 10 years starting to introduce it more and more. It is worth reminding the hon. Lady that the technology that BT is already beginning to trial should see, for example, existing fibre to the cabinet solutions providing speeds 10 times faster than they currently do. So we could see people in her constituency, currently receiving 30 megabits, receiving speeds of some 300 megabits in a couple of years’ time and at very little cost. We intend to go forward with the universal service commitment, then the universal service obligation, as well as trialling alternative technologies. However, the hon. Lady is right to hold us to account. I would like to continue to work with her and her colleagues in improving broadband in Northern Ireland.
Healthcare: Yarl’s Wood

4.39 pm

Kate Osamor (Edmonton) (Lab/Co-op): I beg to move,
That this House has considered healthcare in Yarl’s Wood.

I am grateful for the opportunity to debate this issue today. Access to healthcare is a human right that is not adequately offered to the women of Yarl’s Wood. I have worked as a practice manager in the NHS, so I have seen for myself the importance of delivering good quality healthcare to communities, including providing access to consultation rooms where people are treated with respect and dignity. That is particularly important for detainees, who often have to undergo intimate examinations to document past torture.

Across immigration detention centres, there have been six High Court findings of inhumane and degrading treatment and nine deaths in custody in the past three years. According to Her Majesty’s inspectorate of prisons, the situation in Yarl’s Wood has worsened since 2014. I want to highlight the poor standard of healthcare provided, and secondly, to draw attention to the limitations that have recently been placed on independent doctors who are trying to work in Yarl’s Wood.

My demands to the Minister are as follows. First, the Government must lift the restrictions on access to Yarl’s Wood for independent doctors. The restrictions were put in place in October 2015, in contravention of detention rules. Secondly, they must ensure that legal rooms are refurbished, as has been done in other detention centres, to make up the extra space that Yarl’s Wood management says is necessary to accommodate independent medical visits. Thirdly, they must ensure that rule 35 is properly used. Rule 35 processes are meant to protect people from detention when they have been tortured, traumatised or are extremely vulnerable in other ways. I share the British Medical Association’s view that rule 35 reports should be written only by clinicians with relevant medical experience or appropriate training in identifying, documenting and reporting the physical and psychological signs of torture. Lastly, the Government must end the detention of pregnant women and those who are detained under the Mental Health Act 1983.

I want to start by highlighting the pervasive lack of confidence in the healthcare system. The detention services operating standards stipulate:

“All detainees must have available to them the same range and quality of services as the general public receives from the National Health Service.”

Catherine West (Hornsey and Wood Green) (Lab): I thank my hon. Friend for bringing this excellent debate to Westminster Hall. Will she comment briefly on the recent debate in the Commons about the lack of a proper sentence, for want of a better word, which makes the question of healthcare even more important? If an individual does not know how long they will be in Yarl’s Wood, their healthcare issues will be even more intense and difficult to cope with.

Kate Osamor: My hon. Friend highlights an important point. I know from first-hand experience that if women do not know how long they will be detained, it has an impact on their mental health. I want the Government to take that fact very seriously. I will discuss it later in my speech. I thank my hon. Friend for raising that issue.

In 2014, the report “Detained” by Women for Refugee Women found that 62% of those surveyed described healthcare in detention as “bad” or “very bad”. In its latest report, “I am Human”, 17 out of 38 interviewees raised the issue of healthcare without being prompted. The urgent need to review healthcare was also voiced by HMIP. In its most recent report on its unannounced inspection, which was published in May 2015, it stated that healthcare in detention centres has declined severely. One of the two concerns it identified is healthcare, which needs to be improved. The second is that staffing levels are too low to meet the needs of the population, which links to healthcare. The report shows that staff do not have the time to build meaningful connections with detainees, and no counselling is available. It states:

“Detainees’ perceptions of healthcare were overwhelmingly negative. Their main concerns included poor access to prescribed medication, a poor overall standard of care, a poor attitude from healthcare staff, a corrosive culture of disbelief, and a lack of support with emotional and mental health needs.”

The Care Quality Commission issued three requirement notices following the inspection.

In November last year, I went inside Yarl’s Wood to meet women who had been detained. The two women I met were victims of trafficking; one was pregnant. Pregnant women are a particularly vulnerable group in detention. I call on the Government to review urgently their policy of detaining pregnant women in exceptional circumstances. In 2014, just nine of the 99 pregnant women who were detained in Yarl’s Wood were removed from the UK. The removal of pregnant women is rarely medically safe, due to potential pregnancy complications and increased levels of severe malaria on arrival.

The human reality has never been so clear to me as when I went inside the detention centre. I know that the Minister has already visited Yarl’s Wood, but I encourage him to do so again, if possible, on a healthcare visit.

Mrs Caroline Spelman (Meriden) (Con): On the point about the unsuitability of detention for pregnant women and the statistic that the hon. Lady cited, there were 99 pregnant women in detention, but, as we understand it, there are now only two. I am sure she will join me in urging the Minister to ensure that no pregnant women are kept in detention, but the numbers have come down.

Kate Osamor: The right hon. Lady makes a valuable point. I agree that pregnant women should not be detained at all.

Meeting women in Yarl’s Wood allowed me to hear the concerns that they do not have the power to voice to the outside world by themselves. I am here today as their voice. This debate is for them. They told me, unprompted, that the worst thing about Yarl’s Wood is the healthcare. The women I met were depressed and exasperated by healthcare, but they were trying their best to stay positive about being released. They told me that the culture of disbelief in detention centres extends to healthcare staff as well, who are reluctant to take their illnesses seriously, and they assume that the staff are pretending to help with their asylum case. That feeling is compounded by the complaints process. Whereas
the majority of complaints receive comprehensive replies, usually on time, healthcare complaints in the months prior to the HMIP inspection had either not been responded to or were extremely late.

I want to highlight how damaging such healthcare systems are for detainees who are victims of torture and those who have mental health issues. Unsurprisingly, those groups are often intertwined. They represent a significant proportion of those in detention. According to Medical Justice, 50% of those held in detention are asylum seekers or have sought asylum at some point in the immigration process. More than 80% of those surveyed by Women for Refugee Women for “I Am Human” stated that they had experienced gender-related persecution, and 30% had been on suicide watch at some point during their detention. During the previous HMIP inspection, 49% said that they had problems of feeling depressed or suicidal on arrival, compared with 39% at the last inspection. Despite those needs, there is no counselling. Only 68% of staff said to HMIP that they received adequate training in safeguarding adults, and only one said that they were aware of the national referral mechanism for victims of trafficking.

Rule 35 is in place to protect the most vulnerable and ensure that they are not unsuitably detained, but it is failing in Yarl’s Wood. The most recent HMIP report states:

“Yarl’s Wood is failing to meet the needs of the most vulnerable women held. These are issues that need to be addressed at a policy and strategic management level.”

The report reiterates demands that rule 35 processes are appropriately followed. It states that Yarl’s Wood’s rule 35 reports were among the worst HMIP had seen. This included an exceptionally poorly handled rule 35 case in which a woman who had been raped was not considered to have met the criteria for torture even though she had clear symptoms of post-traumatic stress. Thanks to HMIP and independent organisations, the Government are aware of such concerns.

However, at the same time that the Government and Serco have announced reviews of operations at Yarl’s Wood detention centre, access to healthcare is limited. In October 2015, Yarl’s Wood informed Medical Justice that rooms in healthcare would be available only during a short lunch break on weekdays, severely restricting access for independent doctors, most of whom work in the NHS during the week and visit detainees on weekends. Such doctors therefore now have to visit detainees in inappropriate rooms with large windows and without examination facilities. That is wholly unsuitable. External medical assessments are most frequently carried out in order to assess whether someone has medical evidence of torture, which needs to be documented for their asylum case. If the doctor does not have a room where they can offer the woman the dignity of being able to undress and not feel threatened, how can that work?

Kate Osamor: The hon. Lady makes a valuable point. As she eloquently said, the woman may have experienced trauma at the hands of men and then may have to sit and talk to a man and undress in front of him, which could double or triple the impact of what they have been through. It would be wonderful if the Minister could provide some data on the ratio of male to female members of staff.

Furthermore, medical appointments often take several hours, much longer than the newly restricted one-hour lunch-break slot. Thorough medical assessments are vital in light of the poor quality of healthcare and are instrumental in helping to identify the most vulnerable detainees. Medical Justice wrote to Yarl’s Wood in October 2015 about the matter and was told it was down to the Home Office. It subsequently wrote to the Home Office and has received no reply. I hope this debate will bring forward a proactive response.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the hon. Lady for securing this important debate. Does she agree that comprehensive trauma assessments for women necessitate a lengthy process over several sessions over a period of time, because people generally find it difficult to open up and discuss intimate details in a one-off consultation?

Kate Osamor: The hon. Lady makes a valuable point, and she knows from experience how much time it takes to be able to extract information when someone has been tortured. A one-hour slot is inadequate.

I want the Government to think about the harmful nature of detention as a policy, so I reiterate my requests that the Government lift restrictions on visiting times for independent doctors and refurbish legal rooms so that they can accommodate medical consultations in a dignified and professional manner; that they ensure that rule 35 is properly used to fulfil its function as a safeguarding mechanism for the most vulnerable; and that they end the detention of pregnant women and those detained under the Mental Health Act.

I hope that the Government will respond to my specific demands. I will say pre-emptively that while I welcome their efforts to address the matter through the Shaw review, its scope is limited. By not addressing detention as a policy, particularly for asylum seekers, it fails to deal with the root of many of the healthcare issues at Yarl’s Wood: detention exacerbates existing mental health issues, particularly for vulnerable victims of torture, and has a lasting impact on their wellbeing. It is important that the Government consider the long-term impact of detention on the mental health of ex-detainees when reviewing their policy, especially given that the latest figures collected by HMIP show that the number of women released into the community is more than double the number of women deported. Women who had been previously detained in Yarl’s Wood have told me of the devastating impact it has had on their mental health.

The Government must act now to improve a healthcare situation that has been severely criticised by women inside Yarl’s Wood, ex-detainees, and independent organisations. I particularly hope that my first demand regarding independent visits can be accommodated as a matter of urgency.

Nusrat Ghani (Wealden) (Con): Returning to the “I Am Human” report mentioned by the hon. Lady, these women are already feeling quite vulnerable. If they are pregnant, they will feel doubly vulnerable. If they have access to medical treatment, but with a male member of staff, that is another issue. Perhaps we need some information on the male to female staff ratio. These women are already vulnerable and they are being managed by male members of staff.

The hon. Lady has made an important point about rule 35. It is not just about who is available to talk to women about their experiences, but also about where they can do so. In order to get over the initial trauma of feeling vulnerable, medical appointments need to be safe and private. A woman who has experienced trauma may need time to discuss intimate details in a one-off consultation, and that is not possible in the current setting. We need to ensure that medical appointments are appropriately treated and not rushed through. The one-hour restriction means that women cannot be given the time they need to discuss their experiences fully and safely. This is crucial for their mental health and wellbeing.

In conclusion, the Government must act urgently to improve healthcare at Yarl’s Wood and ensure that the needs of vulnerable women, particularly those who have experienced trauma or are pregnant, are met. The Government must lift restrictions on visiting times, provide appropriate rooms for medical appointments, and ensure that rule 35 is used effectively to protect the most vulnerable women. Only then can we say that we are truly safeguarding those who have suffered such traumatic experiences.
Sir David Amess (in the Chair): Order. The debate must finish at 5.39 pm and I will be calling Front-Bench spokespeople at 5.19 pm, so speeches will have to be brief.

4.56 pm

Mrs Caroline Spelman (Meriden) (Con): I congratulate the hon. Member for Edmonton (Kate Osamor) on securing this important debate. As a longer standing Member of the House, I pay tribute to all hon. Members who have tried so hard to shine a light on the difficulties. I want to mention in particular Sarah Teather, the former Member for Brent Central, who chaired a detention inquiry, on the panel of which I sat, to take evidence from those who had gone through the detention system in this country.

I think the public will be quite surprised by some of the facts that come out of this debate. Each year, some 2,000 asylum-seeking women are locked up in Yarl's Wood. The majority of them are survivors of sexual violence and rape. Up to 93% of the women detained at Yarl's Wood claim to have suffered sexual violence of some form, so these are the most vulnerable women that we can think of in circumstances that are far from ideal. Being locked up in detention exacerbates physical and mental health problems, so it is even more important that the health provision should be to a high standard.

Alex Chalk (Cheltenham) (Con): Does my right hon. Friend agree that we should never forget that those who are detained have neither been accused nor convicted of any offence? It is therefore particularly important that they are afforded the high-quality healthcare to which those who have been convicted of no crime are entitled.

Mrs Spelman: My hon. Friend makes a very important point. I just do not think that the bulk of people in our society have any idea that the UK is the only country in Europe with no time limit on immigration detention and that one can be detained for an indeterminate period without charge. Most people in British society would think that impossible, but we are the only country in Europe that currently does it. My hon. Friend is right that people who are detained indefinitely without charge should not be denied the healthcare they need. That is one of the key reasons why securing this debate was so important.

The detention inquiry that took place in the last Parliament made six important recommendations to Government, one of which I want to reiterate: “Decisions to detain should be very rare and detention should be for the shortest possible time and only to effect removal.”

Those recommendations were made to the coalition Government and I sincerely hope that the present Government’s Minister will be able to say in his response what the Home Office is doing about those recommendations and the ones being made today.

We have heard about the types of health problems that women suffer from, but I will highlight the high percentage of suffering associated with sexual violence and the plight of pregnant women. Women for Refugee Women, an organisation already referred to, collected evidence from detainees in Yarl’s Wood and, frankly, as a mother it makes my hair stand on end. For example, a woman recently detained while pregnant said that she had only one hospital appointment while in Yarl’s Wood, which was for a scan at 20 weeks—as hon. Members know, that is late for a first scan. Even then she was escorted by officers who brought the lady to her appointment 40 minutes late. How anxious and frustrated she must have felt—even when she was brought to the necessary scan, she was not presented in time and was not able to speak to the midwife after the scan because no time was left. As a woman who has been through pregnancy, I would expect such basic healthcare provisions for people.

Nusrat Ghani: On the issue of pregnant women, the contrast is between the treatment available to women in my constituency at an award-winning midwifery unit and what women in detention get. Pregnant women in detention cannot even request access to a midwife—surely that has to be discussed further.

Mrs Spelman: I could not agree more and that is why we are laying it on with a trowel today.

A further example from Women for Women Refugees distressed me greatly when I heard about it, just as the hon. Member for Edmonton was distressed by describing what women in detention have to go through. One woman had to wait three and a half hours for an ambulance while she was bleeding from a miscarriage. I suffered from multiple miscarriages and they can be a matter of life and death. If our constituents knew that a 999 call for someone suffering a miscarriage had taken three and a half hours to be responded to, they would soon be writing to the Secretary of State for Health.

We are at this debate to emphasise to the Government the urgency required to address the situation. What is it that deters the Home Office from taking a different approach to detention? In other countries, pregnant women or any of the people whom we would detain are detained in the community and kept at large there. Is the Home Office worried about the cost? I doubt it, because our system seems to be both expensive and unnecessary—holding someone in detention costs almost £40,000 a year and some of the detainees are held for a very long period. Community programmes are consistently found to be significantly cheaper. International evidence also demonstrates that such alternatives to detention support high levels of compliance. Perhaps the Home Office is worried about the risk of absconding? The Home Office is evaluating the UK’s new family returns process, which makes minimal use of detention, and the evidence is that there has been no rise in absconding since the introduction of the new community-orientated process.

I urge the Minister, when he responds to the debate, to address such urgent matters of basic rights. We should expect all UK citizens and guests in our country to be able to rely on such rights and on an emergency service and proper healthcare to a standard that we would all expect to be available when needed. As far as possible, we should move away from how so many women are being treated.

5.3 pm

Stella Creasy (Walthamstow) (Lab/Co-op): I pay tribute to my hon. Friend the Member for Edmonton (Kate Osamor) for securing the debate. For me, as for her and for the right hon. Member for Meriden (Mrs Spelman), this is a powerfully emotive subject. It is a debate about pride and shame.
I am proud to be the Member for Walthamstow. When I was elected, the then Member for Blackburn told me that there were two divides in the House: between left and right; and between those who have to deal with the UK Border Agency and those who do not. That was a pretty accurate description.

I am also proud to be a member of the Set Her Free campaign and to work with Women for Refugee Women—some of those women live in my community and I have been proud to campaign with them about Yarl's Wood. Set Her Free is above all about giving voice, as my hon. Friend the Member for Edmonton did so eloquently, to those women detained at Yarl's Wood now and whose voices we cannot hear unless others speak out for them. We are here today to speak out for those 2,000 women, the majority of whom we know to be the victims of rape and sexual torture and of persecution in their own countries. Yet when they come to our shores, this is how we treat them.

The healthcare problems are only the pinnacle of the injustice that Yarl’s Wood represents in our community. Many of the detainees have mental as well as physical healthcare problems: one in five has tried to kill themselves and 40% of them self-harm. Those figures come from the valiant work done by Women for Refugee Women to hold us to account for the existence of Yarl’s Wood. That work was cruelly disbelieved by the Home Office, so the report from Her Majesty’s inspectorate of prisons showing a tripling in the number of women self-harming in Yarl’s Wood should be testament to the work done by Women for Refugee Women to uncover just what the truth is about such a place in our society here in Britain in 2016.

Catherine West: My hon. Friend is making a passionate and excellent speech. Will she join me in underlining that when there is no statutory limit on the period of detention those mental health issues such as the self-harming become worse?

Stella Creasy: I am grateful to my hon. Friend for saying that, because she brings me to exactly what shames me. I feel shame about what is happening today in our country. I am ashamed that the UK is the only European country with no limit on detention, which absolutely compounds the mental health distress felt by many of those in Yarl’s Wood. I am ashamed that the HMIP report also reveals that male members of staff are supervising women on suicide watch—as Women for Refugee Women warned us was happening. What does that mean in layman’s terms? Vulnerable women are being watched as they sleep or as they use the lavatory. How is that happening in our country, on our shores?

I am also ashamed that all of that is futile, because two thirds of the women whom we lock up in Yarl’s Wood are then set free and, as Members have talked about, 90% of the pregnant women are set free. What is the point of putting them through that torture? I am ashamed, because it is not even value for money. As the right hon. Member for Meriden pointed out, it costs us £40,000 a year to hold those women in detention. We could find much cheaper, much more humane and much more dignified ways in which to manage our asylum system.

Above all, I am ashamed that we do not hear the voices of those women. I therefore want to read directly from their testament. The right hon. Member for Meriden cited a case, but I will read from the account of a woman who was not pregnant. The best way in which to guarantee the healthcare of women in Yarl’s Wood is to close the place down altogether. Let me read this out:

“When I came to England I was destitute, I was homeless. I went to Croydon to the Home Office to explain my situation. Before I could say anything, the lady said to me, you are lying. I said, God knows if I am lying…Then they took me to a room. Nobody told me they were taking me to detention. A lady said to me, they are taking you to another immigration office. They put me in handcuffs. I did not know what was going on. Since I was born I had never left my country before. They put me in the van and took me to Yarl’s Wood. They searched me. I wasn’t able to ask what was going on, because I was too scared of them. Nobody told me what was going on. They said, you are in fast track, but I didn’t know what that was.

While I was in detention, I was seriously sick, I was dying. My body collapsed. There were times when I could not walk. They took me to healthcare, they said you must eat, but I couldn’t eat the food. I was skinny, I was dying.”

This is 2016. We have had such debates for a number of years. It is not cost-effective, moral or effective in the modern world to have somewhere such as Yarl’s Wood in Britain. It should shame us all that it is happening on our shores. I ask the Minister, please, set her free.

5.8 pm

Sarah Champion (Rotherham) (Lab): It is a pleasure to serve under your chairmanship, Sir David. I congratulate hugely my hon. Friend the Member for Edmonton (Kate Osamor), because she has given those women a voice which, as my hon. Friend the Member for Walthamstow (Stella Creasy) said, is being denied them.

At the moment a great deal of attention is rightly being given to those who are crossing borders to seek safety. It is important that we focus our attention on those who reach the UK and seek our protection, and that we ensure they are treated with dignity and humanity. Every year, around 2,000 asylum-seeking women are locked up at Yarl’s Wood detention centre. Most are survivors of rape, sexual violence or torture. Because of their experiences in their countries of origin, those women are clearly vulnerable and many have serious physical and mental health problems. However, in spite of that, when they come to the UK for sanctuary they are locked up in detention, where they are re-traumatised, and the physical and mental health care available to them is wholly inadequate.

The chief inspector of prisons has called Yarl’s Wood a “place of national concern”. He found in his most recent inspection report that, of all the areas in the centre, “healthcare had declined most severely”.

His report also pointed to the lack of gender-sensitive health practices in Yarl’s Wood. For instance, women who had newly arrived at the centre were expected to speak to male nurses as part of the health screening process and women who were placed on constant supervision, deemed to be so mentally distressed that they might kill themselves, were being watched by male staff in spite of their previous experiences of abuse and victimisation.

When Maimuna Jawo, who was detained in Yarl’s Wood prison, gave evidence to the parliamentary inquiry into the use of immigration detention, she said:
“Anybody who is on suicide watch has sexual harassment in Yarl’s Wood, because those male guards, they sit there watching you at night, sleeping and being naked.”

The Home Office has promised that a new policy will be put in place to ensure that women are watched only by female guards, but while the proportion of female staff at Yarl’s Wood remains under 50% there are serious questions about whether such a policy will ever become practice.

There are also real concerns about the treatment of pregnant women in detention, as hon. Members have said. Research by Medical Justice found that pregnant women miss antenatal appointments and some do not have any scans while detained. The poor care provided to those women is particularly troubling when we consider that, as has been said, for most of them detention serves absolutely no purpose.

Mrs Spelman: I want to highlight one important point: staff from Yarl’s Wood were actually prosecuted for offences against detainees. It is important to place that on the record.

Sarah Champion: I am grateful that the right hon. Lady placed that on the record. It turns my stomach that we are in this situation. Ninety of the 99 pregnant women detained in Yarl’s Wood in 2014 were released back into the community to continue with their cases, so they were locked up and re-traumatised for no reason at all. One of the pregnant women who the charity Women for Refugee Women is in touch with, a survivor of trafficking, was recently released back into the community after being detained for almost two months, even though Home Office guidance says that pregnant women should be detained only if their removal is imminent.

Alex Chalk: I am sorry to interrupt the hon. Lady’s excellent speech, but do we not have to be a tiny bit careful about making the point that people are sometimes released into the community and then continue normally? It happens in the criminal system that people who are remanded in custody subsequently have their trial and are acquitted, but that does not necessarily mean that, in all cases, there is not a public policy reason for such action. I understand her argument, but I wonder whether that is the strongest point.

Sarah Champion: I will come on to strengthen my point in a moment. It is welcome news that the Home Office has committed to consult on its policy of detaining pregnant women and I hope that it will engage with a wide range of stakeholders, including women who have been in detention while pregnant, to make sure that the process is meaningful. Standards of healthcare in Yarl’s Wood need to improve as a matter of urgency. The Scottish National party has long supported that. The UK Government are fundamentally failing to protect some of the most vulnerable women seeking refuge.

Yarl’s Wood fails to meet the most basic standards of health and safety for detainees and is a “place of national concern”. Those are not my words, but those of the chief inspector of prisons, Nick Hardwick. I sincerely hope that the Government will listen to that and do something as a matter of urgency.

I want to return to something that the hon. Member for Edmonton talked about. Last year, 90 of the 99 pregnant women detained were later released and not deported. I think it was the hon. Member for Rotherham (Sarah Champion) and the hon. Member for—[Interruption.] She and the hon. Member for Walthamstow (Stella Creasy)—I do that in every debate—asked, if 90 of those women were later allowed to go to homes in the UK, what were they doing there in the first place? The hon. Member for Bishop’s Stortford—

Mrs Spelman: Good try—Meriden. [Laughter.]

Anne McLaughlin: The constituency names do not come up on the Annunciator in Westminster Hall. In an equally moving speech, the right hon. Member for Meriden (Mrs Spelman) noted that in 2015 there were—

asylum-seeking women are released from Yarl’s Wood to do just that. The Home Office’s own evidence on the new family returns process found no rise in absconding among families seeking asylum since children stopped being detained at Yarl’s Wood. We can and should learn from that.

Minister, locking up women seeking asylum is expensive, unnecessary and unjust. It is time that the practice is swiftly brought to an end.

5.14 pm

Anne McLaughlin (Glasgow North East) (SNP): I congratulate the hon. Member for Edmonton (Kate Osamor) on her heartfelt, moving speech. I want to thank her for crying—I am not the only one who does that in this place. She said that she wanted to be the voice for women detained in Yarl’s Wood and she has been that incredibly well today. Her demonstration of how deeply she feels will matter to them when they watch the debate.

If the UK Government need more evidence of the desperate human consequences of unlimited incarceration of vulnerable people, the shameful reports of inadequate healthcare as well as the dire treatment of female detainees in Yarl’s Wood should be telling enough for them to abandon their inhumane policies. I appeal to the Minister, who I know has a humane side to him—sometimes a very humane side—to do something now. We are waiting on the outcome of reports, but we already have significant reports, so we should not wait for more of them before we do anything.

Yarl’s Wood is a prison for people who have committed no crime, as the hon. Member for Cheltenham (Alex Chalk) pointed out, where diabolical health and safety standards threaten the lives of innocent people, many of whom have already been victims of torture and trauma. Evidence of the degrading, inhumane consequences of indefinite detention shows the vital need for time-limited detention as a matter of urgency. The Scottish National party has long supported that. The UK Government are fundamentally failing to protect some of the most vulnerable women seeking refuge.

Yarl’s Wood fails to meet the most basic standards of health and safety for detainees and is a “place of national concern”. Those are not my words, but those of the chief inspector of prisons, Nick Hardwick. I sincerely hope that the Government will listen to that and do something as a matter of urgency.
thought she said—only two pregnant women in Yarl’s Wood. I would be interested to hear from the Minister whether that is because the Government are now politically opposed to the detention of pregnant women and whether we can expect that number to go down rather than up.

I also pay tribute to the right hon. Lady for speaking movingly about how deeply she feels about the situation, and in particular for mentioning her experience of miscarriage. That is not an easy thing to do, but she recognised her duty to do that to highlight the problems faced by other women.

I share the shame that the hon. Member for Walthamstow mentioned she feels. She did something important: she spoke in this place the words of women currently in detention. The hon. Member for Rotherham—I know where she represents—has been a true champion of those seeking asylum. She rightly questioned why 90 pregnant women were at Yarl’s Wood in the first place if they were released.

The SNP has long called for an end to the unlimited detention—imprisonment, in fact—of migrants. It recently advocated that a 28-day maximum time limit be written into the Immigration Bill, based on evidence that being locked up for any longer would be catastrophic for the detainees’ health. An unlimited period of detention not only causes damage to health, but is a fundamentally unnecessary and expensive exercise.

My hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald), who is our immigration spokesperson, asked a parliamentary question in September about the cost per capita of detaining someone in one of these centres. The reply from the Home Office was that last year the average cost to hold an individual in detention was £91 per day. I would argue, as others have, that that money could be better spent elsewhere. The Home Office has also said that the UK detains immigrants only as a last resort, but in 2013 it detained just over 30,000. Germany detained just over 4,000, Belgium just over 6,000 and Sweden almost 3,000. During that time, Germany received four times as many asylum applications as the UK, and Sweden almost 3,000. During that time, Germany received.

Many of the women detained at Yarl’s Wood have backgrounds that include trafficking and torture, as well as physical and mental abuse. A young woman who fled persecution in Uganda on account of her sexuality and in particular for mentioning her experience of miscarriage. That is not an easy thing to do, but she recognised her duty to do that to highlight the problems faced by other women.

I share the shame that the hon. Member for Walthamstow mentioned she feels. She did something important: she spoke in this place the words of women currently in detention. The hon. Member for Rotherham—I know where she represents—has been a true champion of those seeking asylum. She rightly questioned why 90 pregnant women were at Yarl’s Wood in the first place if they were released.

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Of course, immigration rules have to be enforced and, in exceptional circumstances, detention is necessary, but it must always be humane and done to the highest standards, and there must always be safeguards. The point has already been made that, in relation to this particular type of detention, where there has been no conviction—no wrongdoing—it is particularly important that the detention service’s operating standards are kept to, and that the same range and quality of healthcare services is provided in detention centres as is available on the NHS. That point was made early in the debate, and it is central to this issue, because it is manifestly not the case in Yarl’s Wood.

There is clear evidence of repeated failures in relation to the rule 35 reports, in relation to the treatment and detention of pregnant women and the mentally ill, and in the provision of adequate healthcare more generally. Such repeated failings, and the reports on them, bring into question whether Yarl’s Wood is still fit for purpose. That is the central question. But, instead of taking action, the Government repeatedly refer us back to reports that are due out, such as the Shaw review into the welfare of vulnerable people in detention. That review is important, but it has been with the Minister for some time now—I think it was completed in the autumn—so, in the light of the concerns that have been raised on many occasions and again in this debate, will he tell us when it will be published so that we can see its findings?

The rule 35 reports are central to the provision of care, welfare and healthcare in Yarl’s Wood. They are intended to be a report of any case where continued detention is likely to injure the detainee’s health, so they are central. They are sent, or are supposed to be sent, to the Home Secretary, who must consider and respond to
them. As has already been mentioned, the quality of the rule 35 reports in Yarl's Wood, these central reports that are supposed to flag up cases so that something can be done about them, is appalling.

Although part of it has already been read out, it is worth giving in full the quote from the 2015 report by the chief inspector of prisons, which said that the rule 35 reports “were among the worst we have seen. All were handwritten and many were difficult to read, lacked detail and were perfunctory. Some responses were dismissive.”

That shows a manifest failing of a flagging system that is supposed to start the process and alert the Home Office to concerns so that something can be done. How can the rule 35 reports examined in the 2015 report be among the worst that have ever been seen?

It is clear that the Home Office’s response to these reports has also been inadequate on occasion. A recent example is the case of a Sudanese refugee that went to the High Court. In that case, the medical practitioner at Yarl’s Wood had filed a rule 35 report, which gave details of previous injuries caused by beatings with metal rods, knife wounds and even a gunshot. Despite the evidence of torture, the Home Secretary said that there were exceptional circumstances justifying detention. The High Court disagreed, finding that the woman had been wrongfully detained and calling the case “truly disgraceful”. What is the point of the rule 35 procedure if adequate responses are not made in every case?

A further problem that has already been touched on is the detention of pregnant women and the mentally ill. It may be that the number is coming down, but it is a very serious issue. There have been far too many in the past, and any detention of anyone who is pregnant requires exceptional justification. There is no evidence that those exceptional circumstances are made out in so many of these cases. As the director of midwifery at the Royal College of Midwives, Louise Silverton, has said:

“Some pregnant women have reported receiving inadequate healthcare, which clearly puts their unborn baby at risk as well.”

The law is designed to protect pregnant women and those with other vulnerabilities from being detained. It is not being applied properly, it has not been applied properly in the past, and that now raises the question of whether, if it cannot be applied properly, it should be applied at all. There are other provisions in relation to vulnerable individuals.

I am aware of the time, but I want to mention one other issue, which I think has already been raised: the investigations into the deaths in custody that have occurred in the past few years. In particular, there have been reports of the death of a 40-year-old female detainee in March last year in which it has been said that the detainee was denied medical assistance. I know that there has been an investigation, so could the Minister give us an update on that and tell us when we can see its findings? That might tell us so much more about the provision of healthcare in Yarl’s Wood.

To conclude, it is not acceptable to wait for yet more evidence and yet more reports before something is done about the appalling situation in Yarl’s Wood. Nor is the time for action. Frankly, if the rules cannot be applied properly in Yarl’s Wood and adequate medical provision cannot be made to safeguard the health and welfare of some of the most vulnerable people in our society, the question is whether Yarl’s Wood is fit for purpose.

5.29 pm

The Minister for Immigration (James Brokenshire): It is a pleasure to serve under your chairmanship, Sir David. May I congratulate the hon. Member for Edinburgh (Kate Osamor) at the outset on securing this debate and on her contribution? I know that she feels strongly about this subject and has been committed to it over a period of time and since she has been in the House. I know how deeply she feels about these issues, as her contribution showed. I am genuinely grateful for the manner in which she has approached this debate.

As the hon. Lady indicated, one of the first things I did following the general election and my reappointment as the Immigration Minister was to visit Yarl's Wood, recognising a number of the issues raised about the centre, and I specifically visited the healthcare centre at that time. I can certainly assure her and other Members of our focus on this issue and, indeed, the importance that the Home Secretary and I attach to the dignity and welfare of those in detention. That is of the utmost importance, and we take those responsibilities extremely seriously. I hope to talk about some of the generalities of the policy, to focus on Yarl’s Wood specifically and to address rule 35 access to independent medical examinations, as well as some of the other points flagged up, in the time available to me.

Our policy is that vulnerable people should not normally be detained under immigration powers. Our processes are designed generally to prevent vulnerable individuals from being detained unless there are very exceptional circumstances and, when vulnerability emerges after the point of initial detention, we aim to act quickly and appropriately.

Reference has been made to the Shaw review. Indeed, the hon. and learned Member for Holborn and St Pancras (Keir Starmer) highlighted it in his contribution. The Home Secretary commissioned Stephen Shaw to carry out an independent review of welfare in detention—that is, in immigration removal centres, in short-term holding facilities and for detainees under escort. The review considered many of the issues discussed in today’s debate. Mr Shaw was asked to look at current systems and policies, including those in place for identifying vulnerability, managing both the mental and physical health of detainees, providing welfare support, preventing self-harm and self-inflicted death, assessing risk, managing food and fluid refusal, and safeguarding. We have received Mr Shaw’s report and, as I indicated on Report of the Immigration Bill, it is our intention to publish both the report and our response to it before Committee consideration of the Bill in the House of Lords. That remains our intention.

Stella Creasy: Will the Minister give way?

James Brokenshire: I was just about to address the detention issues raised by the hon. Lady, as well as those raised by the hon. Member for Rotherham (Sarah Champion). The hon. Member for Walthamstow (Stella Creasy) referred to fast track in her contribution. I underline that I made the decision to suspend detained fast track—in other words, where an asylum case is
being considered—because I was not satisfied with the safeguarding provisions around vulnerability. I will reintroduce it only when I am satisfied that appropriate processes and procedures are in place to ensure its safe reintroduction.

Stella Creasy: Will the Minister confirm whether, when the Government respond to the Shaw report, there will be clarity as to whether they consider women who are victims of rape and sexual torture—that is, two thirds of the residents of Yarl’s Wood—to be vulnerable in and of themselves, and therefore inappropriate for detention?

James Brokenshire: I will be careful not to pre-empt the Government’s response, but the hon. Lady will not have long to wait for the Shaw report. I recognise the importance attached to it. Indeed, the Home Secretary commissioned the report because of the importance we attach to it. My comments today will be based on the position as it stands, but the Government will have more to say on these issues shortly.

Dr Lisa Cameron: I speak as the MP for the constituency where Dungavel is based, and also as a psychologist. When I visited that centre, it struck me that another issue of vulnerability for individuals who have suffered abuse and trauma is being detained alongside foreign national offenders who may be violent or sexual offenders. Will the Minister comment on how such risks are assessed, particularly given that it was pointed out to me that prison records do not always follow foreign national offenders into the units?

James Brokenshire: I assure the hon. Lady that risk assessment takes place. There is sometimes a mix of different people within an immigration removal centre: some of them will be foreign national offenders, and others will be there as a consequence of the removal process. It is worth underlining that we are talking about immigration removal centres. The primary purpose is the removal of people from this country, but there will be public protection issues, and risk assessment is clearly a core part of the operation of any immigration removal centre.

I am conscious that I now have four minutes left to respond to the various points made, so I will try to make as much haste as I can. Several Members mentioned indefinite detention. It is not possible to detain under immigration powers indefinitely. There are significant, long-standing and, we believe, appropriate protections against the arbitrary use of administrative detention by the state in this country.

I say to my right hon. Friend the Member for Meriden (Mrs Spelman) and other Members that we are carefully considering alternative options to detention. Our published policy is clear that alternatives to detention should be used wherever possible. As I indicated on Report of the Immigration Bill, we are considering the overall issues of the detention estate more broadly and are examining alternatives as part of that ongoing work. Members referred to the family removals process.

Catherine West: I will make some progress, as I now have three minutes remaining.

On the specific complaints issues raised, our detention centre rules are designed to ensure that female detainees’ rights, dignity and privacy are upheld. Should we receive complaints that contractors are breaching those rules, I assure hon. Members that such cases will be investigated fully and firmly.

On the issue of female members of staff and the availability of care and support, nurses are available 24/7 in Yarl’s Wood but, as in the community, they will not always be female. Detainees have the right to request to be seen by a female doctor or nurse, which will be arranged wherever possible. Midwives from Bedford Hospital NHS Trust visit the centre once a week, and the frequency and length of attendance is determined by demand.

The hon. Member for Edmonton mentioned independent medical examinations. Detention centre rules require that a registered medical practitioner selected by or on behalf of a detainee is given reasonable facilities for examining detainees. IRC suppliers rightly take requests very seriously and seek to accommodate them in accordance with the rules, but I am aware that some groups have made representations and expressed concerns. We are examining those closely and considering this issue carefully. I assure the hon. Lady that I recognise that issue, and we are examining how best to address it.

The Home Office will be revising the template form that IRC doctors are required to use when completing rule 35 reports, in order to make it clearer what information the Home Office requires of doctors when they complete such reports. We have consulted on the proposed changes with the relevant stakeholders. The intention is to make the forms easier for doctors to use, thereby improving the content of rule 35 reports. That is an important aspect, in order to ensure we act on those reports and consider them appropriately.

On the CQC report, an action plan is very much in place, and I have had discussions with NHS England about that. It is being worked through, and we take these issues very seriously.

I am grateful to the hon. Member for Edmonton for the constructive discussion today. I confirm the importance we attach to this issue and, if I may, I will seek to write to her on the other issues that time has unfortunately prevented me from addressing.

5.39 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
I beg to move, that this House has considered the Armed Forces Covenant Annual Report 2015.

I thank you, Mr Hanson, and the Backbench Business Committee for giving us the opportunity to hold this debate today. The armed forces military covenant report published in December by the Ministry of Defence is the fourth such document, and together the reports tell a story of growing efforts to meet the military covenant. I was surprised to discover that although four annual reports have now been presented to Parliament, none of them has been the subject of a parliamentary debate. This is therefore a wonderful opportunity for parliamentarians to reflect on the progress being made by Departments, devolved Administrations, local service providers and organisations in the commercial as well as the voluntary sector to meet the covenant's pledge.

The term “military covenant” was coined in 2000 in an MOD booklet called “Soldiering—The Military Covenant”. It aimed to highlight the mutual obligations between our nation and its armed forces following years of decline in that relationship. Although the term “covenant” seems to imply some form of legal guarantee or contract, it is not enshrined in law. For more than 400 years, though, the state has recognised having some obligation towards its armed forces, with Queen Elizabeth I, for instance, providing by statute in 1593 a weekly parish tax to support disabled Army veterans returning to their homes. With British troops engaged in so many difficult military campaigns and new types of warfare over the last 20 years, our armed forces leaders, with a particularly strong voice from General Lord Dannatt, called on the nation to re-engage with its obligation to our soldiers, sailors and airmen. They all have to swear an oath of loyalty to their Queen and country when they join up, and the military covenant is or should be the nation's reply to them for their commitment and sacrifice.

A series of legal judgments in the early 2000s led my right hon. Friend the Prime Minister, while still in opposition, to set up the military covenant commission. Led by my hon. Friend the Member for South West Wiltshire (Dr Murrison), its report led to the coalition Government in 2011 deciding that the military covenant should be covered and monitored through provision of an annual report to Parliament. That decision was enshrined in the Armed Forces Act 2011.

I am not from a military family—well, not in recent times. My French great-great-uncle was killed in the opening weeks of world war one by German fire as he acted as a lookout for the French army on the Alsace-Lorraine front.

Jim Shannon (Strangford) (DUP): The hon. Lady mentions the first world war. Does she agree that given that 2016 is the centenary of the battle of the Somme, equality for Northern Ireland service personnel would be very fitting and is long overdue? It would be recognition that every person who serves in the British Army, within the United Kingdom of Great Britain and Northern Ireland, deserves the same opportunities under the covenant: we should have that in Northern Ireland as well.

Mrs Trevelyan: I thank my colleague for his intervention. I agree wholeheartedly and hope very much that in the months and years ahead we will be able to achieve that across the UK, including in Northern Ireland.

In world war one, my relationship was acting as a lookout for the French army and he was sent up a church tower because he had great eyesight, but he was immediately spotted by German troops because he was wearing a very bright, shiny uniform—you have to wonder. That story has always stuck in my mind; I was first told it when I was four years old. The reality is that if all efforts at diplomacy have failed and war breaks out, we ask our young men, and now our young women too, to go into harm’s way to protect us, our country, our values, our families and our way of life. We ask our armed forces to defend their nation without regard to their own safety, and I am continually in awe of every one of those people who choose a military career.

I am involved in many ways as a campaigner, and now as the local MP in north Northumberland, with serving military personnel, their families and veterans of all ages, for whom the covenant’s pledge has not always been a reality. I am acutely conscious of the fact that although many citizens agree with the covenant’s ideals and direction, far too many are not really aware of it and do not consider how they can make it a reality in their working lives or how their local community might be able to support the needs of military people and their loved ones. I am also aware that many of our serving and veteran personnel are not fully apprised of the commitment that the covenant gives to them and their families.

The Government’s commitment to all who serve and have served in our armed forces is clear: they and their families should face no disadvantage compared with other citizens in the provision of public and commercial services. Special consideration is appropriate, especially for those who have given most, such as the injured and the bereaved. The covenant is clear about the areas in which it should apply. It covers healthcare, education, housing, deployment matters, family life, benefits and tax impacts, the responsibility of care, particularly during defence policy change periods, voting rights and support in transition and in life after service. It covers so many aspects of personnel’s lives, and every year since 2011 we have seen new projects and support being built to meet our covenant commitment and reported by the MOD to Parliament.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I congratulate my hon. Friend on securing the debate, but also on setting up the all-party parliamentary
group on the armed forces covenant. In relation specifically to no disadvantage and to special consideration, a number of our constituents, and mine in particular, have concerns about housing. Perhaps she will touch on that and invite our hon. Friend the Minister to comment on it in his closing remarks as well.

Mrs Trevelyan: Yes, I will cover that some more. It is a big area where work is beginning to develop, but we need to do a lot more to join the dots.

Colleagues here, as well as others, have raised many issues with me. They want to discuss areas of the covenant that are of concern to their constituents. I want to mention a few areas where I believe that commendation for progress made already is due and some concerns about areas where I believe the Government and MPs could take a lead to improve the current state of play.

First, and not only because I am an accountant, but because the exceptional work to support the covenant undertaken by many charities could not happen without it, I—

Julian Knight (Solihull) (Con): I congratulate my hon. Friend on securing this important debate, and my hon. Friends the Members for Tonbridge and Malling (Tom Tugendhat) and for Plymouth, Moor View (Johnny Mercer) on their part in that. I want to touch on the point about charities. Obviously the armed forces covenant has progressed the outlook for people returning from deployment overseas. Two of my constituents, Pam and Al Sutton, were shocked a decade ago at the treatment of personnel returning from Iraq and Afghanistan, so they started a charity, Troop Aid, and have raised millions of pounds for returning personnel. Will my hon. Friend pay tribute to Pam and Al Sutton and, indeed, all those in the charities that help our returning troops?

Mrs Trevelyan: I will. I have enjoyed some of the outcomes of Troop Aid. A great supporter of mine is also a great supporter of that extraordinary charity, which has done amazing work and continues to do so. I pay enormous tribute to Pam and Al Sutton and to so many people who, having had some connection with the armed forces—be it through a direct family relation or simply, as my hon. Friend identifies, a relationship in their community—have taken up the mantle of the covenant, which is exactly what we want to happen across the nation. This is about all of us respecting and honouring those who have put their lives in harm's way and those who support them as they do that. We should encourage and praise to the rooftops all those who are willing to give up their time and energy to ensure that that can happen in practice.

Perhaps people do not do this too often, but I want to thank my right hon. Friend the Chancellor of the Exchequer for having the bright idea of channelling the LIBOR fines money directly into covenant projects. An initial fund of £35 million is backed up by an enduring £10 million a year, and in 2013 a further £100 million was added to it. This is a long-term and clear commitment by the Government, and I commend them for it. Charities small and large have been able to make great use of that funding stream to provide excellent local provision for housing, health support and business development opportunities for ex-service personnel. Those are real practical efforts, and the reality is that without some level of funding and Government commitment, all that energy out there—that human capital that wants to make the covenant reality—could not really make that happen.

The corporate covenant, which was launched in 2013, now has more than 700 companies signed up, which is a huge explosion in the last year—at the time of last year’s report there were two hundred-and-something. In the corporate world, a real energy is developing to understand what the covenant means in practice for our biggest businesses in terms of investing in our armed forces and how they can make best use of the energy and skills that all our personnel can bring. We are seeing real enthusiasm from many of those large organisations. They are supporting reservists and providing practical financial support for personnel when they are deployed. For instance, mobile phone contracts can now be put on hold—a practical, real-life improvement that makes things easier and does not leave personnel on deployment out of pocket. Those organisations are working with charities such as X-Forces to encourage the entrepreneurial spirit of those who have recently left the forces, alongside spouses of personnel on active service, by helping them to set up their own businesses. In the last year, the charity has helped hundreds of new businesses to be started. Financial support from the likes of Barclays and PayPal, to help in the critical early months of building a new enterprise, is a really exciting part of the corporate covenant, and it is really working on the ground. I commend the Minister and his team on continuing to drive that forward.

As the nation becomes more tuned in to the military covenant principles—that is what we want to happen—many small and medium-sized businesses want to be involved, but the practical issues can be challenging for a business that has five or 10 employees. I know of several family businesses in Northumberland that seek to employ reservists and veterans, but we need to find practical ways to help them to achieve their aims, because doing so is not straightforward for them. It is a lot easier for a business that employs 1,000 people to have one or two reservists in the system and support them when they need to be deployed.

The community covenant, which has now taken off—I am told that every local authority has signed up and is working on action plans—is the next level of involvement. Families who are back in their communities and leading normal everyday lives might need to access the covenant principles.

Nusrat Ghani (Wealden) (Con): I want to touch on the point about community covenants. I must put on the record the fact that I am a member of the parliamentary armed forces scheme, as are other Members here. I have, once again, received a distressing email from a constituent who is a disabled war pensioner. The treatment he is getting from my—award-winning, I have to say—council is very different from, and not as good as, the treatment that he would have got from a neighbouring county council. He does not want any extra treatment for the injuries that he suffered defending our country, but I believe that our veterans should be prioritised, whether in the NHS, in education or in housing. Perhaps the
Minister can explore how we can make sure that there is a baseline for all community covenants, so that when people display—

Mr David Hanson (in the Chair): Order. Interventions have to be short.

Mrs Trevelyan: I thank my colleague for raising that. The reality is that although many local authorities have signed up, the variability of output is still fairly evident.

Chloe Smith (Norwich North) (Con): My hon. Friend is being extremely generous with her time and making exactly the right points. Does she agree that variability goes hand in hand with good information? Whether we are talking about doctors not being aware of the covenant—I can provide a constituency example of that—or a local authority, such as Norwich City Council, not appearing to know what a bounty payment is, we need to educate people about the principles in the covenant and make this happen in a joined-up way.

Mrs Trevelyan: That is exactly what we need to do. We call on the Minister to meet that challenge, and we will help. There is not an MP in the House who will not work with their local council and local communities to provide further support, improve their understanding of what they have signed up to and encourage them to draw together the practical outputs, which are so variable, into a cohesive whole so that we have best practice everywhere in the UK. The British Legion has published excellent best practice guides that give some clear guidance. Those guides can really support the armed forces champions in every council. More than that, we need to make real inroads to ensure that when the military families in each area need assistance, they are supported to the full. That is the point of the covenant: not only should military families suffer no disadvantage, but if there is a real need, we should be there to support them. There is a sense of that in the general population. The practicalities are, without doubt, difficult, but we need to continue to push that forward.

Mrs Madeleine Moon (Bridgend) (Lab): I thank the hon. Lady for giving way and congratulate her on securing the debate. My local authority has announced today that armed forces personnel, veterans and those who have the defence discount service card will be given free swimming. Will the Minister consider asking local authorities to publish an annual report on their progress, so that we can encourage them to join up their offers?

Mrs Trevelyan: That is exactly the sort of practical, real-life example I have been talking about. It makes best use of the tools that the Government are putting out there for families, to help us to identify them and give them the practical support and wraparound affection that the covenant is there to offer. The hon. Lady anticipates my speech; I was going to say that, as with other strategies across Departments, we ask councils to submit a self-assessment report every year—I worked closely on that in the autism sector—and say to them, “As we are doing at a national level, would you please share this information with your communities?” That self-perpetuating encouragement raises the concept, the understanding and the reality of whether the covenant is working, whether in Birmingham, Bradford or Berwick.

David Mackintosh (Northampton South) (Con): I congratulate my hon. Friends on securing this debate, because it is important that we monitor the progress of the armed forces community covenant. I speak as somebody who, in a previous role as leader of Northampton Borough Council, introduced and signed the community covenant for Northampton. The council produced, and continues to produce, an annual report on what was happening. That was a welcome move, and it helps to reflect the work done by officers and councillors to bring forward this important measure.

We must also recognise that not all armed forces people know that the community covenant exists, so perhaps we need to do some work on making sure that when people leave the services, they are aware of it.

Mrs Trevelyan: I thank my hon. Friend, and I absolutely concur. Within the community covenant framework, we also need find ways to join things up more effectively when families move. The nature of the armed forces is such that families are expected to move around the UK, and to and from the UK, so it is important that the system really supports them. We have endless examples of systems that do not.

I was very pleased, literally weeks after being elected, to be able to help a family who were leaving RAF Boulmer, in my constituency. The airman in question was leaving the service. He had been on a British Gas training course while he was still in Northumberland—fantastic—and he and his family wanted to move down south to be near his wife’s family. That was all good, and they were looking forward to it. They had found a school in the right area for their children, one of whom had special needs, but when they came to move, they could not find a house. It was impossible; there was not a house to be found. They could not register their children with the school because they were not in the right area, and the gentleman could not start his job because he was not yet registered in the right area.

The system seemed nonsensical, and the lovely family liaison lady at RAF Boulmer was pulling her hair out. As it turned out, she made the right phone call. I did not know anything about Banbury or Bicester, but I had a new colleague in the area, and between us, we were able to find a solution.

Victoria Prentis (Banbury) (Con): As the recipients of that delightful, hard-working, honourable and brave family, we in Bicester were delighted to welcome them to our area. Does my hon. Friend agree that it would have been much easier—without the intervention of MPs—if some sort of central hotline had been available to the family liaison officer, to enable her to access the line that I, in the end, accessed on the family’s behalf to help them to find a house? My hon. Friend may not be aware of the end of the story: the house that family moved into was an ex-services house.

Mrs Trevelyan: I was not aware of that, and I am pleased to hear that we are making the best use of our property portfolio. That is most encouraging. Housing is a big part of the covenant’s challenge. The new forces Help to Buy scheme was introduced last year and has been incredibly successful. This year’s report has some really positive messages about that, both because armed forces families are very aware of it—it has been very
well publicised—and because it is being taken up in very large numbers. It enables families to get on to, or stay on, the housing ladder as they settle into civilian life.

Bob Stewart (Beckenham) (Con): I will be very brief. It would be a great idea if the period of time after which servicemen either joined or got married could count towards a local housing list—it could be a credit in some way. That would help a lot of people not just to get to the top of the list, but to get hold of a local house or flat.

Mrs Trevelyan: I am sure that the Minister will consider my hon. Friend's point and move forwards on one of the most critical areas that we need to ensure works smoothly for all armed forces personnel.

I have some concerns about two areas in the healthcare part of the covenant. First—this ties in with the comments of my hon. Friend the Member for Beckenham (Bob Stewart)—is the commitment that family members should maintain their position on waiting lists in the healthcare system even though they are moving around the UK due to new postings. I have been made aware several times that that commitment is not very well known in medical frameworks or to armed forces families. The 2015 report highlights that anecdotal evidence. In the tri-service families continuous attitudes survey, only 37% said that waiting times did not increase when they had to move. There is work to do in the NHS framework and on its commitment to the covenant to give the families better support and continuity of medical care.

Will Quince (Colchester) (Con): I represent a garrison town and I am a former school governor of a predominantly military school. Does my hon. Friend agree that schools have a part to play? When members of the armed forces move, places should be available in schools that understand the military covenant, the important differences and, indeed, the important role that the service pupil premium can play in a school.

Mrs Trevelyan: That is absolutely right. The challenge across many Departments is to ensure that armed forces personnel and their families are clearly identifiable to make it easy for the public services that are needed to support them, wherever they are.

Marcus Fysh (Yeovil) (Con): I have experience of the matter in respect of school places and housing. I have found that, by and large, armed forces families have more children than normal families—perhaps I should say the general population—because of their age group. It is a real issue. Does my hon. Friend agree with me that supporting our armed forces is so important? I congratulate her on her all-party parliamentary group.

Mrs Trevelyan: My hon. Friend's point is well made. The age demographic of service personnel is such that while those personnel are deployed on active service, we are supporting families who, in large numbers, have young children. Those of us who have had, or who are just coming to the end of having, young children, discover that it is a constant battle—let alone for those left holding the babies because their partner is out fighting someone somewhere a very long way away. Those left at home cannot say to their partner, “I’ve had enough. Could you take them for a minute so I can have a breath of fresh air?” They are on their own and that level of support, ensuring that the services around those families work, is vital.

I would be grateful if the Minister would help us to find a way for the NHS, as well as the education system, to work better in terms of its markers and identification so that moving does not create a disadvantage. So many forces personnel say to me, “We are not asking for special treatment. That is not what we want”, but they must not be disadvantaged. The nature of Army, Navy and RAF life—life within a military framework—means that it is more difficult for families just to have the stability they need.

Mrs Moon: I agree with all that the hon. Lady is saying, except in one respect. The one area for which I will praise the Government highly is the money that they have put into prosthetic limb care, and their commitment to ensuring that when armed forces personnel leave the armed forces, they continue to get the highest standard of prosthetic limb. Therefore, that is an area where service personnel should get better than average because they have certainly earned it.

Mrs Trevelyan: Indeed, that is absolutely right. The covenant is clear that for general purposes, families should face no disadvantage, but for those who have suffered permanent injury or for families who have experienced a bereavement, special consideration should be given. There is a real investment in that field of the healthcare element of the covenant’s work. The system will obviously need to be fully maintained and financed forever, but individuals who need prosthetic support for life are in the system and it is working well to support them.

The Ministry of Justice is now asking those entering the prison system whether they are ex-military. The issue was brought to my attention as HMP Northumberland is in my constituency and two ex-military personnel have written to me in the past few months struggling with the support framework. My question to them was, “Does the prison know that you were in the Army?”, to which the answer was, “No, I never told anyone and nobody asked.” I am pleased that the Ministry of Justice is trying to turn that on its head. It is a voluntary system at the moment.

About 5% of the prison population are ex-military. Of those, 98% are male and more than a third are over 40, which is a much high proportion of older members of the prison population than the average prison age nationally. It is good news that we are at least starting to identify those people so that we can support them, but we need to find a way to overcome their fears that they are identifiable—for fear of violence in the prison—or any level of humiliation they may feel that they have ended up in the prison system. That is a real challenge that we need to face and it is frustrating from the covenant’s perspective because, as a nation, we want to ensure that those who have fallen off the wagon, so to speak, and ended up in the criminal framework can get the right and full support that they need, because they are almost certainly there because of a lot of long-term damage.
Many former soldiers—90% of these people are ex-Army—have fallen away from the straight and narrow because of untreated mental health issues leading to alcohol and drug abuse, and a breakdown of family life. Family members are also left damaged and broken by the destruction that failing mental health can cause. The worst cases include slow and painful declines into homelessness, violence and criminality.

I am currently working with a family in Northumberland. The wife is extraordinarily committed and is absolutely determined to try to keep the family together. She is throwing everything at it but she is running out of steam and there is no framework. She says, “I can see where this is going. Mrs Trevelyan. I just know that it is all going to end in disaster.” We are battling to try to find the support that her husband needs, because broken mental health is a very complex thing to fix for those who have been in some really difficult situations.

Bob Stewart: May I recommend Jim Davidson’s charity, Care after Combat, which has just received £1 million? I am slightly involved with the charity. It works inside prisons, specifically with ex-military personnel, and is apparently doing a seriously good job.

Mrs Trevelyan: I thank my hon. Friend for mentioning that. I hope that we can share the knowledge of that charity more widely so that families who have a member in need in that crisis situation can reach out and get the support that that excellent funding will provide.

Across the country, we want our brave and damaged military heroes to receive the right support so that they can get well, start to rebuild their lives and try to rebuild their family lives for a positive future not just for them but for those around them. I ask the Minister, might we tackle this lack of rigorous and predictable identification with some sort of marker, perhaps alongside national insurance and NHS numbers? The nation wants individuals who have served—and their families, who have committed to protecting the nation—to be supported and for help to be made available to them as required. I hope very much that the defence medical information service programme is making good progress. It seems to be moving very slowly, but perhaps the Minister will update us on its status.

More widely on healthcare, the Minister will be aware that in the north-east—and, I understand, across the country—there are some serious gaps in the provision for mental health problems, which often appear long after veterans have left military service. The covenant is clear that veterans should receive priority treatment for a condition resulting from their service in the armed forces.

David Mackintosh: I put on record my thanks to the Minister for his work on veterans who suffer from mesothelioma, for exactly the reasons my hon. Friend outlines. Unfortunately, one of my constituents is suffering at the moment. He wanted to come to this debate but is unable to be here. He is one of those people who are not caught up in the Government’s changes, and I thank the Minister for agreeing to meet me outside the debate to talk about his progress. I put on record the thanks of people who suffer from mesothelioma. As my hon. Friend says, it is important that we ensure that veterans are not compromised by the service they give.

Mrs Trevelyan: I am also being contacted on that particular issue, and I hope that the all-party parliamentary group on the armed forces covenant will be able to support the work of my hon. Friend and the Minister to find a solution ensuring that military sufferers of mesothelioma will not be discriminated against compared with sufferers in the civilian population.

A huge amount of time, thought and investment continues to go into physical rehabilitation programmes, as the hon. Member for Bridgend (Mrs Moon) identified, with charities such as Help for Heroes opening bespoke rehabilitation centres. There are amazing technological developments in the world of prosthetics, and we are starting to see more investment in dental and primary care for these families, for whom there is respect and real support.

The challenge is that there simply is not capacity in the mental healthcare system to provide the necessary and often long treatment programmes needed to help those whose mental health starts to deteriorate long after they retire from military service. The covenant reference group, which is a group of experienced professionals and charities that oversees the report every year and provides an open, blunt commentary on the state of play—all credit to the Secretary of State for Defence for always allowing the group to go in, warts and all, so that those of us who are not experts can see the progress and really understand how the covenant is developing—highlights that the vast majority of our service families are incredibly resilient and just get on with it, whatever challenges are thrown at them, and provide unstinting support to their military spouses and partners, but the escalating problems are just too great for some families, who need to be able to access that help.

The latest covenant report, published in December, highlights the study of the King’s Centre for Military Health Research into mental health problems in armed forces personnel who served in Iraq and Afghanistan, but there seems to be little focus on the needs of those who fought in conflicts during the 1980s and 1990s in the Falklands, Northern Ireland and the Balkans who are now starting to be hit by deep-rooted traumas coming to the fore. Combat Stress is one of our older charities, and it does extraordinary work with mental health complexity, which is not really addressed by the mainstream NHS support system. Combat Stress is at absolute capacity all the time, and too often veterans who have hit a deep hole are unable to access the complex and intense therapies needed to rebuild their shattered minds. We all have mental health, some of it good and some of it sometimes not so good. The Government are starting to change attitudes and investment focus to help the development of that area of medicine, but in the short term we cannot fail those veterans for whom the armed forces covenant was intended, those who need proper long-term mental health treatment now. Colleagues have much to say on that matter, and I hope the Minister will support us as we campaign for the right care programmes across the UK for these veterans.

This year has seen a hugely welcome new covenant commitment, with widows, widowers and surviving civil partners now able to retain their pensions for life, regardless of whether they remarry. Many constituents of mine have commented on their gratitude to the
Prime Minister for making that decision as it allows bereaved family members to move forward with their lives with their family and with renewed hope. That is an excellent decision.

I have read all four covenant reports published by our Defence Secretaries since 2011, and it is clear that really good progress is made year on year, but I am also conscious that many people, including our military personnel past and present, are not as aware as we want them to be, and as the covenant principles want them to be, of the effort that is going into changing how our nation feels and behaves towards our armed forces personnel. It is our duty to help to encourage wider participation in the covenant. My challenge to myself is that, by the end of this Government, I want our whole nation to think about the covenant in their daily lives. I hope that colleagues from all corners of the UK and of every political colour will join us in building a nation that has at its heart, in every sphere of our lives, a deep understanding and practice of the moral obligation to our armed forces. We are free to live our lives as we wish in this great nation of ours thanks to the unstinting and total commitment of all those military personnel who stood and who stand ready to defend us now in the face of dangers, so many as yet unknown.

2.5 pm

Danny Kinahan (South Antrim) (UUP): I thank the hon. Members for Berwick-upon-Tweed (Mrs Trevelyan), for Tonbridge and Malling (Tom Tugendhat), for Plymouth, Moor View (Johnny Mercer) and for Plymouth, Sutton and Devonport (Oliver Colville) for doing all the work to put this together. I am pleased to have this debate, but I am even more pleased to know that there is now an all-party parliamentary group on the armed forces covenant that can sit down, listen to all the variations and learn from and help each other. Obviously I am keen to hear what the Minister has to say. It is lovely to have the APPG in place, as it is something that we all need.

As everyone knows, I long to see the United Kingdom be treated together as one: the Union. Members will hear me bash on about that throughout my time here. I thank all of those who have been involved with setting up the covenant, with the reports and with all the work, benefits and flexibilities in the covenant to help everyone. I also thank the armed forces, and I always will. We saw all those members of the armed forces who had to work all the way through Christmas to help people with the flooding.

As a Northern Irish MP, I will be highlighting some of the difficulties and problems we have in Northern Ireland, especially the difficulty our Executive have had, due to the way they are set up, in not being able to choose to be represented on the covenant reference group. From that, the Executive are therefore finding it impossible to spend the £10 million that is available. We need a better system—I will get into that in more detail.

In the report, and in listening to the previous speaker, the hon. Member for Berwick-upon-Tweed, it is fascinating to hear about all the good things that are in place and about how we can help each other. Reading the report, I thought that the Welsh seem to be leading in many areas, with many great ideas, although that is probably a little unfair on the English and the Scottish. There are so many good ideas, and we should embrace them all and make them work. I particularly like the fact that Wales has champions for veterans and armed forces personnel on every health board and every NHS trust, and that the Welsh Government are fully involved with the strategic development of the veterans’ hearing fund—I cannot speak, let alone hear.

We have the legacy of the troubles in Northern Ireland, as everyone knows, and with that comes many difficulties and problems, particularly with health. There are also legal problems, including on hearing. Veterans often suffer from having to come to this side of the water to deal with their cases, which they are not being allowed to deal with in Northern Ireland. In a few cases, veterans have found that because they served somewhere else in addition to Northern Ireland—even if they did just two or three months—their cases are being rejected because Northern Ireland has been treated differently. We need to find a way of accepting all armed forces veterans from the past, from the troubles all the way through, and treating everybody the same.

Gavin Robinson (Belfast East) (DUP): I have a constituent in Northern Ireland who is a former lance corporal in the Royal Electrical and Mechanical Engineers—I hope the Minister can hear this story—who served in Iraq and Kosovo. He has been to Hollybush and is 40% disabled today. He was advised to apply for retrospective medical discharge two years ago and has yet to hear a response. Does the hon. Gentleman agree that if the covenant operated fully in Northern Ireland, that outcome might be slightly different?

Danny Kinahan: I agree entirely. That is just one example, and I and many others have plenty more examples of where the system does not work especially well. We need a slicker, faster system that works. I will go into that a little later.

Returning to the good things that Wales is doing, particularly on mental health, veterans there can access Veterans NHS Wales services and can refer themselves, if they think they have post-traumatic stress disorder, via the Royal British Legion, SSAFA or the Veterans Welfare Service. It is really hard in Northern Ireland for people with PTSD to be taken seriously and treated. They have to go across the water. It is paid for so they can get that help, but at the moment there is no easy way of referring people. Looking back at our system and our troubles, it is not just about Afghanistan or Iraq; it goes right back to the late 1960s and early 1970s. We have many people with mental difficulties to help. In those days, PTSD was hidden away. We need to ensure that Northern Ireland has a much better system that focuses less on coming here.

I went to a very good briefing four years ago with a brigadier who showed us a great, slick organisation for dealing with everyone—ex-Ulster Defence Regiment and ex-police—and helping them, but what was happening in my office showed that they were not able to get there. The right people were there, and there were lots of people doing great work, but people were being let down. I will give one example.

I was called by a family who said that their dad was suffering from ill health. He was in a psychiatric hospital and was threatening to commit suicide, but the hospital
kept saying that he was fine and sending him home. Home could not cope, so he went back into hospital and was there for two or three weeks. I went to see him once. When we got to telling war stories and chatting, he lightened up; it was fun. His wife said to me that that was the first time in four or five years that she had seen him relax.

I went away and carried on with the other work that we were doing, and he went back to normal. The long and short of it was that he kept being sent home, despite my efforts to get the hospital to keep him there and look after him. One day he put on his waders, walked into the local reservoir and killed himself. We had all the signals, but we would not recognise them, and we let that family down. That is just one example.

I note all the great things that Scotland is doing. Focusing on education, Scotland has systems in place—I mention this for good reason—to ensure that local authorities know when a child is from a service family. In Northern Ireland, that would be very difficult. There is still a security situation. It is not in newspapers here all the time, but for us, things haven’t gone away, you know—if I may use that awful phrase. There are still troubles and security issues. Military hospitals in Great Britain, for example, will not send information across to Northern Ireland. I will give two examples of the consequences.

A military spouse had been receiving long-term treatment for Crohn’s disease in Northallerton in North Yorkshire. She was registered as a military wife. When her husband was discharged they moved back to Northern Ireland, but because the military wing of the Northallerton hospital would not forward her records, the treatment was not continued, resulting in long-term damage and, finally, major surgery. Also, some drugs that she was given in Great Britain were not funded in Northern Ireland.

In another example, someone registered for a course at Ulster University and was dismayed when he had to submit a credit note with all his military details to the university finance department, which then lost it. It was eventually found, but of course he had lost confidence, as so many other people have. We need to find a new system. People in Northern Ireland will not use the armed forces loyalty card, because it shows that they are in the armed forces. I could give more examples of the security reasons why people do not feel able to use it. We need to find a better way.

The Irish, as hon. Members will know, like fighting. I always smile when I think of learning in Roman history during my schooldays that Agricola, having just taken England, looked to Ireland but was advised, “They like fighting among themselves too much,” so the Romans never came to Ireland. Maybe things would have changed if they had, but hon. Members will all know that we have a long record of being part of the services. Between 2008 and 2011, more than 20% of those deployed on the ground were from Northern Ireland, which has 3% of the UK population. Just under 7% of reservists are from Northern Ireland. More importantly, we have the best recruiting in the whole United Kingdom. We are honoured to be part of the forces, but on the other side of things, some 65,000 Northern Irish served during the troubles. We experience it on a different scale, and it goes back a long way.

I am not sure how much we are meant to declare as an interest in this debate, but I will have a military pension, albeit a small one, so I had better declare that. I was a Household Cavalry officer, and I served in the Black Watch in 1983 in west Belfast, where my family had had a business for 100 years. Two or three years later, I was squadron leader of the North Irish Horse. My reason for saying so is that I am now an honorary colonel, so I am still involved. I thought that I had better declare my interests; I am still very much and very proudly involved with the North Irish Horse, and I am part of the Scottish and Northern Irish Yeomanry, which has a terrific history. I look forward to seeing it thrive, as we are recruiting well. Hon. Members will know that the reserves are the backbone of the armed forces, especially at the moment.

I referred in my maiden speech to the Union Brigade at Waterloo. It would have been good to see the Irish, the Scottish and the English all charging together as part of that brigade. Today, 100 years after the Somme, we should remember that not just the Northern Irish but every part of the United Kingdom gave lives there. Next year we will commemorate the battle of Messines, in which the Irish and the Ulster divisions fought together. We have a long history.

To return to the difficulties in Northern Ireland, as I said, the Executive have chosen not to be part of the covenant reference group, which makes it difficult to spend the £10 million fund. We still have a security situation, as I mentioned, in which one side of our politics, the nationalist side, will not recognise our armed services, and many will still not wear the poppy. I long for things to move on and for people to remember, but some still see us as imperialist and cannot get beyond that, despite my efforts to point out the great work done in Sierra Leone, and by the Navy with refugees in the Mediterranean and against pirates off the coast of Africa. I am very proud of our armed services. We must ensure that the covenant works for everyone well into the future.

This is an example of how we have not moved on in some respects: I was shocked to find, after the debate in which I proudly voted for action in Syria, a tweet from one of the Sinn Féin Members of Parliament saying, “There we go; typical British Army, carrying on murdering civilians,” or words to that effect. That was from someone that I had personally helped while in the Assembly. I am proud to say that I would still help them, but we in Northern Ireland need to find a way to move on. I call on the nationalists and those of similar thinking to move into the democratic world and accept everything that has gone on. Let us make things work. That is what will move us on. The covenant working in Northern Ireland will allow us all to deal with matters.

Mrs Moon: I feel that the hon. Gentleman is bringing his comments to a conclusion. Before he does so, on behalf of Welsh MPs and the Welsh Assembly, I thank him for his kind comments about the work that we are trying to do in Wales. His speech has been moving. I hope that his words about the fact that we are a United Kingdom, and that our armed forces and our commitment to their service must unite us all, are heard.

Danny Kinahan: I am grateful to the hon. Lady for those comments. We must all keep working together to make things happen. My main point is that I want the same treatment for all the armed services and veterans.
[Danny Kinahan]

It is difficult that in Northern Ireland we have had to spend our lives ensuring that our veterans are at no disadvantage. I want to celebrate them, not just consider how we can ensure no disadvantage. Yes, I realise that politics is involved, but these are people who have fought and heroes who have worked hard and given their blood while their families have had rotten times at home. Let us all work together to support everyone. I really want to see Westminster helping us to put things in place if we do not move on, otherwise we are stuck.

Members here may not know that our councils in Northern Ireland do not have the power or responsibilities in education, health and housing that exist up at Stormont, where of course we have this enforced, and at times dysfunctional, coalition. That is why it does not work—because we need both sides going there—which is why I want to see Westminster not just sitting back, but making it work. We need the Ministry of Defence and certain elements of the armed services on this side not to fall foul of Northern Ireland politics, but to make things happen. We need them to stop pussyfooting around and saying, “We can’t do that, because Sina Fein are likely to say no,” or, “You can’t do that, because they may say no.” We need to look here at all the things that the covenant is trying to do, put legislation in place and make it happen.

I praise the reserve forces in Northern Ireland for what they are trying to do, because they have the long-term influence in Northern Ireland—by talking to the companies and to the people on the ground for the reserves. They are often used as the ones who understand the politics a little bit more—and, of course, they fall foul of it at times; nevertheless, they work phenomenally hard trying to make it work.

I also praise one or two Unionist colleagues. If a Unionist Minister has a portfolio, they can at least do some things that are not the decisions of the Executive. For example, our Health Minister in the past, Michael McGimpsey, was able to put in a health protocol to be followed. However, if we cannot get hold of that ministry, we may never be able to change things, and that is why we need help from this place.

I certainly want to praise one of our Members of the Assembly—Andy Allen, who is a new Assemblyman for us there. He lost both legs below the knee in Afghanistan and he has lost 80% of his eyesight, but he is there in the Assembly, doing his best. He found it phenomenally difficult when he came back to get things working, so he set up his own investment charity, with others, to provide support for veterans and their families in Northern Ireland. He should not have had to do that, but he had to; he had to pull it all together.

I also want to praise Doug Beattie, our councillor, who has a Military Cross, for his work in getting covenant champions in each of the councils. The councils may not have the responsibility, but Doug and others saw that if there was a champion in each council area, they could at least feed through relevant matters to the powers that be. So far, we have five councils out of 11 that have put forward a champion. There is a long way to go and there will be some there that will probably never do it, unless we move on.

I also want to praise the right hon. Member for Broxtowe (Anna Soubry), who came over before the last election and met with the Democratic Unionists, with ourselves, to discuss these matters. We went through them, and she at the time said, “Look, come direct to me if there are difficulties.” Then elections have happened and we have had a change, but I would like to see the same thing happening. If it is not working in Northern Ireland, can we please come through to a central point here to make things work?

Gavin Robinson: I was waiting to see if the hon. Gentleman was going to praise any Democratic Unionists in his list; I am sure he was getting there.

Danny Kinahan: No. [Laughter.]

Gavin Robinson: I am also sure that the hon. Gentleman will agree that Brenda Hale, the widow of Captain Mark Hale, should be praised.

Danny Kinahan: Absolutely.

Gavin Robinson: However, one of the biggest precluding factors is section 75 in the Northern Ireland Act 1998, which arose from the Belfast agreement and which does not allow us to discriminate positively or negatively, including positively for servicemen. Government assistance in removing that legislative impediment to operating the covenant would be most useful.

Danny Kinahan: We are aware of the DUP wish to go down the section 75 route. We are not sure we agree with that system. We are not keen to have the armed forces seen as a minority or dealt with in that way. There is much more that we need to work our way through, although I certainly praise Brenda Hale. She has been magnificent in coming into the Assembly, having lost her husband, and working through on armed forces issues. She has been extremely good.

Dr Andrew Murrison (South West Wiltshire) (Con): Can the hon. Gentleman also bring himself to acknowledge the change—a subtle change, but a change nevertheless—of attitude within the nationalist tradition within Northern Ireland? That change certainly struck me when I was a Northern Ireland Minister. It is difficult for many, but it is definitely there in terms of attitude towards the armed forces and, interestingly, in connection with the centenary to which he has referred, whereby for the first time there are members of the nationalist community who are prepared to talk about relatives who served during the great war.

Danny Kinahan: I thank the hon. Gentleman very much; I am very glad he has raised that matter. There have been huge changes in my time at home and we have seen many people from the nationalist side come on board—that is why I said “some” earlier, but sadly that “some” on the other side are the ones who drive everything against us. I remember going down to Dublin and being told to take my poppy off. That was a long time ago, but we have seen the visits of the Queen and the Duke. So much is changing in Ireland—Northern Ireland is getting there. There are some quite fantastic people leading in what they are doing, and from the nationalist community as well.

If I can talk about prisons, I know that in Northern Ireland we also have a high percentage of veterans in our prisons. I met Care after Combat a few months ago.
It is not involved in Northern Ireland, but I look forward to seeing it work there, because we need a great deal of help. We also need to help all the other veterans’ groups. Sometimes it is that we have too many veterans’ groups, but that is not their fault; it is because so many people are seeing that things not working for them. We need to find a better way of pulling all the veterans’ groups together and making sure that they are actually helped.

Hon. Members will have had enough from me today, but what I really want to see is Westminster and this side of the water helping to ensure things are put in place. If I can go back to my comment earlier, we must stop pussyfooting around, use common sense and make things work for our veterans.

2.26 pm

Mr James Gray (North Wiltshire) (Con): May I first of all pay tribute to the hon. Gentleman for Fermanagh and South Tyrone—?

Danny Kinahan: South Antrim.

Mr Gray: I beg the hon. Gentleman’s pardon. If I may say so, Mr Hanson, I wish that the screens in Westminster Hall better indicated who is speaking here and what the topic is here, rather than who is speaking in the main Chamber. Currently it is rather hard sometimes to follow the debate here. That is a point that is perhaps worth making.

I apologise to the hon. Gentleman. I particularly respect what he has had to say because standing up for the armed forces or serving the armed forces in Northern Ireland is a significantly more difficult thing to do than for those of us who are in areas such as mine in Wiltshire, where almost the most natural and easy thing to do in the world is to stand up for the armed forces. To do so in Northern Ireland, in the way that he has described, is particularly difficult, so I pay particular tribute to him and the points that he made, and I know that the Minister and the Government will listen very carefully to them.

I also pay tribute to my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) and her two male colleagues—my hon. Friends the Members for Tonbridge and Malling (Tom Tugendhat) and for Plymouth, Moor View (Johnny Mercer)—for having the initiative to call for this outstandingly good and useful debate. As she said, it is very important that we discuss the armed forces covenant. We should be doing so on an annual basis and I was astonished to discover—perhaps it is my fault and I should have called for such a debate myself—that we have not done so after the previous three annual reports on the covenant. So I respect and pay tribute to the way that she has done that, and very much hope that this example will be followed in future years. We could actually debate every year what progress has been made in the implementation of the covenant.

I should first of all say that the covenant itself is an outstandingly useful and worthwhile document, and I pay tribute to the then Labour Government, which first created such a document. They did not write it into law, but it was their idea to write down a contract that had been in existence for many centuries—that invisible contract between society and our armed forces. It was the Labour Government that said, “This time, we ought to codify, write down and make it plain, create a metric of it”. It was then a Conservative Government that wrote the observance of the covenant into law. It again was a very worthwhile thing to do, and the annual reports that we are now producing are extremely good.

No one in the debate today—indeed, no one in the Palace of Westminster and probably nobody in Britain—would disagree with the fundamental principle behind the covenant, namely that we ask our armed service people to do things that we ourselves would under no circumstances consider doing, and that in return for that we provide support for them. That is support of every kind. I will come back in a moment to talk about veterans and support for people who have suffered as a result of their service in the armed forces, but that support is not the purpose behind the covenant.

The covenant is about supporting people in our armed services every day of their lives, and their families. There are about 200,000 people who currently serve in our armed forces and do a brilliant job of doing it. There are also their families. If we take 200,000 people and consider regular turnover, probably a million people, or something of that sort, in Britain today have served in the last 20 years. Add their families to that number and we are talking about 2 million, 3 million or 5 million people who are being affected by service in the forces. The purpose behind the covenant is to ensure that they are not disadvantaged as a result of that service. It is about enabling them to go off to places around the world, to serve in the way that they do—they do so superbly well—and to ensure that their families are given education, housing, medical support and all the other things that they deserve. Those are things that they must have as service families.

I pay tribute to the variety of charities that do those things so extremely well. I am proud to be a patron of Recruit for Spouses, which provides jobs for the spouses of armed service personnel. I am also a patron of Mutual Support, which looks after service people with multiple sclerosis, as the initials indicate. A whole host of other similar charities of one sort or another do all sorts of things to help the families of our armed services.

Kirsten Oswald (East Renfrewshire) (SNP): I echo the hon. Gentleman’s sentiments and comments on the charities that do so much good work. Would he join me in sending the wonderful volunteers at HorseBack UK all our best wishes as they try to deal with the flooding affecting their premises in Aberdeen?

Mr James Gray: I was not aware of the particular circumstances that the hon. Lady mentions, but if that is occurring in west Aberdeenshire—I know the area extremely well—I of course wish them well in their work, and I hope that they successfully rehabilitate their premises.

An enormous number of military charities across the board are doing all sorts of good work for people who are serving, for their families and for veterans. I am glad that they do that work. I am proud to be wearing the SSAFA tie this afternoon. Such organisations, which include the Royal British Legion and Help for Heroes—we spoke about them earlier—are outstandingly good charities doing outstandingly good work for our armed services.
One or two of the speeches this afternoon have focused on those who are disadvantaged because of their service in the armed forces, but that seems to misunderstand slightly the nature of the covenant. Of course it is right that people who have been injured in warfare, whether physically or mentally, should be looked after properly. Of course it is right that when people have come back and have all sorts of difficulties—whether they find themselves in prison or have problems with drugs or drink or other issues—we should look after them properly. That, however, is a very small part of the covenant.

The covenant is a broad document that concerns every aspect of the armed forces and every aspect of how we look after those who we ask to do jobs that we ourselves would not do. It is right that on such an occasion as this we should celebrate the triumph of the magnificent armed forces, their fantastic work and how we in this place are duty-bound to look after them and say, “Thank you very much” for what they do.

The covenant usefully covers what happens during a person’s active service. In North Wiltshire we have a huge military presence, and a great many cases come to my notice, including bullying in the armed forces, failure to be promoted and all sorts of other things that might go wrong in a serviceman’s career. The covenant says that we must look after our armed servicemen and what they are doing on the ground. We must encourage them in their careers and help and support them. They have a difficult job to do. Often they are away from their families and are asked to do all kinds of things that we would not normally do ourselves. Their career path must be encouraged and supported by what we do, and the covenant must take account of that.

I will focus on one particular aspect this afternoon in my brief contribution. I must be careful about my language, but it is what the press have called “ambulance-chasing lawyers”. That issue does not really appear in the armed forces covenant, but perhaps it should. Lawyers have been trawling around Iraq in particular, finding people who allege some form of abuse by our armed forces in Iraq 10 or 15 years ago. That has been highlighted in particular with the lawyers, Leigh Day, which behaved very badly in the al-Sweady inquiry, wasting £31 million of public money in pursuing a case that should not have been pursued in the first place. A whole variety of other lawyers are doing similar work in Iraq today.

We must be very aware of that issue because it does not only affect our veterans. It must be terribly worrying for large numbers of our veterans from Iraq and Afghanistan when they did things perfectly correctly under orders and behaved naturally, but some lawyers for their own financial reasons are seeking to investigate what they did. That must also have an effect on the operational capabilities of our forces today. Any soldier doing something might have to think, “What would happen if I got this wrong? What would happen if I breach some rule? What will happen if, in 10 or 15 years’ time, the law changes and the law comes back and haunts me and seeks to arrest me or prosecute me for something that I should have perfectly happily been doing under the law?”

I pay tribute to my hon. Friend the Member for Tonbridge and Malling, who wrote a magnificent paper about “lawfare” called “The Fog of Law”. He wrote it with Laura Croft, if I remember rightly. That fine paper lays out precisely how the law might interfere with operational effectiveness on the ground, and we have seen that issue become a great deal worse in recent years.

I would not want what has been a consensual, pleasant and important debate to become party political in any shape, size or form—it would be quite wrong if it did—but it is none the less worth noting that the Shadow Secretary of State for Defence, the hon. Member for Islington South and Finsbury (Emily Thornberry), who was appointed just yesterday, is in receipt of £45,000 of cash from this particular bunch of lawyers. It is she who, among other things, described that firm as a “great firm”. Our armed servicemen, who are worried about whether they will be picked up by that “great firm”, might be worried by her attitude.

Mr David Hanson (in the Chair): Order. If I may offer some gentle guidance, the points that the hon. Gentleman is making are perfectly within order, but the subject of the debate is the military covenant, and I hope he will reflect on that when making his remarks.

Mr Gray: You make an extremely good point, Mr Hanson. If I were in your place, which I often am, it is a point I would be making myself to speakers of my kind. None the less, it is worth reflecting on the fact that people serving around the world are taking difficult and often instant decisions. If there is a flicker in the jungle, they may fire at it. Was that the right thing to have done? The difficulty with these cases is that servicemen do not know whether someone will come looking for them in 10 or 15 years’ time, saying, “You should not have done that. You are arrested.” There are a number of particularly high-profile cases at the moment. We took part in a debate in the Chamber not so long ago on Marine A.

The simple point I make is that our contract with our armed forces asks them to do things that we would not. Part of that contract must give them the freedom, the rights and the ability to carry out things—to close with the Queen’s enemy and kill them if necessary; they do not want to do that, but if they have to do that, they have to do that—without excessive intervention by the law courts, whether domestically or even in the International Criminal Court. One thing that we might consider writing into the covenant is some approach to the whole question of “lawfare”, as my hon. Friend the Member for Tonbridge and Malling described it.

Leaving that to one side, the document is superb. I am pleased that the annual report that we produced recently demonstrates further work and further advances in a whole variety of areas. That is good. The covenant is incredibly important and I am glad that we are reviewing it every year. I hope very much that there will be debates in this Chamber in years to come, and that in those debates we will be able to record for posterity that every year we are giving our armed services greater respect and looking after them and their families in an ever better way.

2.38 pm

Tom Tugendhat (Tonbridge and Malling) (Con): I am grateful to serve under your chairmanship today, Mr Hanson. I pay tribute to my hon. Friend the Member for North Wiltshire (Mr Gray) for his kind words on my
paper, “The Fog of Law”, which was published a couple of years ago. That paper is only more relevant, sadly, given that various trials—we warned of them several years ago—are coming to fruition. Young men who took decisions on our behalf are being unfairly pressured into answering for actions that were fundamentally of the Government and therefore of this House, rather than their own. When considering the covenant, it is important that we consider the individuals—they are carrying out requests not on their behalf, but on ours.

I should immediately declare an interest, as I am still serving in Her Majesty’s armed forces as a reserve officer. I have many friends who continue to serve in uniform, and I am proud to say that they do. The points I was going to make on the military covenant have already been made, so I will limit my comments a little more than others may have needed to.

The fundamental point of the covenant is that it is not just something that we give to those in the armed forces: the possibly 1 to 4 million people that my hon. Friend the Member for North Wiltshire referred to; it is actually how we ensure our own future. All relationships and human interactions are fundamentally reciprocal. In the give and take of the armed forces covenant is the extension of the commitment we make to our troops. It is the extension of buying a proper uniform, of making sure the troops are properly armed, trained, paid and motivated. Part of that is the covenant. If we get that wrong, we not only fail to look after those who served us with great honour and courage, but we weaken ourselves, because we discourage the best and the brightest of every generation who have served with great fortitude in our armed forces. Indeed, everyone from the grandson of the monarch to the grandson of anybody else has served in our armed forces.

We discourage people from serving, and in doing so we weaken ourselves. I therefore argue that the military covenant is not an act of generosity or normalisation, but of self-defence. We must look at it very clearly as such, because self-interest in this area is sometimes the way to get the best result out of the Exchequer. The Chancellor has already been generous, as my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) identified, but it is important that we do not see the stories, which we occasionally see, about servicemen having to sell homes to fund the purchase of prosthetic limbs, and it is important that other veterans are not forced out of the family home in search of medical help. We need to make sure that such duties are taken on by society, not only because it is the right, moral and human interactions are fundamentally reciprocal. In the give and take of the armed forces covenant is the extension of the commitment we make to our troops. It is the extension of buying a proper uniform, of making sure the troops are properly armed, trained, paid and motivated. Part of that is the covenant. If we get that wrong, we not only fail to look after those who served us with great honour and courage, but we weaken ourselves, because we discourage the best and the brightest of every generation who have served with great fortitude in our armed forces. Indeed, everyone from the grandson of the monarch to the grandson of anybody else has served in our armed forces.

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I look forward very much to our covenant coming to fruition and the reports building one upon another, so that we get to a state where what we are really arguing about is tweaks and turns and not substance, because, as we build up that covenant, we build up our own defence. That covenant is not only about the individuals, but about the families. When I speak to serving members of the armed forces today, I know that part of that covenant is also about the way in which we treat the serving families. I am particularly struck time and again when people—my friends in the armed forces—talk to me about things such as continuity of education. Some people have seen it as a luxury; some have said it is a way to support various families to continue a form of education that has long gone from most people in society. It is not. It is a way of ensuring that families who move around—men and women who serve overseas at the drop of a hat, who leave home and family and go away—can continue to ensure that their children are properly cared for; that they enjoy the opportunities that they rightly deserve; and that, where the family is staying at home in one location, they enjoy it.

How do I know that? If we look at any large employer or any of the large multinationals that regularly move people and take staff and say, “You were a director of X in London; you are now a director of Y in Paris, New York or Nigeria,” one of the essential parts of the package of employment is always education. No father or mother will accept to impoverish their children’s future. It is wrong that we should ask serving members of today’s armed forces to do that, which is why I strongly support the continuity of education allowance. It is essential not only in terms of recruiting and maintaining the quality of personnel—officers and other ranks; many apply for it—but to guarantee the commitment to maintain that we have the best and the brightest for the future. It would be wrong to ask the police to storm a building knowing that they would take casualties of 5% or 10%, and yet we asked young men to do that on the beaches of Normandy. It would be wrong to ask the police to go into a riot situation knowing that five or 10 of them would probably be killed, but that is exactly what we did at Mount Tumbledown in the Falkland Islands. We do it again and again, because what we ask servicemen to do is not the job of a civilian. It is not the job of a policeman, a doctor or a fireman; it is something more than that. We literally ask them to put their lives on the line.

The deal is up to death, and that deal makes the covenant different, but it also means that the legal protection that is required to enable soldiers to act and to operate is also different. They must have the right to act. They must have the ability to act in a sensible and reasonable way. This does not mean that they must have the right to break the law; they do not and should not. This does not mean that the Geneva convention is irrelevant; it is not and it should not be. This does not mean that they should be allowed to commit murder, rape, looting or anything else. They are not and should not.

What it does mean is this: soldiers take split-second decisions—hard decisions—that young men and women were taking every day when I was in Afghanistan and Iraq. The 18 and 21-year-olds—junior commanders;
sometimes more senior—were taking split-second decisions and then, 10 years later, in the cool of the courtroom, were being asked to justify to people who had never walked on to a beach without getting into a sweat how they could have made such a decision, evaluated the situation they saw before them, and taken a call. What was actually happening was that the serviceman or woman in question was being asked to justify the decisions of this House that sent them there, and that is wrong. That is why it is right that the appropriate law, as my hon. Friend the Member for North Wiltshire put it, is the law that should apply, and not the European Court of Human Rights. In this case I have argued against various articles, in the paper “The Fog of Law”.

There is another point I want to make about the covenant: it must apply as widely as we can make it. Many have served our armed forces with huge honour and distinction around the world, and I include the enormously courageous interpreters I served with in Afghanistan. I include the Iraqis who sadly lost their lives serving next to us, but in the Queen’s uniform—they were dressed as we were—as interpreters. We owe them a duty of care, too. This covenant does not cover them—I understand that—but the generosity of Her Majesty’s armed forces and Her Majesty’s Government must include them. Only by doing so will we ensure that we get the best people to serve alongside us in our time of need. Those interpreters were not extras. They were not a luxury. They were not an add-on to our fighting capability; they were integral to it. Only by getting that right will we maintain the fundamental combat power that the British armed forces deploy on operations. It is absolutely right that we extend the covenant rights, as much as is possible and is reasonable, to those who have served alongside us.

Mr Gray: I absolutely agree with my hon. Friend about the interpreters, and we are making some steps in the right direction there, but there are of course large numbers of other contractors of one sort or another, who in many cases serve right up at the frontline. To a greater or lesser degree they, too, should be covered by the terms of the military covenant.

Tom Tugendhat: My hon. Friend is absolutely right and I agree entirely with what he just said.

I want to bring in one other aspect: the fact that many, many young men and women from various other countries have served in Her Majesty’s uniform. Our recruitment system is blessed in having young men and women from all over the world who want to come and serve in our armed forces. My information may be out of date, but when I joined the armed forces, more men and women from the Republic of Ireland were serving in the British Army than were in the Republic’s army. Those young men and women, who serve in the Queen’s uniform, deserve as much protection as we can give them. Ireland is an independent state, and quite rightly so, but it is absolutely right that Her Majesty’s Government should recognise their service and, where appropriate, offer the same support through the covenant that British servicemen would enjoy anywhere else. The same is true of Nigeria, Nepal or South Africa. Young men and women have come from those countries, sometimes in great numbers, and served alongside us. I urge the Minister to look very closely at how, through the Foreign Office and the Department for International Development, Her Majesty’s Government can support communities that have sent young men and women to fight alongside ours.

Finally, I should say that the covenant is not always essential, because some of us have benefited disproportionately from our armed service. I have benefited massively from the camaraderie. I have benefited hugely from the education and the training. I have benefited completely from the moral ethos and the integrity that has, quite rightly, been rammed into us all. Military service is not a disadvantage. It is not a handicap. It is in no way something that should hold one back. It does not. In the vast majority of cases, military service empowers, enables and liberates people. It takes young men and women, often those who have been failed by the civilian services in our society, and gives them the leg up that they always needed, and a sense of discipline and purpose. The covenant is not a negative. It is not always about correcting a fault. It is about recognising where we can do that little bit more.

2.53 pm

Johnny Mercer (Plymouth, Moor View) (Con): I am grateful to my hon. Friend. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) for the opportunity to speak in this debate. There can be no doubt about the growth in relevance of the armed forces covenant at this crucial time at the end of conventional combat operations in Iraq and Afghanistan. We have been at war in the public eye for some time. It is now critical that we get things right and put veterans’ care on a sustainable footing, thereby ensuring that they receive the very best levels of care, as is our duty.

Over Christmas, I read the Ministry of Defence report into the armed forces covenant and was heartened by much of what I read. Nevertheless, it would be disingenuous of me not to report what I have seen and felt, not only in Plymouth but throughout the country, which is in some cases a little different from what is in the report. The covenant’s core principle is that no one should be disadvantaged as a result of service. However, the truth is that servicemen and women are finding that the support they have come to rely on in the military falls away when they become veterans. There is, if one likes, a support cliff, of which there is clear evidence. One example of many is the Chavasse report by Professor Tim Briggs, which focuses on the unique needs of those with complex musculoskeletal injuries who are being discharged by the MOD or the Defence Medical Services into an NHS system that cannot entirely address their needs.

We have heard a lot of examples today, which I do not wish to repeat. My comments on the military covenant will be more holistic and strategic. Nevertheless, it is worth mentioning a story that came out in the summer, when we were in recess. Clive Smith, who served in Afghanistan, found himself having to remortgage his house so that he could walk again. While he was serving in the military, his prosthetics care gave him four years of freedom, but when he left he found himself falling directly off the support cliff. Fed up with feeling disadvantaged, Clive reacted in the traditional Army fashion by finding the solution in a trip to Australia for
controversial treatment to directly fix sockets to his upper legs—so-called osseointegration. LIBOR funding has just been approved for limited trials of the procedure to start in the United Kingdom, but Clive is fed up and his faith in the system has been lost. That he should feel that way after sacrificing so much for our nation is simply unacceptable. If the covenant is working, we need to ask why that is happening.

There are plenty of examples like that, but, as I said, I want to keep my comments brief and offer a more strategic and holistic view of the military covenant across the service community. I will be as brief as I can in trying to highlight a couple of key issues that need attention.

Mrs Moon: I hope the hon. Gentleman will join me in asking the Minister to look in particular at continence support and care. Those who have high lower-limb blast damage often suffer continence problems. I wonder whether that can be looked at.

Johnny Mercer: As I say, the issue is covered in the report, but I want to focus on broadbrush, strategic views of the military covenant across the service community—not only my own views, but those of a plethora of friends who remain in post. I will be as brief as I can as I try to highlight a couple of key areas.

There is a key problem with the corporate covenant in our large companies, and this was identified in the report, which is great. There is an appetite among our chief executives and business leaders—I have seen this—to support Government efforts to implement the corporate covenant. It is really important that we have that big interface between our servicemen and women and these bigger companies—where it really matters, so that veterans receive the benefits associated with the military covenant, is, unfortunately, another matter entirely.

As I say, the issue is covered in the report, but I want to add to what the report says, not just repeat it. I want to do that because this issue was raised 12 months ago, but, unfortunately, little change can be seen. The point is really important because if we make a big public show of signing up large companies to the covenant, but the effects are not felt in the armed forces and in the veterans’ community, that can increase the feeling of tokenism that can so often be associated, rightly or wrongly, with such schemes. I will touch on that briefly at the end of my comments.

Another key area that really matters to our servicemen and women and to our veterans’ community is financial disadvantage. That is the subject of an ongoing project in the MOD, but it cannot be right that British Forces Post Office numbers are still not recognised by some companies, meaning that some service overseas personnel do not have three years of continuous residence, for example. That continues to cause them real and significant problems when they access certain financial products in this country.

On another financial issue, I noted with interest in the report the fact that some mobile phone companies are allowing soldiers to pause their contracts while they complete service overseas. I would suggest that that is a very modest step, and not really one to hang our hat on, because I was able to do that as far back as 2007. It is important that we recognise the small steps, but they must be set in perspective, given the challenge of ensuring that we meet the Prime Minister’s commitment to people facing “no disadvantage” due to their military service.

For me, that strikes at the very heart of the challenge of implementing the military covenant. Reading the report, there is no doubt that significant progress has been made. However, while some soldiers are required to look abroad for care and to fund their recovery personally, while some still struggle to access the myriad brilliant veterans’ service providers in the third sector, and while it is only in the last 12 months that we have begun to see a slightly better transition of medical records from the military to civilian GPs, the Government must see this report in context, and set it against the increasing demand and the narrowing timeframe, if they are to get this subject right.

There is no doubt that the military covenant has been a step forward on the part of the Government in how we look after our servicemen and women, and I welcome that. However, it remains without teeth and without enforcement, and we expect servicemen and women and veterans to enforce the spirit and will of it themselves, so it is, unfortunately, felt in some areas of the country to be empty promises.

We are at a critical juncture in how we look after our servicemen and women and our veterans’ community. Some have long spoken of the need to get this issue right, and many of us will remain forever indebted to those noble individuals who have stepped up and delivered veterans’ care in the charity sector simply because that needed to be done. However, if we are to put veterans’ care on a sustainable basis, now is the time to deliver. In five years, it will be too late; the problem will be too large, and the recent conflicts will be forgotten.

How we look after our servicemen and women and their families is a mark of how professional we see them as and how seriously we take our military in these globally unsettling times. Looking after those who have been prepared to sacrifice so much is a crucial and full part of combat operations; indeed, it is of equal importance to the other parts.

When it comes to finance, the Prime Minister and the Chancellor have channelled millions into the sector. We owe it to them and to the country to make sure that the existing finance is sweated accordingly. I understand that we live in times of financial restraint, and that is a
common objection to reform. I take this opportunity to remind the Government, however, that if we can afford to conduct operations abroad, we can afford to look after our people when they return; if we cannot afford to look after those who do our bidding, we must not send them. This is that important.

Next Tuesday, I will be reacting to an important study by King’s College London into the scale of the problem we face in meeting our veterans’ needs. On the back of that, I will release a report I have written in partnership with others calling for the total reform of the way we look after veterans’ care. Such reform is necessary if we are successfully to meet their needs, as is our duty.

The aims of that reform are bold but simple. It seeks to eradicate gaps in the veterans’ care system. It seeks no fear or favour from any of our brilliant charity sector service providers or, indeed, the Government, who have done more than any before them to get this right. It is simply an objective attempt to reconfigure services around the user and to ensure that the Government play their part in delivering what is a function of operations—looking after those who serve.

The Government’s report is encouraging, and it makes wide reference to what is going into the arena of military support, but, critically, it fails to provide any meaningful statistical reference to the single most important measure of success: what our military community actually got out of this. No one seems to be tracking that against a measurable action and that that makes a difference.

I conclude by asking the Government to pay close attention to the report that King’s College London will release on Tuesday. It would be a good idea to work out how many men and women, along with their families, got the fair second chance Theodore Roosevelt referred to when he said:

“A man who is good enough to shed his blood for his country is good enough to be given a square deal afterwards.”

I thank my hon. Friend the Member for Berwick-upon-Tweed for her initiative on moving things forward.

Mr Graham Brady (in the Chair): We now move to the three Front-Bench winding-up speeches. The hon. Member for Berwick-upon-Tweed can make a brief reply at the end if she would like.

3.18 pm

Kirsten Oswald (East Renfrewshire) (SNP): It is a pleasure to serve under your chairmanship, Mr Brady.

As I rise to sum up for the Scottish National party, I am struck by the support on both sides of the Chamber for our armed forces and the work they do. As the hon. Member for North Wiltshire (Mr Gray) noted, we have a special obligation to members of our armed forces, including our reserve forces, and to those who have served. The armed forces covenant recognises that, which is very welcome, but we need to focus on making sure that we back up its fine sentiments with real, measurable action and that that makes a difference.

We need to make sure that the UK Government address concerns in a number of areas—for instance, welfare and pensions.

There have been many useful and thoughtful contributions this afternoon, and the tone hon. Members have adopted is notable. It is evident that, as a group, we wish to see a clear and consistent position—one where our armed forces and our veterans see continual improvements in the way they are dealt with, as they should under the armed forces covenant. It is possible to make positive changes, as those of us who have been campaigning for fair treatment for veterans with mesothelioma perceive from the Minister’s recent comments. However, it is an indictment of the antiquated procedures of this place that the armed forces covenant report, which is published annually—this is its fourth year—has never been debated in the House until now. I am sure that it would not be on the agenda if it were not for the creation of the all-party group on the armed forces covenant.

It is positive that the all-party group, of which I am pleased to be a member, has obtained the debate, through the Backbench Business Committee. I wholeheartedly commend the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan) on her initiative on moving things forward.

The hon. Member for Tonbridge and Malling (Tom Tugendhat) made a useful point about using the report as an opportunity on which to build year by year. There will always be more to do, but it is clear that the report endorses the pioneering work of the Scottish Government to support our armed forces personnel and veterans. That is a positive place from which to move forward and continue to strive for the best for those who serve. I am hopeful that, in the spirit of sharing good practice in all directions for positive ends, the UK Government will take into account the work being done in Scotland, which is pioneering. For instance, in Scotland, we have the UK’s first veterans commissioner, Eric Fraser. That is an important role, which allows us to develop our capacity in the key areas of concern to veterans.

The hon. Member for Plymouth, Moor View (Johnny Mercer) spoke passionately about veterans’ needs and interests, and I think that we need to consider that role thoroughly.

The Scottish, Welsh and Northern Irish Governments have contributed to the annual report and their co-operation is valuable, particularly at a time when, as the hon. Member for Berwick-upon-Tweed and for Plymouth, Moor View noted, our service personnel are engaged in so many challenging duties, and in increasingly complex modern warfare. The hon. Member for North Wiltshire rightly pointed out that the covenant deals with a huge range of aspects of military and veterans’ issues.

For example, we may usefully ask further questions about concerns that healthcare may not be keeping up to speed with mental health needs. What support is given to Royal Navy personnel currently operating in the Mediterranean who daily see young children and their parents drown in a desperate search for a safer life? That must be incredibly distressing, and it is our duty to consider the wellbeing of our forces as they go about that vital humanitarian task.

A further concern that I have expressed in this Chamber before is the level of knowledge and support provided to care for the mental wellbeing of those who are deployed as drone operators. IKV Pax Christi, a Dutch peace organisation, produced a paper discussing the
psychological impact on drone operators. It raised concern about “psychological numbing”. The authors note emotional and stress impacts on the operators “when they see and hear their friends come under fire or when they can see (often in detail) the effect of their own actions”.

It is a very challenging role that we ask those members of the forces to undertake, and it is our responsibility to assess the impact upon them of what they do and see, so that we can provide appropriate support.

It is a matter of concern that last year’s annual report on the military covenant included a commitment to the publication of a report on the causes of deaths among veterans of the Iraq and Afghanistan conflicts, but that that has been delayed because of “unforeseen resource issues” and is now due for publication later this year. I hope that the UK Government will not let that slide, because it is important in allowing us to establish and deliver specific support, which those veterans desperately need.

The most recent report revealed a steady increase in assessments for mental disorders from 1.8% of UK armed forces personnel in 2007-08 to 2.9% in 2014-15, so there is clearly an urgent need to assess the impact of modern warfare on our service personnel. In contributing to the report, the Royal British Legion also pointed out that there is a need for “investment in research on ‘what works’ in treating veterans with Gulf War illness”.

I entirely agree with the hon. Member for Solihull (Julian Knight), who commended the fantastic work of the charities that work with our armed forces and veterans. They certainly deserve our thanks and support, and we should look out for areas in which we can help them and make a difference.

The Scottish Government are working very hard to support our armed forces personnel and veterans, and to work with charities, for example through state-of-the-art healthcare facilities and programmes such as the Scottish care information gateway, where the installation of hardware to ensure that military health centres have access to the same system as any Scottish GP is now complete. Also, in partnership with NHS Scotland and Combat Stress, the Scottish Government recently renewed funding for the provision of specialist mental health services for veterans resident in Scotland at the Combat Stress facility, Hollybush House, in Ayr.

The hon. Member for Bridgend (Mrs Moon) raised the issue of prosthetics. Scotland provides a state-of-the-art national specialist prosthetics service. The unit is working well through a single multidisciplinary team approach across two specialist centres in Edinburgh and Glasgow, with links to all the other limb-fitting centres in the country.

I completely agree with the comments by the hon. Member for Yeovil (Marcus Fysh) about the vital importance of families and of the education of service personnel’s children. In Scotland we have made sure that education is at the heart of our support for armed forces personnel, including those who want to make the transition back to civilian life. We are providing support to forces families to allow them to do that. Clearly, Scotland’s overwhelming contribution to supporting education for service personnel families and veterans is their entitlement to free higher education and the fact that they benefit from our scrapping of tuition fees.

As the hon. Member for South Antrim (Danny Kinahan) noted, all 32 local authorities in Scotland now have a nominated education officer for armed forces families, and Education Scotland is working with the national transitions officer. They have produced learning resources to support those working with service children. Education Scotland also works closely with SkillForce in Scotland, a charity that draws on the skills of ex-forces personnel to inspire young people. It is also working with the combined cadet force, alongside schools, to deliver parts of the Curriculum for Excellence as part of the cadet experience programme. It is therefore important to consider Scotland’s wide development of education facilities for service personnel, and to include that in the UK Government’s forthcoming University of Winchester project report, which is aimed at improving the understanding of factors that affect the progress of children from service families.

The Scottish Government’s progressive attitude to housing—a topic that several hon. Members have mentioned—has benefited veterans. The SNP has scrapped Margaret Thatcher’s damaging right-to-buy policy, which was hampering the housing stock and restricting local authorities’ ability to provide social housing. If we had built at English rates since 2007 we would have 42,000 fewer homes than we do. The Housing (Scotland) Act 2014 issues guidance to encourage social landlords to give fair and sympathetic consideration to applicants leaving the armed forces, something that is important for families at that time of great change. The SNP Scottish Government have also allocated £80 million to their Open Market shared equity scheme in 2015-16, promoted to members of the armed forces, and they continue to work in partnership with the veterans charity the Scottish Veterans Garden City Association to build 38 homes across six local authority areas to support physically and psychologically impaired veterans.

Local authorities can be at the forefront of good practice. In my local area, Jane Duncan, the East Renfrewshire Council veterans’ champion, is, with her team, making a significant difference to people’s lives in practical ways. The hon. Member for Bridgend mentioned the importance of shared work, and she would be interested to know that that team works and shares practice across three local authorities, to very positive ends.

In September 2015, military service campaigners welcomed confirmation by the Scottish Government that changes are being introduced that will make fatal accident inquiries mandatory for cases involving service personnel. Coroners’ inquests are currently mandatory in England and Wales, but FAIs are at the discretion of the Lord Advocate in Scotland. Cases such as the recent fatal collision of two RAF Tornado jets above the Moray Firth, for instance, did not result in a fatal accident inquiry.

Additionally, the recent Armed Forces Bill has considered in depth the issue of sexual assault in relation to service personnel. A number of amendments were tabled to the Bill to improve the recording of those incidents and the structure of discipline arrangements. It is important for all concerned to increase efforts to deal with sexual assaults in the services.

In their contribution to the report on the armed forces covenant, the Confederation of Service Charities, the War Widows Association and Professor Sir Hew Strachan said:
We observed last year that there would be merit in formally reviewing the initiatives taken by the devolved administrations with a view to identifying best practice which might be embraced more widely across the UK.

That is important for future policy development. The report notes that, “the Armed Forces community should have the same access to benefits as any UK citizen”. Unfortunately, that means inequality just as it does for the rest of society suffering from the Chancellor’s iniquitous benefit cuts. Our armed forces and veterans deserve our support and respect. However, that respect is missing in the removal of commitment bonuses and accelerated incremental progression, which were important in encouraging retention and upskilling. Meanwhile, hundreds of millions of pounds in extra spending have been earmarked for the spiralling costs of Trident replacement.

It is encouraging, however, that following calls from my right hon. Friend the Member for Moray (Angus Robertson), the Prime Minister has vowed to examine pensions for armed forces widows. When he raised the issue at Prime Minister’s questions on 4 November at column 961, my right hon. Friend pointed out that many service widows continue to be deprived of their forces pensions if there is a change in their personal circumstances, and that that is a clear breach in the spirit of the military covenant. I hope that the Prime Minister will see fit to make progress on that.

In 2016 the UK Government are launching the new armed forces covenant brand. I think we would all agree that we support engagement with our communities in support of our service personnel and veterans, but to conclude on the note I started on, that cannot just be a matter of words. We need to back up our fine sentiments with real and continued progress. We rely on our service personnel to do the hardest and most dangerous jobs there are, and we must support them in that.

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Brady. Governments ask a lot of those who serve in our armed forces, so we need to ensure that both regulars and reserves, and their families, are well served by Government. It is therefore vital that the Government respond to their needs. I welcome the fourth report on the armed forces covenant, which Labour was so proud to instigate when in government, and I welcome today’s debate, called for by the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan). The armed forces covenant is on a journey and is constantly in development. It is right on such occasions that we take stock of where we have come from and consider where we can travel to.

Before I respond to the debate, I want to pay tribute to the work of our armed forces, not least this Christmas when they played a vital role at home in supporting flooded communities. I can give testament to the excellent service they provided in my constituency of York Central through the height of the floods. I thank Brigadier Gerald Strickland, commander of the 4th Infantry Brigade, for his leadership and also York’s local signal regiment. Many men and women serving in the most dangerous parts of the world, and we pay tribute to their professionalism and skill as they serve their country.

Ensuring that the families of personnel are supported with good services, from housing to health, is one of their greatest concerns when serving overseas. We have all heard stories from personnel about, before taking part in operations, they are concerned more about whether the shower at home has been fixed than about the dangerous, high-risk situations they are about to face. As we debate the armed covenant and as we look forward, we must ensure that we focus on our service personnel’s peace of mind and ensure that they can be focused in times of duty because their families are supported at home. From spending time with service personnel, with their families and with many charitable organisations, including the services families federations, we know that more needs to be done to ensure that both regulars and reserves receive the very best support.

The armed forces covenant is a mechanism to ensure that no detriment is suffered by our service personnel, but we have also heard in today’s debate about whether we should take the opportunity to champion their needs. The hon. Member for Tonbridge and Malling (Tom Tugendhat) mentioned the scope of the covenant and whether it should be increased, bringing in interpreters, contractors and those who have come from overseas to serve in the British forces, so that we can work out how best to honour their service.

The armed forces covenant is a covenant for four nations. We heard about best practice in Wales, including representation on all health boards, bringing in awareness of the needs of service personnel, and the mental health self-referral system for victims of PTSD. At a time when so many people have ongoing mental health needs, it is important that we take that into account. We also heard about some of the challenges raised so articulately by the hon. Member for East Renfrewshire (Kirsten Oswald) mentioned the work being done in Scotland with the first Scottish Veterans Commissioner and some of the specialist services in mental health, prosthetic care, education and housing.

Let me turn to healthcare, specifically mesothelioma, which is a pressing issue, as many with the disease may not have long to live. Labour tabled an amendment to the current Armed Forces Bill to ensure that compensation for those with the disease matches what all other civilians receive. I know that the Minister is sympathetic to that, and I would welcome an update ahead of the Bill’s Third Reading next week on the progress made.

The covenant report rightly highlights the investment in specific services, from audiology to wheelchair provision, but one of the challenges faced by charitable and specialist organisations when providing healthcare is navigating the NHS, which has become far more complicated since the reorganisation following the Health and Social Care Act 2012. Instead of trying to engage in dialogue with over 200 clinical commissioning groups, there must be a smarter way for specialist services to deal with the NHS. I therefore ask the Minister to consider whether NHS England could be the focal point for organisations that are trying to provide such services. Many organisations, whether they deal with physical or mental health, have said that they are having multiple conversations, and it would be helpful if we could find a smoother way.
Continued reports of expedient access to treatment—which we have heard a lot about today—are also an important part of the challenge. We have received reports that people are waiting, whether for a transfer from one service to another due to relocation or just on waiting lists. We must ensure that dealing with the needs of both veterans and serving personnel, and their families, is expedited. It would be helpful to get more reports on the waits that people are experiencing in prosthetic care, wheelchair adaptation and access to mental health services, which can vary across the country. The current waits are unacceptable and can make situations worse. If someone receives an injury, they should be prioritised, not only for the duration of their service but for life, as the hon. Member for Plymouth, Moor View (Johnny Mercer) highlighted in his contribution. What mechanisms are in place for monitoring veterans’ waiting times and what more is being done to help them to access services?

The Minister has done much to focus on mental health, and Combat Stress is playing a vital role in providing information and crucial research for better understanding of mental health needs and how to address them. Key to that is securing good tracking of veterans, which is a real challenge. What progress has been made in tracking those who have left the services—for example, by maintaining a database of their information to allow for continued communication?

Mr James Gray: The hon. Lady has been talking a great deal of sense—up until now. I take slight issue with her on the notion of a database. So many bureaucrats love to come up with databases, but we are potentially talking about many millions of people who are constantly changing their way of life, address and everything else. Trying to keep any kind of updated central database is therefore virtually impossible. It would be much better to rely on regimental and local support services to keep track of the people from their own units.

Rachael Maskell: I thank the hon. Gentleman for his intervention, but tracking veterans and providing a continuum of service to those who have served is a real issue about which I have spoken to many organisations. I am not saying that the mechanism for doing so has to be at a governmental level—it could be regimental—but it is important for data access, research, and monitoring and overseeing the welfare of former personnel. Too many are slipping through the net, often because of constant changes of address due to their having no fixed abode or having to change locations. It is really important that, as part of our duty of care, we are on top of who they are and where they live.

Much needs to be done to support the mental health of service personnel, as has been highlighted today. We are asking for all serving and former members of the armed forces and their families to have better access to mental health assessments and services. The health service, in particular for mental health, is challenged at the moment, as we know from our constituencies, whether in delivery, capacity or prioritisation. Further investment is important, in particular in personnel.

We cannot depend on an individual presenting themselves for support, because that is often late in the day, when further treatment is needed and further damage has already happened because of the delay. We are changing attitudes to mental health culturally, with better understanding coming more to the fore, but it is vital to take a more proactive approach towards mental health, moving upstream with it and ensuring that the needs of service personnel and their families are seen as a priority. We should provide the opportunity for assessment continuously, because early intervention can make such a radical difference to outcomes.

The public health agenda, although not mentioned in the report, should be a focus of Government attention. Alcohol use in the armed forces is a major concern and many veterans experience difficulties with substance abuse, so far more needs to be done to address public health concerns. Will the Minister develop a public health strategy for the armed forces to focus on the main pillars of public health? I was heartened to hear what my hon. Friend the Member for Bridgend (Mrs Moon) said about the free swimming initiative in her constituency, but a public health strategy right across the services would be helpful, because so many people would benefit. Prevention of poor health is vital, and with the right investment we can save lives. Again, it is time to move upstream and to be proactive about the health agenda.

Much is being done on education, as the report highlights. The itinerant nature of work in the armed forces, however, has an impact on young lives. Moving families from base to base has consequences. In discussion with service personnel, I have found that many appreciate the benefits of their itinerant work and enjoy living in different communities, but many families find it disruptive, not least for their children’s education. One solution is highlighted in the report, but it is also important to think about other opportunities for families to have stability in a community.

Many service personnel have asked me—and I ask the Minister—whether it is necessary for their work to be as itinerant as it is currently. Can more stability be provided, so that families stay far longer on one base? If so, children could have greater stability in their education and social networks, and spouses and partners could have greater stability of employment. Education is a lifelong issue and something on which the armed forces are very focused. Beyond the plans in the report, will the Minister also look at increasing opportunities for spouses and partners to engage in lifelong educational opportunities? They give so much to support those in the services and their children, but they should also be given a greater opportunity to develop their own careers. The itinerant nature of the forces militates against career opportunities for the wider family.

Transition issues are also vital. Many leave the services and find that their plan for the future fails, so they might need to revisit their opportunities for an exit or transition strategy. I am therefore asking for continuous access to educational opportunities for veterans, so that even if their plans go wrong, they can come back to get back on course. We want those transitional opportunities to be seen as longer term.

Many points have already been made about housing, but there are so many service personnel who want security for a home. Increasing demand for home ownership has been addressed with the Help to Buy scheme, which we welcome, but for some it is still inaccessible because of the level of income necessary or because of priorities at their stage of life. There are equity share schemes, but will the Minister also consider a rent-to-buy scheme?
That is very much part of Labour’s wider housing agenda, but I suggest it as another option in this housing portfolio.

The maintenance of service housing has been raised with me on a number of occasions. Companies have sometimes not been as good at fulfilling their contracts as perhaps they should have. What mechanisms are in place to monitor such contracts to ensure that they are fulfilled and that work is carried out in a timely way? Government need to provide scrutiny of the process, because so many personnel are concerned about what is happening at home when they are away.

I want to touch on the corporate covenant and then the community covenant. Engagement with the corporate covenant has increased. Seven hundred companies are now signed up, so the momentum is picking up, but that number is quite small in the scale of things. The hon. Member for Berwick-upon-Tweed also made that point, but engagement with the corporate covenant cannot be seen as tokenism either. The hon. Member for Plymouth, Moor View was right to say that it must go beyond that and have real meaning.

In addition, all commercial companies that the Ministry of Defence procures from should be obliged to sign up to the corporate covenant under a mandatory social clause in MOD contracts. If a company is to gain from the MOD, it should also make a commitment to the services through the corporate covenant. I have been given examples of companies employing people working on MOD contracts that have not served reservists well on their return to the company. I would like the Minister to look at that. We believe a social clause would strengthen relationships and understanding of service personnel and bring greater synergy between service-provision companies and the armed forces. We think it should be extended to subcontractors, too.

The community covenant has received support from all local authorities, although I note the exception in Northern Ireland and hope for progress there. The vague nature of the relationship needs to be developed. I note the review due in March, which will be vital to assess the covenant’s effectiveness. On top of that, sharing best practice among local authorities and promoting greater dialogue between them could place the covenant on a stronger footing. That is what we want to see, so that a real community of people oversee the covenant in the future.

The report emphasises the work that the Government have done with veterans who end up in the criminal justice system. It highlights how the needs of veterans appear to be akin to those of the general population, yet we know that the exposure to trauma and other trigger factors can be significantly different. We would therefore like services for veterans to be more proactive in supporting vulnerable veterans who have additional needs by providing for relevant early interventions to assist with managing the challenges in their lives, whether those are mental health issues, substance and alcohol-related issues, or issues relating to their conduct and behaviour.

That point also holds true for conduct within the family home. Many who serve in the armed forces can experience or be at risk of experiencing challenges in their relationships, and tragically that leads on occasions to domestic incidents. Instead of taking a reactive approach to such incidents, a proactive support mechanism could benefit families and would enable greater recognition of the risks that can arise and more support to be provided at an early stage.

Finally, I want to turn to advocacy. While we very much welcome the increased role of the armed forces ombudsman—that is really important—we know that many still do not raise concerns that occur as a result of their duty. I would therefore like to know how the Minister sees the advocacy framework developing in the future. We have heard clearly from the hon. Members for North Wiltshire (Mr Gray) and for Tonbridge and Malling about the changing nature of the challenges facing service personnel after their duty. It is therefore important to understand the advocacy support available to individuals now and in the future to take forward issues, from a first instance of bullying through to serious accusations about the situations they have dealt with in combat.

To conclude, I have raised a number of issues to help take the covenant forward, but there has not been time to raise everything today. This has been an excellent debate and I look forward to the Minister’s response.

3.50 pm

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): It is a pleasure to serve under your chairmanship, Mr Brady. Following the example set by my hon. Friend the Member for Runnymede and Weybridge (Mr Hammond), I remind the House, as I occasionally do, of my interest as a serving member of the Army Reserve.

I start by congratulating my hon. Friends the Members for Berwick-upon-Tweed (Mrs Trevelyan), for Tonbridge and Malling and for Plymouth, Moor View (Johnny Mercer) on securing this debate to discuss the armed forces covenant annual report 2015. I thank hon. Members for the valuable contributions made, to which I shall return shortly. Some hon. Members raised constituency casework and I simply ask them to write to me on that, as I will then deal with those cases rather than attempt to deal with them in the debate.

I am sure I am on safe ground when I say that we all agree that we owe a debt of gratitude and a moral obligation to all members of the armed forces, wherever they are in the United Kingdom, both past and present. It is for that reason that in 2011 the Government enshrined its commitment to the armed forces covenant in law. With that came the commitment from my right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond), the then Defence Secretary, to report annually to Parliament about progress on upholding the covenant principles. As we have heard, the armed forces covenant has two main principles.

Mr James Gray: Before we move off the annual report, is there not an argument that the Government should hold this debate annually to highlight good work done and analyse whether the armed forces covenant has been adhered to?

Mark Lancaster: There probably is an argument for that, but my hon. Friend will be as aware as I am that the previous Government made the proactive move to change the nature and structure of debates in this place
by allowing much greater flexibility for Back Benchers to dictate what should be discussed. However, in so doing, that equally restricted the amount of time for the Government to deliver their business. It is therefore that I, to the will of Parliament to have such debates and today is a fine example of that genuine need and will. Therefore, on balance I am fairly content with the situation, because that Government gave Back Benchers greater flexibility, which is something that previous Governments did not. That is my view—I hope that is clear.

The principles are: the armed forces community should not face disadvantage compared with other citizens in the provision of public and commercial services; and special consideration is appropriate in some cases, especially for those who have given most, such as the injured and bereaved. The armed forces covenant annual report 2015 is the definitive document of what we have done to uphold those principles and is the fourth such report. It sets out what we have achieved, but it is also an opportunity to explain our priorities for the coming year. Let me be clear that it is certainly not an opportunity for us to rest on our laurels; it is an annual report of the continuing efforts to strive to improve on the military covenant. I view it simply as a starting point for further progress.

I will say a few words on contributions to the report and the implementation of the covenant. Delivering the covenant is a national responsibility involving the whole of Government, local authorities, industry, service charities and of course the public, who provide vital support and recognition for our armed forces. It is only right that I pay tribute to the representatives from all of those groups who have helped meet the commitments in the armed forces covenant in the last year. I genuinely thank them all. However, I would particularly like to recognise and thank those charities who work so tirelessly in support of our armed forces. Their efforts are indicative of the whole nation’s support for our armed forces community.

Our priority this year was to tackle the areas where the armed forces felt most disadvantaged: family healthcare; children’s education; spousal employment; housing and local services; and commercial support. The report sets out the measures we have taken to address concerns in those areas.

A common theme in contributions and perhaps that which hon. Members focused on the most was the relationship with the national health service and access to healthcare. Indeed, I will happily say that that is the area on which I have spent most of my time. I am delighted to say that I now meet the Under-Secretary of State for Health, my hon. Friend the Member for Ipswich (Ben Gummer), on at least a quarterly basis to discuss areas where we can work together on that. Of course, the national health service in England and in the devolved parts of the UK is responsible for delivering healthcare to veterans, but equally the MOD has a duty to engage constantly.

To some extent we are asking whether we have proper buy-in. I think that we do, certainly to the extent that we have managed to embed the covenant’s principles into the NHS’s constitution in England. That positive step will hopefully ensure that veterans and their families are not disadvantaged in accessing health services where they live. It remains the case that veterans should receive priority treatment, subject to the clinical needs of others, relating to a condition resulting from their service in the armed forces. I can only say again that if any hon. Member has evidence that that is not happening, I encourage them to get in contact, because I would like to hear from them.

A couple of other issues relating to health were raised. With regards to osseointegration, I am pleased that through close collaboration with Blesma we have now moved to establish a pathway for veterans who can now go back to Headley Court. That is a positive step and I look forward to seeing how that develops over the coming months and years.

My hon. Friend the Member for Berwick-upon-Tweed, who opened the debate, referred to updating electronic records. While I am pleased that since, I think, 2013 the armed forces have had an electronic record system, we are seeking to upgrade that system to allow an easier transfer of those records to the national health service. As part of that process, veterans will effectively be flagged so that they are easily identifiable. I cannot give her an exact timetable as to when that work will be complete—we all understand that Governments have faced challenges in the past on electronic systems—but I understand that work is progressing well, so I hope that we will not have to wait too long for that.

Equally, mental health was raised by several hon. Members. That is an area of particular interest to me: the first charity I visited when I became the Veterans Minister was Combat Stress. While there is some debate, there does not seem to be any particular evidence that veterans or members of the armed forces suffer a higher rate of mental health problems than the general population. However, we recognise that that is an issue and, where mental health problems do occur, I am determined that the highest standard of support should be made available. Indeed, it is.

To that end, I am delighted that we have implemented every recommendation of the “Fighting Fit” report, written by my hon. Friend the Member for South West Wiltshire (Dr Murrison). In addition, more than £13 million from LIBOR funds has been awarded to programmes supporting mental health in the armed forces community. That is an area I intend to continue to focus on and on which I would like progress to continue to be made, because I recognise its importance for colleagues across the House.

On children’s education, we have amended the school admissions code to prioritise service children and service families, so that they can now apply for and be allocated school places before they move to the area. That positive step is helping to reduce the effect of short-notice deployments on children’s education.

The hon. Member for York Central (Rachael Maskell) raised the issue of spousal employment. She will be delighted to hear that we have launched a two-year trial to give service spouses additional employment training and support. Indeed, I visited one such trial in Cyprus recently and was very impressed. There are now also dedicated armed forces champions in every jobcentre region.

On commercial disadvantage, with the greatest respect to my hon. Friend the Member for Plymouth, May View, he was slightly dismissive of our recent progress in getting the four main mobile phone providers to agree that service personnel and their families can pause their contracts when posted overseas. I was very much
involved in the process to get that agreement, and it did not seem like a minor step. I am delighted that we are now in this position and can only thank the providers for their support. These small steps, when taken slowly and added together, provide the progress we all need. I know it does not simply stop here; we need to continue to improve the support we offer, and I am determined to do so.

The annual report includes unedited comments from key representatives of the armed forces charities sector and the three service families federations, which I meet on a regular basis; I enjoy that, and it is a valuable experience. That ensures the report is accurate and gives a clear indication of where those groups think further action is required. Ministerial colleagues are due to meet with representatives from those groups next week, to discuss their feedback. This is a cross-government effort.

I have listened intently to the points raised today and hope to demonstrate to colleagues that their points will be taken into consideration as we move forward. To that end, I would like to update Members on our priorities for next year. Improving delivery of the community covenant will be key. While I do not favour legislative targets, we have committed to review delivery in order to identify best practice and robustly promote that across local authorities.

Recognising the importance of independence in the review, we are collaborating closely with colleagues in the Department for Communities and Local Government, the Local Government Association and the charitable sector to meet our shared objectives. I addressed local authorities at the community covenant conference in November, and I will continue to work with the chair of the LGA, Lord Porter, to ensure that local authorities understand their covenant commitments and are committed to improving the support they offer their local armed forces community. Equally, as Members of Parliament, we have a responsibility to ensure that local authorities in our constituencies are doing their bit.

To respond to the hon. Member for Bridgend (Mrs Moon), who is no longer in her place, I understand that many local authorities publish their reports online and help to share their best practice. I certainly encourage all local authorities to do that. I intend to speak at next year’s LGA conference in order to do just that and to raise many of the points that Members have raised today.

I will move on to Northern Ireland—the hon. Member for South Antrim (Danny Kinahan) looked up when I said that. I was impressed by and enjoyed listening to his very moving speech. Delivery of the covenant extends, of course, to the whole of the United Kingdom. The annual report includes input from the Welsh and Scottish Governments and the Northern Ireland Executive. It is important that we continue to work together to ensure there is universal support for the armed forces wherever they work and live, and that must extend to the whole of the United Kingdom.

I have listened to the concerns regarding delivery of the covenant in Northern Ireland. I was delighted that two local authorities in Northern Ireland signed a community covenant last year. That is clearly a big step forward, but we need to ensure that support extends across the region. In 2013, the Select Committee on Northern Ireland Affairs assessed that over 93% of covenant measures applied in Northern Ireland. It is sensible that in 2016 we update our assessment of how the covenant is being delivered in Northern Ireland and look at the areas where we could do more. That will be a priority. However, I do not believe Northern Ireland should be treated any differently to Scotland, Wales and England; our focus must be on improving delivery for all. To that end, I intend to visit Northern Ireland shortly to see what more I can do.

I have regular meetings and discussions with the hon. Member for South Antrim, who is a dear friend, colleague and veteran—I was going to say he is a fellow veteran, but I am still serving—of service in the Province. I am equally pleased to see on the Order Paper the Armed Forces Covenant (Implementation) (United Kingdom) Bill—the private Member’s Bill promoted by the hon. Member for East Antrim (Sammy Wilson) and supported by my hon. Friend the Member for Tonbridge and Malling—which highlights that we need to make progress on the application of the covenant in Northern Ireland.

I am pleased that there are now 785 corporate covenant signatories. Next week, the Defence Secretary will present awards to 16 employee recognition scheme gold award winners, recognising the very best support for our armed forces. We will continue to tackle the key areas of commercial disadvantage and look at how the finance and insurance sector can do more to support the armed forces community and tackle the effects of overseas postings. I expect to announce new commitments later this month.

We must also continue to build on our work to support employment opportunities for reserves, veterans and spouses. The MOD has set up a relationship management team to engage with employers, which has not only encouraged an increase in the rate of new signups but, crucially, enabled us to work with existing signatories to deepen and enhance their pledges.

I hear the call from the hon. Member for York Central to look at effectively forcing, through contracts, companies that deal with the MOD to sign up to the corporate covenant or, indeed, to employ reservists. I am happy to be corrected, but I fear she may be unintentionally making an argument for leaving the EU, because I believe what she calls for is not possible under European procurement rules. I am happy to check that.

Rachael Maskell: A document called “Buy and Make a Difference” looks at how social clauses could be put into procurement contracts. It would therefore be quite feasible to put the corporate covenant into a list of social clauses to be included in that contract.

Mark Lancaster: Without prolonging the debate on the issue, I am happy to commit to the hon. Lady to have a look at that, which I hope is reasonable.

It would be remiss, given this opportunity, not to reiterate this Government’s commitment, as set out in our manifesto, to improve the support we offer to military families. I am pleased to say that we will shortly publish the first families strategy, setting out a comprehensive programme of activity to ensure that military families receive the support and help they need. The strategy has been drafted in consultation with the three service families federations to ensure it truly reflects
the needs of 21st-century military families. This year, we will deliver £20 million of investment in childcare infrastructure for military families, but we must also ensure that the new spousal employment programme is meeting its stated aims and objectives, and I have mentioned the two trials that are in place.

Members will be aware that the Government have committed to a £10 million annual fund in perpetuity to support delivery of the covenant. Several Members mentioned accommodation. I recognise concerns about accommodation for our armed forces community. We have allocated £85.5 million to help more than 5,600 personnel to buy or improve their home through the Forces Help to Buy scheme, and I am pleased that the Defence Secretary wants to double that number to 10,000 by this October. The Government have committed that from 2016, no service family in the UK will be allocated service accommodation that does not meet the decent homes standard. I have heard the calls from several hon. Members to work more closely with and improve the MOD’s relationship with local authorities when it comes to supporting families to get into local authority housing. I should point out, however, that we already have the MOD referrals scheme, which assists service leaders.

Looking forward, although I am not in a position today to give details about the future accommodation model that will be proposed for our armed forces, I hope to be able to do so in future. The model is an attempt to tackle issues related to encouraging and helping families to get into a home of their own.

Equally, I mention the Army basing scheme and the broader footprint strategy, part of which is to try and create greater stability for our armed forces, so that we do not see quite so much movement. Only yesterday, I visited 26 Engineer Regiment down in Wiltshire, where as an example, around Salisbury plain, the three armoured engineer regiments will now be pretty closely collocated. Those armoured engineers are likely to be posted between the three regiments but very much in the same part of the country, giving greater stability for families and spouses.

To touch on veterans—I realise I am going on—support for our veterans is an issue close to the heart of many, as shown by the recent publication by King’s College London on creating a sustainable model for veterans’ care in the United Kingdom post-2015. I am familiar with the proposals in that paper and congratulate all those involved in producing it. It is an interesting document that adds great things to the debate. I have asked my officials to attend an event on 12 January to discuss it and the evidence basis for it, and I look forward to engaging fully after that with the authors, to see how we can move forward and work together.

The Government have confirmed that funding for the nine enhanced prosthetic centres for veterans will continue. We have also allocated £10 million to the Royal British Legion to launch a veterans’ hearing fund and £3 million to help veterans access high-specification wheelchairs.

Several hon. Members, including my hon. Friend the Member for Tonbridge and Malling in a very powerful speech, raised other issues that are perhaps summed up as “lawfare”. The Conservative party committed at the last general election to deal with this issue. A lot of work has been going on in the MOD over recent months to try and move that forward. I am not in a position right now to give further details, but that is being led by the Minister for the Armed Forces and I am sure that in due course, she will come to the House to address that.

On interpreters, I share my hon. Friend’s concern, having worked with them in Afghanistan. I have looked into the matter. I think the MOD has a very positive programme at the moment. There are different elements, partly about helping to improve security for families, about potentially relocating families within country, and ultimately, if necessary, about relocation to the UK. The programme that the MOD is pursuing at the moment is a good one.

Prisons were mentioned and I recognise that there are veterans in prison. I do not think the number is disproportionate, but they face unique challenges. To that end, I intend to visit HMP Grendon in Aylesbury next month and I will look at some of the work being done there to support our veterans.

I believe the covenant is working, but we need to make it clearer and easier for members of the armed forces community to access the available support. We know that delivery of the covenant is not uniform and we need a mechanism to identify and address localised problems. That will be our priority in 2016.

Although we have collectively achieved a great deal, much more remains to be done to ensure the covenant fulfils the nation’s promise to support the brave men and women who serve our country with honour and distinction. It is a long-term aim and the Government are committed to its long-term delivery.

I have endeavoured to answer all the points raised by hon. Members and if I have not done so, I will write to them in due course.

Question put and agreed to.

Resolved.

That this House has considered the Armed Forces Covenant Annual Report 2015.

4.14 pm

Sitting adjourned.
Westminster Hall

Monday 11 January 2016

NHS Bursary

4.30 pm

Paul Scully (Sutton and Cheam) (Con): I beg to move, That this House has considered e-petition 113491 relating to the NHS Bursary.

As of this morning, the petition had 154,390 signatures, which shows the depth of feeling and the concern that student nurses have about the proposed policy. Before the debate, we had a fantastic listening exercise, which involved a number of student nurses and other representatives of the health industry, many of whom are here in the audience. Having filled the Public Gallery, we even have an overspill room elsewhere on the estate where the debate is being shown on television. It is a testament to the importance of the matter that so many Members of Parliament are attending the debate.

Stephen Pound (Ealing North) (Lab): I am in no way being critical of the hon. Gentleman, who deserves a great deal of credit for what he has done, but does he agree that instead of using the expression “the health industry”, it might be better to say “the health profession”?

Paul Scully: Of course it would be. The hon. Gentleman is absolutely right; forgive me.

Let me read the petition for Hansard. The title is “Keep the NHS Bursary” and it says: “At the moment, student nurses do not pay tuition fees, and receive a means tested bursary during their training. We are required, by the NMC, to have done at least 4,600 hours whilst studying, at least half of which are in practice.

Student nurses often work alongside our studies, like most students. But unlike most students, we work full time hours in placement for around half the year, and spend the rest of the time in lectures, without a summer holiday, or an Easter break, as well as completing our assignments. Taking away the NHS Bursary will force more student nurses into working 70 hour weeks, as many already do, it will compromise our studies and most of all, our patient care.”

I am sure that everybody here appreciates the work that nurses do in the NHS. I have had had to go to hospital many times with my family. My daughter was born prematurely and had to have a lumbar puncture within hours of birth; my son had his thumb set after he had dislocated it playing rugby—just opposite the local hospital, fortunately—and nurses tended incredibly patiently to my mother when she fractured her hip after a fall late on a Saturday night.

We know the endless hours that nurses work and the endless patience that they show in tending to us when we most need them, and when we are at our most vulnerable. It is important that we pay tribute to them for the work that they do. We must also pay tribute to those who want to enter the nursing service. They do so as a vocation and out of love; they do not do it for preferment, large salaries or anything like that. They do it to pay back and to serve us as members of the public, and for that we are very grateful.

Nurses do incredible work, which is more complex than ever. Many nurses are taking on more responsibilities, whether in adult nursing, child nursing, learning disability nursing or mental health nursing. Often, these days, they have to tell doctors what to do and how to lead on treatment.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Gentleman on securing the debate. Does he agree that we are not just talking about student nurses? We have problems with trainee doctors at the moment, and the situation with the education maintenance grant. There is a big problem, particularly in the medical profession—and outside it, in relation to young people—with the future of care.

Paul Scully: We can always talk about the NHS and the future of care, but we have three hours for this debate, and I suspect most hon. Members want to speak, so I will limit my comments to nurses. I will quickly outline the current system and talk about why I believe it needs to change, then we can debate exactly how it might change.

There are various elements to the NHS bursary. There is a non-means-tested grant of £1,000 per year. There is a means-tested bursary to help with living costs of up to £3,191 for students in London living away from home, £2,643 for students outside London living away from home, or £2,207 for students living at home. Other bursary elements include an extra week’s allowance for courses that run for longer than 30 weeks and three days each academic year. As we heard at the event that we held before the debate, the majority of such courses last considerably longer than 30 weeks; they are often up to 42 or 43 weeks a year. Tuition fees are paid directly to the higher education institution by the NHS. Students can also apply for a non-income-assessed reduced rate maintenance loan from Student Finance England of between £1,744 and £3,263, depending on their circumstances. That loan is reduced in the final year of the course.

Why change? The current system, as some, but not all, student nurses, prospective student nurses and those in higher education institutions that train nurses agree, does not always work as well as it might for students or universities.

Alex Cunningham (Stockton North) (Lab): Hospitals across the country rely on recruiting nurses from as far afield as the Philippines. If these new measures are introduced, does the hon. Gentleman think that that dependence will increase or decrease?

Paul Scully: I would hope that it decreased. I will touch on some of the costs of recruitment later. Students who receive bursaries under the current structure have less to live on than other students, despite the fact that their courses are longer. They face particular financial hardship in the final year, when funding is reduced. In one London university in 2012-13, 63% of the entire hardship fund went to NHS-funded students, which goes to show how much the system is of concern, and in need of investigation and reform.

Funding for nursing and physiotherapy degrees is lower than for any other subject in higher education, even though the courses put much greater demands on
[Paul Scully]

universities than many other courses in areas such as quality assurance, laboratory space and simulation kit. Universities receive less than the courses cost to deliver in many instances. There is a cap on the number of bursaries, and more than half the people who want to train to be nurses are turned away.

In changing the system from a bursary to a loan structure, the Government propose to remove the cap on places, and they expect the reforms to provide up to 10,000 additional nursing and health professional places during this Parliament. Some people who are concerned about the withdrawal of the bursary are worried about students having no money. Even now, many students, especially in London, with its high housing costs, say that the bursary nowhere near covers their living expenses.

Stella Creasy (Walthamstow) (Lab/Co-op): One thing that concerns many of us is the fact that the students we are talking about are not the same as many other students. They tend to be women or people who are returning to nursing. Does the hon. Gentleman agree that the cost of living issue—especially as those people are more likely to have dependents or existing commitments that they are trying to fund while studying—makes the change to the bursary system all the more worrying, because it will prevent even more people from being able to study to become nurses?

Paul Scully: I thank the hon. Lady for that intervention. In a little while, I will cover some of the issues that particularly affect nursing, and look at why some of the concerns about the nursing course are acute for those people. Let me conclude the remarks I was making a minute ago. The loans system, according to the Government, will cover the cost plus more, increasing the money available for living costs by about 25%. Looking at the structure, it seems that there are two avenues of concern. Some issues are particular to nurses, as the hon. Member for Walthamstow (Stella Creasy) suggested, but there is also a general student loan debate—rehearsing the student loan debate the House had some years ago, before I was elected. The issue has not affected some prospective nurses, although some have completed a first degree, and I will come on to that in a second.

I will touch on the student loan debate, although it is not something that we need to go over again, having discussed it at some length in various media and in the House a few years ago. When I talk about the debate, I always recommend that people look up Martin Lewis, the financial expert who runs the MoneySavingExpert.com website. He is not uncritical in his acceptance of the current tuition fee regime and loan structure, but he comes up with some interesting mythbusters. For anybody considering the prospect of taking out a loan before studying, he is well worth a read. He talks about not confusing the cost and the price tag of a degree because it will prevent even more people from being able to study to become nurses?

Paul Scully: That is on a band 5 salary. I would expect nurses to increase that. The point of the student loans system is that it is a finite time period of 30 years.

Andrea Jenkyns (Morley and Outwood) (Con): I am on the current student loans system as I only graduated a couple of years ago. I am paying it back out of my salary and I am thankful for the opportunity to do that. Does my hon. Friend agree that the current system for nurses limits the number of applicants? The new system, rather than denying thousands of applicants the opportunity to study healthcare subjects at university, will release more people into the system so that we have more nurses. It will also help to sort out the problem of reliance on expensive agency staff and overseas applicants. We will have more home-grown nurses with the new system.

Paul Scully: I totally agree with my hon. Friend. The new system will certainly help with overseas applicants and agency staff and, as is the aim, it will release extra people into the profession. One concern that we need to address and that I will touch on a little bit later is about the placements and opportunities available after graduation. It is important to ensure that those opportunities are there for nurses. There is no point having a paper-based exercise if there are not enough positions for nurses.

Tulip Siddiq (Hampstead and Kilburn) (Lab): My reading of surveys and academic studies shows the complete opposite of what the hon. Member for Morley and Outwood (Andrea Jenkyns) said. The different funding arrangements for healthcare courses means that they attract applications from a diverse range of people. The average age of people applying is higher than that of most students—higher than 28. Does the hon. Member for Sutton and Cheam (Paul Scully) think that changing the funding arrangements will deter people from different backgrounds from applying for these courses?

Paul Scully: I do not believe so. There were similar predictions for students in general when the student fee loan system came in, but that did not happen. People thought that student numbers would decline. They have not; they have increased. I do not believe that diversity in university courses in general has declined and I do not see any reason why that should be the case with nursing, although I understand the concern. A number of people have raised that concern both in Twitter...
conversations that we and nurses have had and in a number of events that have been held in the lead-up to this petition debate, including the one immediately before the debate. I understand the concern but I do not see the evidence.

**Helen Jones** (Warrington North) (Lab): The hon. Gentleman will have heard, as I did, in the discussion that we just had with many student nurses that many of those going into the profession are mature students. Sometimes they already have debts from previous degrees or they have families to keep. If we are to maintain diversity and encourage people with considerable life experience to enter the profession, we must incentivise them to do so and not load them with more debt.

**Paul Scully:** I will just complete my comments regarding student loans in general, but then I will come directly to the hon. Lady’s point because it is one of the issues particular to nurses that I mentioned a little while ago. Student loans in general do not go on credit files, so the only way that a loan, credit card or mortgage company will know if someone has a student loan is if they ask for it. Obviously, for bigger loans, they tend to ask. Student debt is not accounted for by mortgage lenders in terms of the total amount owed, although they will look at the affordability of the loan and at an applicant’s outgoings. When tuition fees and student loans were first introduced, the Council of Mortgage Lenders confirmed that lenders would not use that or add that total debt to the amount owed when they considered mortgages.

**Dr Whitford:** Is it not the case that the Financial Conduct Authority has announced that the size of someone’s student loan will affect their ability to get a mortgage and will be taken into account?

**Paul Scully:** Well, I think a lot of it is down to affordability. *Interruption.* / No, there is a big difference. Someone might have an amount of £50,000 or something like that, for example, but it is about the repayment. Whether someone is paying £5 or £50 a month, that is the figure that lenders will look at to work out whether they can afford to repay the loan. As I said right at the beginning, that top line figure is not the crucial one. The crucial one is actually the amount that someone will pay out of their salary each and every month.

Looking at the current case and at positions that are particular to nurses, we have talked about the fact some people going into the nursing profession may already have a degree and are doing a second one. There are mature students. The average age of those applying to study is about 28 or 29. I believe I have covered my take on people’s concerns about the diversity of the workforce changing.

Under the current rules, people cannot usually access the student loans system if they have already done a degree to the same level. The view of the Council of Deans of Health is that the Government should make those courses exempt from that rule. I will be interested to hear what the Minister says about whether that is the case. If it is, in the new system, people would be able to access student loans if they wanted to—that would be an equivalent or lower qualification exemption. As repayment amounts are based on salary and not on the total loan, the amount repaid would be the same whether someone has one or two loans. Effectively, that makes it a graduate contribution, not a traditional loan. The system is slightly different from a graduate tax, which was discussed a few years ago, because it is finite—it finishes after 30 years, and a graduate tax, as we might have had under other suggestions, would have carried on going past a graduate’s retirement. As I said to the hon. Member for Hampstead and Kilburn (Tulip Siddiq), the introduction of tuition fees and loans for other degree courses has not led to a drop in applications and has not affected the diversity of applicants.

**Clive Lewis** (Norwich South) (Lab): One of the chief concerns that many student nurses have when listening to these proposals is that, unlike many other students who can take second jobs to help pay back their student loan, student nurses are sometimes working up to 40 hours a week for the NHS. They have no opportunity to make any other money to be able to pay off a student loan, but that is not taken into account. Student nurses are very different from any other group of students, which is not taken into account by the proposal.

**Paul Scully:** The hon. Gentleman has not listened to what I have said, because the whole point about the loan system is that the loans will not kick in until after a student has graduated, so the repayments will not start until that point. Student nurses will not be making any repayments while they are studying and doing those placements, but I absolutely take the point that nursing is a very different proposition from a normal degree in so much as placements take up 37 or 38 hours a week and beyond, which is a considerable strain on nurses.

**Paul Blomfield** (Sheffield Central) (Lab): The hon. Gentleman cites the example of the introduction of fees for other university students, but does he acknowledge that the impact has been patchy and that the one group that has been significantly discouraged from going into higher education as a result of those fees is mature students? Mature students are particularly well represented among nursing, midwifery and allied professions, which we encourage.

**Paul Scully:** It is beholden on us to explain the system to mature students, because I see no reason why they should be discouraged.

**Ruth Cadbury** (Brentford and Isleworth) (Lab): The hon. Gentleman says that he sees no reason for mature students to be discouraged, which perhaps demonstrates that the Department has not done a full impact assessment. What impact assessment did the Department do before the Chancellor made these proposals in the autumn statement?

**Paul Scully:** The hon. Lady is asking the wrong person. Perhaps the Minister will respond to that question a little later.

The idea of placements came out of our discussion prior to the debate with the student nurses, who have taken time out to come to London today from as far as Liverpool and elsewhere. We talked about bursaries, and it would be a more honest description to call them a salary because these people are working hours in what are supposed to be supernumerary positions but are...
often not. There are student nurses sitting in the Public Gallery, and we have one person here from Brighton who explained how he was saving children’s lives prior to Christmas—it is not a supernumerary position when someone is working with babies. We have other people in critical roles who are working with patients on a range of issues, so we need to be straight about the pressures on nurses and how we reward them.

Alex Cunningham: I thank the hon. Gentleman for giving way to me for a second time. He is talking about bursaries being like a salary. Student nurses are doing real work when they are training on the wards, so are they entitled to some sort of payment for the real work that they are doing while they are training on the wards?

Paul Scully: Absolutely. We are talking about bursaries, but I would rather be straightforward and call it what it should be, which is a salary.

Alex Cunningham: Will the hon. Gentleman give way?

Paul Scully: I will not give way. I am aware that I have been talking for quite a long time, and I am sure that a lot of hon. Members want to speak. With placements, student nurses have less time than other students to do another job because, although it is 50% placement time in theory, they are effectively working 37 or 38 hours a week, so it is difficult for them to have another job to raise money for their living costs, especially as their courses last for 42 weeks a year—many other courses last for only 30 weeks a year.

Gavin Robinson (Belfast East) (DUP): Will the hon. Gentleman give way?

Paul Scully: I will give way to the hon. Gentleman because I have not yet given way to him previously.

Gavin Robinson: I am grateful to the hon. Gentleman, who is being generous with his time. He is making a key argument for introducing a salary for student nurses to remove the burdens and the levels of debt, rather than charging them tuition fees. Does he agree that the right argument is that bursaries were introduced to incentivise people and to encourage those who would otherwise be dissuaded from training for this noble vocation, thereby removing the burdens and the over-reliance on overseas students? Our Health Minister in Northern Ireland, Simon Hamilton MLA, has decided that he will not remove or scrap the bursary for just those reasons.

Paul Scully: I would rather that we re-examined the overall system and reconsidered how we work with student nurses to give them a fair salary. I would rather it be more straightforward, open and transparent, rather than calling it a bursary. Bursaries are effectively gifts, which can be taken away. If someone is working hard in a position that is not supernumerary, we need to examine that. At the end of my speech, when I talk about the petition, I will say that this is the start of an exercise. This is a welcome time to have the petition, because student nurses and the 154,000 people who signed it can help to shape the policy over the next academic year ready for whatever is in place for the 2017-18 academic year and beyond.

Andrea Jenkyns: We have talked about nursing being a vocation, but does my hon. Friend agree that teaching and being a doctor are also vocations? This proposal puts nurses on the same system as for teachers and doctors—nursing is a vocation, too.

Paul Scully: Absolutely.

Nic Dakin (Scunthorpe) (Lab): The hon. Gentleman is spelling out the case clearly. He will recognise that the introduction of fees for the teacher training year has led to a decrease in the number of people coming forward for teacher training. Perhaps that is a lesson that needs to be learned for student nurses.

Paul Scully: I thank the hon. Gentleman for that intervention.

I will bring my comments to an end with a few questions. The system needs to change. Not everyone agrees with me, but a number of people, even people who want to keep a sense of the bursary system, believe that the bursary system is not perfect by any stretch of the imagination. The petition, and the discussion around it, is the beginning of the process feeding into that change. Even those who are not happy with the proposed loan structure can help to shape the system over the next few months—in reality, it will have to be ready for the academic year after next—so that it is ready for students applying for the 2017-18 academic year. Whatever the final structure, student nurses must understand what they are applying for, how they will be funded and what the repercussions will be for repayments. We have a few months to work on it and to raise issues with Ministers.

I have a few specific questions for the Minister that come from the petition. How will specialist courses remain viable under the change? Podiatry, for example, tends to be undersubscribed—places on podiatry courses have to go through clearing year in, year out—so it is important that we consider how we can have viable courses for the services that we need.

Will trusts, especially foundation trusts—foundation trusts have proved that they can work through their own budgets by virtue of being given foundation status—be given the freedom to help repay student loans as part of a pay package, as was suggested by the Council of Deans of Health? As a result of that, what more can we do to retain nurses in the NHS after graduation, perhaps through contract agreements, rather than seeing them move abroad? Will there be enough placements to take on the proposed increase in the number of trainees? We spoke about that a little earlier.

Matthew Pennycook (Greenwich and Woolwich) (Lab): The hon. Gentleman is being extremely generous in giving way so often. Can I press him on that point? Leaving aside the threat of deterring people from entering the profession, we get the sense from what the Government have said that the infrastructure or provisions are in place for those training places. For example, every new nurse and midwife on a training programme needs a supervised or assessed mentor. What sense is there that
Paul Scully: The hon. Gentleman might not be surprised to know that I cannot answer that, so I will pass it on to my hon. Friend the Minister, who I am sure will cover it when he sums up.

As I said earlier, I ask the Minister whether there will be an exemption for loans taken out to cover a second degree. Also, what arrangements will be made for placement expenses, which are a concern for many people going through the process? In Parliament a few years ago, there was some discussion about unpaid parliamentary interns, and a number of changes were made. Greater accountability through the media has led many Members of Parliament to change their practices so that, rather than just getting unpaid interns to do a load of work, they are paying a reasonable wage, even if it is not the full-on salary that someone else might get.

As I have mentioned, the people doing placements are largely not supernumerary. They mostly do full-on nursing work, to our benefit as patients. I will be grateful to hear what the Minister has to say about placement expenses.

Stephen Pound: The hon. Gentleman is being extremely generous. I am sure that I am not the only person to congratulate him on bringing this extremely important matter before the House. On the basis of my 10 years’ experience working at Middlesex hospital, may I say that nurses are in an exceptionally unusual position? They cannot simply come and do five days and then go home. Accommodation is an issue. Nurses’ homes such as John Astor House at the Middlesex are long gone. How on earth can we ask student nurses or potential student nurses to come to one of the major five teaching hospitals in London—there are now four, obviously, since the Middlesex is gone—without giving them any support or assistance with accommodation? Nurses’ homes do not exist anymore. With respect, nurses need more at the moment, not less.

Hon. Members: Hear, hear!

Paul Scully: Well done to the hon. Gentleman for getting audience participation. What I will say in conclusion is that the changes will strike home by giving people more money in their pockets for living expenses. I appreciate that the housing situation in London is particularly acute, but the whole intention of the proposed change is to ensure that student nurses have more money in their pockets to cover their living expenses in a difficult situation where the budget is limited.

I will leave it at that, because I know that a number of hon. Members want to speak. I will be interested to hear the Minister’s view when he sums up.

5.3 pm

Wes Streeting (Ilford North) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I am delighted that, thanks to the response of more than 150,000 people, we are having this important and timely debate, which will allow me to raise some of the issues outstanding from the Adjournment debate that I secured before Christmas and address those that the Government have not yet addressed.

It is encouraging to see three members of the shadow Cabinet here at this debate: the shadow Health Secretary, my hon. Friend the Member for Lewisham East (Heidi Alexander); the shadow Minister for mental health, my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger); and the shadow Foreign Secretary, my right hon. Friend the Member for Leeds Central (Hilary Benn), who has shown an interest during the course of these proceedings. This weekend, the shadow Health Secretary and I, along with other right hon. and hon. Members, joined thousands of students, nurses and supporters marching through the streets of London to raise their concerns about the implications of the Government's decision. A statement of support from the Leader of the Opposition, my right hon. Friend the Member for Islington North (Jeremy Corbyn), was well received by all in attendance.

I begin by emphasising that, often as shorthand, we have been discussing the implications of the policy changes for student nurses and midwives, but of course the changes extend to a range of allied health professionals, as I said in my Adjournment debate. It is important not to lose sight of that when discussing the Government’s proposed approach.

To recap the Adjournment debate, we are discussing the biggest shake-up in the funding of nursing, midwifery and allied health subjects since the Health Services and Public Health Act 1968. It would mean the end of the non-means-tested grant of up to £1,600, the end of the means-tested NHS bursary of up to £3,191 and the imposition of tuition fees of £9,000 a year, which would burden nurses, midwives and other allied health professionals at the start of their career with huge debts of at least £51,600. Thanks to the repayment threshold, now shamefully frozen at £21,000, they will begin to pay back those debts immediately on starting their career and will face an average pay cut of £900.

Given that such professionals are required to work at least 2,300 more hours across the course of their degree, it is an absolute disgrace that we are seeking to balance the books on the backs of the front-line staff who form the backbone of our NHS. No wonder so many NHS professionals across the board are angered by the Government’s approach. It seems to be a trend under this Government. We are seeing it not just in the treatment of nurses, midwives and allied health professionals but in the Government’s intransigent approach to the junior doctors dispute, in which people could go out on industrial action, not out of choice but out of apparent necessity.

To follow on from the Adjournment debate, a number of questions are still outstanding. My concerns about the Government’s approach involve both the policy content and the process that they are choosing to follow. I asked the Minister during the Adjournment debate whether he could confirm that the Government would consult on the principle of policy changes, not merely their implementation. He told the House that “we will not consult on the principle, because that has been decided”—[Official Report, 14 December 2015; Vol. 603, c. 1379.]

Yet, as I will go on to outline, many fundamental aspects of the policy and the detail underpinning it have not yet even been considered by the Government. I am surprised that Ministers are confident embarking on
such a radical course of action without having thought through the consequences properly. I have asked the Minister what analysis the Government have conducted of students receiving NHS bursaries for tuition and maintenance costs, but have received no answer. I do not believe that the analysis has yet been conducted. I am sure that it is under way, because he has confirmed that the Government will publish an impact assessment alongside the consultation, which he expects to start next month, but was that impact assessment conducted before the Government embarked on this approach, or is the Chancellor just shooting in the dark to balance his books?

Louise Haigh (Sheffield, Heeley) (Lab): Is my hon. Friend aware of research by the trade union Unison showing that nine out of 10 student nurses surveyed said that they would not have gone into training if the new proposals had been in place? Given that this month London issued a critical alert after its vacancy rate jumped 26% to 10,000, should the impact assessment not cover the impact on the recruitment and retention of nurses in our system?

Wes Streeting: Those statistics concern me greatly. I should probably have said at the outset of this debate that I am a member and supporter of Unison. I also draw the House’s attention to my entry in the Register of Members’ Financial Interests. For completeness, I should also say that I am a former president of the National Union of Students and have a long-standing interest in such issues.

It concerns me that there might be a detrimental impact on recruitment, particularly given that my local NHS trust had to fly nurses over from Portugal to fill vacancies. I have no problem with those Portuguese nurses coming over to help plug the gap, but we have plenty of home-grown talent in the form of nurses who would welcome such a job opportunity. That is felt strongly by local people in my area.

Stella Creasy: My hon. Friend is a near neighbour to Barts hospital trust, which is currently spending £10 million a year at Whipps Cross university hospital, our local hospital, such is the shortage. A hospital that is £941 million in debt due to its private finance initiative loans clearly needs to save money, yet it is having to pay £10 million for agency nurses. Does he think that the policy will make that easier or harder to deal with?

Wes Streeting: I am grateful to my hon. Friend for that intervention, and I believe it will make it harder. That concerns me, because Barking, Havering and Redbridge University Hospitals NHS Trust covers part of my constituency and her nurse colleagues that it wants to extend their breaks from 30 minutes to 60 minutes, which means they will have to work an extra shift every four weeks. Many of them cannot take their 30-minute break now, and they are really worried that they will have to work even more hours because the trust will not be able to get the staff it needs if the bursary scheme does not continue. Does my hon. Friend agree that for that reason, the South Tees trust should rethink its plan, and that the Government should do likewise regarding bursaries?

Wes Streeting: I certainly agree with my hon. Friend. The Government and the NHS underestimate the extent to which staff at all levels are both working beyond their allocated shifts to plug gaps in the service and going without breaks. Given the settings that staff work in, it is not in the interests of patients, let alone good for the welfare of the staff themselves, for them to be tired and not taking the breaks they ought to take.

Mr Jim Cunningham: One critical area at the moment is care in the community. Does my hon. Friend agree that the change to bursaries will have a big impact when we try to recruit community nurses for all sorts of illnesses?

Wes Streeting: I am grateful to my hon. Friend for raising that point, which I did not raise in the earlier Adjournment debate. Since that debate took place I have seen an article by Crystal Oldman in Independent Nurse magazine, which expressed concern about our ability to recruit nurses into community-based settings. If we are trying to prevent patients from presenting at accident and emergency, which is important to alleviate waiting times and the burden on A&E departments, it is vital that people can access timely care and support in the community. I do not believe the Government have fully considered that, but I look forward to hearing the Minister’s response.

In my Adjournment debate I also asked the Government whether they thought it was fair that students from the most deprived backgrounds should have their grants taken away while some of the wealthiest people in our society received tax cuts. I am not surprised that I did not receive an answer to that question, but it is a fair one. A lot of people wonder how, in straitened times, it is possible for the Government to find money for tax cuts for the wealthiest, but we cannot find money to ensure that people who perform vital functions in the NHS receive the support they need to get them through their training.

I asked the Minister in that debate how much debt the Government expect to write off because those indebted by the reforms are unable to pay their debts in full. That question was not answered. However, we know that in the case of the tuition fees brought in by the coalition Government, the current Government expect that the majority of students will see their debts written off, at cost to the taxpayer, further down the line.

I wonder about the Chancellor. Following him on economic policy at the moment is a bit like following a drunk driver: one minute he tells us that things are fantastic, and then the next minute he tells us that something called “the global economy” might have an impact on our domestic economy. I am glad that he has
finally got that point, but I do not believe that he is currently being straight with the House and the public about how he intends to “fix the roof”, whether the sun is shining or not. It will be no good if some poor Chancellor 30 years down the line has to find huge amounts of money for debt write-off. This Chancellor needs to be clearer about where the money is really coming from.

On that point, I asked in the Adjournment debate which Department—the Department of Health or the Department for Business, Innovation and Skills—would meet the cost of servicing the resource accounting and budgeting charge for student loan debt. That question was not answered, although I am sure the Treasury and both those Departments have a view. It seems that the Government have not reached a clear position, and they really ought to have done so before embarking on this course of action.

I also asked the Minister about the Barnett consequentials for health education budgets in Northern Ireland, Scotland and Wales. He told the House that it was a matter for Her Majesty’s Treasury, but I am afraid that we did not get any real detail about what the impact on those nations would be.

Will the Minister also say how clinical placements will be funded under the current loans system? He tells us that he has started discussions with Universities UK about that, but we would have expected the Government to have those discussions before embarking on a policy of this nature.

I also asked the Government whether they were at all concerned that applications from mature students might fall, given the detrimental impact that the coalition Government’s student finance reforms had on mature and part-time student numbers. The Minister did not give a reply, but we have heard in interventions this afternoon that that is a legitimate concern. We keep being told that all has been well since the coalition introduced the new tuition fees regime, and that student numbers in higher education are excellent. It is true that overall student numbers have gone up, but I do not think that there has been the necessary level of analysis about whether people are being deterred from applying. It is all very well saying that the numbers have gone up, but that does not tell me whether the regime deterred people from applying. However, we know for certain that it has had a particularly detrimental impact on the numbers of mature and part-time students. The issue of mature students ought to weigh heavily on the Government’s mind before they decide to proceed down this course on nursing bursaries, because it is clear that there will be big problems for the nursing profession if mature student numbers fall.

Nic Dakin: On that point, it is important for areas such as north Lincolnshire, which struggle to attract new graduates, to be able to grow our own graduates, and mature students are a major part of that. A fall in their number will particularly affect areas such as ours, which new graduates do not see as particularly attractive.

Wes Streeting: I absolutely agree with my hon. Friend, and I have another concern. In my Adjournment debate I asked the Minister to confirm whether mature students would be eligible to apply for a second loan, and he confirmed that they would be able to do so. However, that does not reassure me that the change to bursaries will not have a detrimental impact. If a mature student has already taken out a significant loan for a first undergraduate degree and still has some of that loan debt outstanding, given that they are closer to retirement than the stereotypical 18-year-old entrant, will they really want to take on additional debt? There are major question marks about that, and again, the Government ought to have done the research and analysis on it before embarking on this policy direction.

I am conscious of the time and the number of Members who wish to speak, so I turn finally to the question of process. This Thursday, a Delegated Legislation Committee will be convened to debate the abolition of student grants for all students, including the cohort we are talking about today. It is absolutely appalling that the Government are seeking to use the device of delegated legislation to put through such a major change to student finance. Whatever disagreements I had with previous Labour Governments about their higher education policy, at least they were courageous enough to bring their policies to the House of Commons, put them through the House of Lords, justify them and put them in the full light of scrutiny by right hon. and hon. Members.

This use of a Delegated Legislation Committee is part of a wider pattern of behaviour by this Government, who seek to ignore scrutiny. They seem to believe that a majority of 12 on a minority of the vote gives them carte blanche to do whatever they like. The level of public outcry, not to mention the concern expressed by Members from all parties in the House, means that the Government ought to behave far more transparently.

I asked the Minister in my adjournment debate to give the House an assurance that students studying nursing, midwifery and allied health subjects would not see their tuition fees and debts hiked up even further than has been suggested, but I was not answered. We know from newspaper speculation that the Government are considering increasing tuition fees above inflation, and we also know that the Cabinet Office is trying to find ways of avoiding a vote in both Houses, which is shameful.

Similarly, I asked the Minister to give the House an assurance that we would have a full debate and a vote if the Government chose to extend tuition fees to nursing, midwifery and allied health subjects. The Minister told the House that he could not give us a definite answer to that question yet. I hope that he can do so this afternoon, and that he will confirm that we will have a full debate in the House of Commons and in the House of Lords, and that right hon. and hon. Members and noble peers will have the chance to make their voices heard and to put the issue to a vote.

Finally, I asked the Minister to commit to meeting student representatives to discuss their concerns, and he said that he was happy to do so. I spoke this weekend to one of the organisers of the protest, Danielle Tiplady, who has done a remarkable job in campaigning on this issue and in raising awareness among her colleagues. I hope the Minister will commit today to meeting her and other student representatives, so that he can hear at first hand the powerful testimony that we heard at the demonstration on the weekend.

We should all be concerned about the direction of this policy, and I am glad to see so many right hon. and hon. Members here this afternoon. Given that there are other debates taking place, including on Syria, which is
a really big matter that concerns all of us, it is great that we have had such a big turnout this afternoon. I hope that helps to encourage the Government to think again.

Several hon. Members rose—

Mark Pritchard (in the Chair): Will Members who want to speak, even if they are on the list, please stand clearly rather than squat, in order that we can work out whether we will have to impose a time limit later? Thank you very much indeed.

5.20 pm

Maria Caulfield (Lewes) (Con): I welcome the opportunity to speak in such an important debate. I acknowledge that the changes affect all sorts of healthcare professionals, including midwives, physios and speech therapists, but I will keep my remarks mainly to student nurses because I am a qualified nurse and have worked in the NHS for more than 20 years—I was even working as a full-time NHS nurse until just after the last general election.

I trained under the bursary scheme. I was one of the second intake, after the scheme was introduced in the early ‘90s, so I have first-hand knowledge of how it works. I have met student nurses, the Royal College of Nursing—the RCN—and qualified nurses to discuss some of the issues that the changes raise. I have also met the Minister to express my concerns, and have been reassured that alternatives to a student loan mechanism for entering nurse training are in the pipeline. These might be better than the nurse bursary scheme, and they will certainly be better than the proposed student loan scheme.

Let us not pretend that the bursary system is ideal—I speak as someone who went through that method of training. It started in the early ‘90s as a replacement for the old-style nurse training system in which student nurses were part of the workforce and were on the payroll. Let us be honest though, the students were used as a spare pair of hands and often there was not a huge opportunity for them to learn on the job. At that time, there were two ways for someone to become a nurse. They could do a two-year course to become a state-enrolled nurse, in which role they could do only so much, or they could do a three-year course and become a fully qualified state-registered nurse, taking on all aspects of the role of a registered nurse. The bursary scheme, when it was introduced, was a move to make nursing more academic, and to create supernumerary student nurses. Or rather, that is what is supposed to happen. As my hon. Friend the Member for Sutton and Cheam (Paul Scully) pointed out, in practice, student nurses are still used as a spare pair of hands and are rarely supernumerary when they are on placement.

Student nurses were, however, taken off the payroll and the bursary scheme was introduced as a sort of income to acknowledge that, although the students were not counted as part of the workforce, they still had to do a huge number of hours while on placement, including night shifts and weekend and evening work. The bursary was supposed to compensate the students for their loss of income, but a bursary is not a wage, and it certainly does not reflect the number of hours student nurses put in during their training.

Let us not miss the point. Someone can do a three or four-year academic nursing degree, but unless they do the clinical placement hours, they cannot register as a nurse. That is the crux of the matter. In addition, a bursary certainly does not reflect the increase in experience and skills that students gain as they go through their training. A first-year student nurse gets exactly the same bursary as someone who has almost qualified and is practically working—under the supervision of a qualified nurse—as a qualified nurse.

The bursary system undervalues the contribution that student nurses make, and it means that student nurses across the country live on little more than £3,000 a year. The system has changed over time—it was not means-tested when I was doing my training, but it is now. Let us not pretend, therefore, that the system is ideal. The bursary has never adequately supported student nurses, and I welcome the chance to change it. Let us look at other professions. I certainly do not want people sitting in the Public Gallery to suddenly rush out and change profession completely, but a trainee police officer has a starting salary of £19,000 and a trainee firefighter starts on £21,000. Airlines are now moving to in-house training. A new pilot with no flight experience training with British Airways is on £23,000 and Virgin has a similar policy, with Richard Branson saying that he welcomes those with no experience to be part of the Virgin family from day one. Yet for student nurses, who take similar life and death decisions every single day, we propose not just that they work in clinical areas for free but that they pay for their training as well.

I believe Ministers when they say that this is not a cost-cutting exercise, because the money will instead increase the number of student nurse placements. Currently, more than 50% of people who apply to become student nurses are turned away simply because the places are not there in the universities. The RCN’s figures from only last year show that there were 57,000 applications, of which 37,000 were rejected.

Ruth Cadbury: Will the hon. Lady give way?

Maria Caulfield: I will not, if the hon. Lady does not mind, just because I know that so many Members want to speak.

Although not all of those 37,000 will have been rejected because of a lack of places, a significant number of them will. The current system restricts the number of student nurses that enter the profession so, in theory, the changes should increase the numbers of qualified nurses in a few years’ time. From my clinical practice I know, however, that what works in theory will have the opposite effect in reality.

My main concerns about moving from a bursary scheme to a student loan scheme are, first, that many nurses go into a degree system simply because there is no other way to become a nurse. They do not necessarily want a degree in nursing; they want to be a qualified registered nurse. If we commit to a student loan scheme, we are committing them to take on debt for years to come. As we have heard, many of them more than 30%—are mature students, and by mature students we do not mean people in their 40s and 50s. They are people in their mid-20s and early-30s. They have young families; they are single mums; and they have a first degree and have to take on a second one just to become
Maria Caulfield: I urge him to highlight those routes are alternatives to the proposals that have been put forward today. I urge him to highlight those routes are alternatives to the proposals that have been put forward today.

The Minister told me that those routes sounds like the state-enrolled nursing apprenticeships are being proposed. I am probably going to follow the hon. Member for Lewes (Maria Caulfield), and I think she made echo those raised by my constituents. She gave a devastating critique of the Government’s proposals. She is not alone, many others have made a powerful contribution. Many of the points she made echo those raised by my constituents. She gave a devastating critique of the Government’s proposals.

Many have written to me expressing their fears about the impact of withdrawing bursaries for student nurses, and the turnover will be even higher. We are spending nearly £12,000 a nurse to recruit from overseas and fill our vacancies, and I would prefer to see that money being used to support student nurses and return-to-nursing courses, so that we can easily and quickly increase the number of nurses who can get back into the profession. They have huge amounts of experience.

Stephen Pound: I am delighted to follow the hon. Member for Lewes (Maria Caulfield), who made a powerful contribution. Many of the points she made echo those raised by my constituents. She gave a devastating critique of the Government’s proposals. I am grateful to the 154,000 people who signed the petition. That reflects their concern about the Government’s proposals, and we should recognise their contribution. Without them we would not be having this debate in quite this way today. When I last checked, my constituency had the highest number of signatories to the petition. Many have written to me expressing their fears about the impact of withdrawing bursaries for student nurses,
midwives and the allied health professions. It is important that we recognise the diversity of professions that are impacted by the Government’s proposals and the different demographics and the different factors that will have an impact.

I am pleased to have the opportunity to press some of my constituents’ concerns on the Government, and I will quote from four. Teri-Lisa Griffiths wrote to me about her mum, who is from a working-class home and was forced to leave school due to family income and family pressures. In her desire for personal development and to be a positive role model for her children, she went to university and trained as a nurse. She said “attending my mum’s graduation was one of the proudest moments of my life and reinforced my aspirations to attend university and aim for a professional career. The proposed changes leave me dismayed at the potential implications both for the NHS and widening mobility. With a young family to raise, my mother would never have been able to achieve this without the financial support offered through the NHS bursary.”

Susi Liles is a graduate nurse who did a first degree in sociology. She drew on that experience, saying that “the work load for the nursing degree is much more than for a normal degree, and there are fewer holidays”.

She also said that “you couldn’t do other work while training.”

Other Members have made that point. She pointed out that nurses simply do not earn enough money to repay the loan, and we could contest some of the figures that have been given. She said that the bulk of nurses on band 5 would not find it easy to pay rent, run a car, which is usually a necessity for shift work, and meet all the other costs of living while also repaying their loan.

Jessica Gallagher, whose mother has been a nurse for 40 years and who has been qualified herself for two years, works in an acute and emergency setting. She said: “I truly love my job but as a ‘mature student’, I have no doubt that I would not have completed the course had it not been for the bursary support.”

Ella Williams is a student midwife in her final year. She told me: “I have struggled financially as it’s not really feasible to have a job as well as do degrees like mine.”

Echoing the point that the hon. Member for Sutton and Cheam (Paul Scully) made in opening the debate, she also said that, unlike other students, “although you are learning you are then almost free labour. Sometimes it is disheartening to feel you are working as hard as everyone else, but doing it for free and I think that students would feel that even more were they getting no government assistance. I completely love what I do, but…I’m sure it isn’t just me that feels as though I’m headed into a career that is misunderstood and undervalued by the government.

All those women have two things in common in appealing to me as their Member of Parliament: they are not affected by the changes and they have no personal axe to grind. They are not individually going to lose out. They simply want to share their experience of why taking away the bursaries and introducing tuition fees will damage the NHS and the professions of which they are proud, and they make powerful points. We have already discussed the impact on mature students. They have been disproportionately hit by the introduction of tuition fees and the new regime in higher education as a whole. We know that they are positively disproportionately represented within nursing and in particular within midwifery and allied professions. We also know that they are more likely—my hon. Friend the Member for Walthamstow (Stella Creasy) made this powerful point—to have dependents, and the changed arrangements will hit them in that regard, too. The changes will be a particular barrier to those from lower income families. Nursing and midwifery have been an important route of social mobility for many who have ruled out university because of the cost. The package is attractive and makes stepping up into a profession more achievable.

My constituents and other hon. Members have made the point that student nurses cannot work outside the course. Before I was elected to this place in 2010, I worked at the University of Sheffield, where I was partly involved in negotiating the contract for the university to take over nursing and midwifery training. From my experience working with those students, I know that it simply is not feasible for student nurses to do what other students do in offsetting the cost of their higher education by working while they are studying, because of the intensity of the course, the time spent in clinical practice and the early, late, night and weekend shifts that are a normal part of their studies. I was under the impression that nursing students have to complete a minimum of 2,300 hours in clinical practice, but the hon. Member for Sutton and Cheam said that it was more than that. I will take his advice. None the less, it makes it impractical for them to work as other students do and it is wrong to treat them like other students.

I was unsure about the hon. Gentleman’s numbers on this, but my understanding is that, for a nurse on a band 5 salary, repaying the loan would cost about £900 a year. In practical terms, that is approaching a 5% cut in salary. The Government’s training policy in other sectors is to introduce an apprenticeship levy, and I agree with that, because it says that employers have to take responsibility for training their workforce. That is right. But what are the Government doing when they are the employer? They are saying the reverse: that the employee should take responsibility for making the cost of the training themselves. They are imposing a 5% cut on nurses to meet the cost of training the NHS workforce. That is wrong.

The Government are stumbling into a potential disaster, not only for the lives of those who will not be able to pursue their dreams of a career in nursing, midwifery or the allied health professions, but for recruitment in the NHS. When I was elected in 2010, I assumed that I would disagree with the Government on a number of issues, and I have not been proved wrong. Nevertheless, I also assumed that, by and large, they would pay attention to evidence when reaching decisions and, on issues as important as this one, listen to that evidence. As has been pointed out already, so far that does not appear to be the case with regard to the serious concerns raised across the professions—those working in and managing the health sector—about the effect of the changes.

If nothing else comes out of this debate, will the Minister at least agree to publish the evidence that the Government considered when they first reached this decision? Most importantly, will he agree to a proper consultation on the full proposals, not just a technical consultation on their implementation? In his opening
speech, the hon. Member for Sutton and Cheam said that this debate was positive because the Government had initiated a discussion that would give nurses and midwives the opportunity to shape future funding arrangements. He said that the current system is not good enough, as did the hon. Member for Lewes. They are right: it is not good enough. But why not come up with a better system, rather than a worse one? If the consultation to which the hon. Member for Sutton and Cheam aspires—one that engages with student nurses and midwives to reshape the system—is to mean anything, it must be proper, full and comprehensive. I hope the Minister will commit to that today.

5.42 pm

Mr Andrew Turner (Isle of Wight) (Con): It is a great pleasure to serve under your chairmanship, Mr Pritchard. With an ageing and increasing population, there is no doubt that we need a stronger nursing workforce in the NHS. I am glad that the Government recognise that. What worries me, and so many others, is the proposed removal of the bursary scheme in England. In moving to a loan-based system, the Government will need to find ways to attract students to a career path that includes irregular and long hours and is often physically and emotionally demanding. We have yet to hear those proposals, although I congratulate my hon. Friend the Member for Sutton and Cheam (Paul Scully) for bringing to our attention some examples of what should be done, including having better salaries and apprenticeships rather than bursaries. The Royal College of Nursing has rightly suggested that the bursary system creates a connection between nursing students and the NHS, a potential future employer, from the start of their education. By removing that connection, we risk reducing the motivation for and attractiveness of such vital jobs in the NHS.

More rural and remote constituencies such as mine, the Isle of Wight, need to make jobs in the public sector attractive and provide motivation for qualified nurses who have student loans that need to be paid off. Most importantly, the island’s peculiarities must be taken into account, especially the fact that journeys to universities on the mainland take students two hours each way every time they travel. I hope the Minister will address that problem.

5.44 pm

Mark Durkan (Foyle) (SDLP): It is a pleasure to take part in this important debate. I commend the hon. Member for Sutton and Cheam (Paul Scully) for introducing it as a Petitions Committee member. He had the difficult task of framing the wider debate by drawing attention to a number of the background and contextual issues in the way that he felt was fairest and on the broadest issues. Many of us are in-filling the debate with a different emphasis, taking account of some other considerations.

As a Northern Ireland MP, I am conscious that this debate is about the bursary scheme for the NHS in England. Of course, the scheme recruits students from Northern Ireland who are undertaking courses in England, and as a devolved Administration we also have our own variant of the scheme. In previous contributions on this subject, the hon. Member for Ilford North (Wes Streeting) has raised the question of whether there will be an immediate Barnett consequential to this change to the NHS in England. Even when we get the answer from the Treasury, it changes over time. I have served as a devolved Finance Minister, so I know that in one instance the Treasury will tell you that there is no Barnett consequential, but then a year or two later some new thinking will mean that there is and that the vice has been tightened. Its usual rule of thumb is, “We’re the Treasury; we don’t need a reason,” so it can change at will.

Although, as the hon. Member for Belfast East (Gavin Robinson) said earlier in an intervention, the current Health Minister in Northern Ireland has properly set his face against going down the same road as the UK Government on the bursary scheme, the fact is that a significant change such as this has the potential to become the predictable text of future devolved policy. It has a conditioning effect by creating a context, and even when devolved Administrations resist such policy changes it usually adds to their costs, which makes the choice not to make the change harder. There is usually policy opportunity cost elsewhere as well.

We need to ask where the rush to this policy change has come from. Two lines in the autumn statement have heralded a significant change. We are told that a consultation will start this month, so will the Minister tell us how serious, thorough and far-reaching that consultation is going to be? Will it include a comprehensive consideration of all the implications of the change and a proper consultation on all the shortcomings and benefits of the current scheme?

Those of us with concerns are not coming here with a “Little House on the Prairie” picture of how the existing scheme operates. We are not pretending that nursing students and students in the allied health professions currently have a sweet life. They clearly face many serious pressures, but we heard from the hon. Member for Sutton and Cheam that the pressures, difficulties and life costs justify the change. In my view, they justify taking great care with any change. We need to address the problems that exist without creating new problems or compounding the existing ones, for exactly the reasons mentioned by other Members, including the hon. Member for Isle of Wight (Mr Turner), who described the implications of changing to a loan-based system.

We must recognise that the roots of nursing education have historically been very different from those of other education. It is only recently that we have seen the well motivated move to ensure that nursing and the allied health professions are truly recognised as professions of degree standard. The problem is that some people take that to mean that we should treat the bursaries in the same way as any other student loan and that that should be the norm. We know, for the reasons that Members have set out, that it should not. The students in question are not just in training but in service in a real, pertinent and highly pressurised way, which means that they do not have the options for covering their maintenance costs that other people have, and that their time is much more precious. Given their life circumstances, they have responsibilities that students on many other courses do not, so we are not comparing like with like.

Where has the support for the change come from? Has it come from the professional bodies that represent nurses, midwives, physiotherapists, speech and language therapists, occupational therapists, dieticians, radiographers, chiropodists and podiatrists? No, it has not. They have
real concerns about the implications of the change for their members and the services they work in. Has it come directly from the employers? Health service employers in Northern Ireland, including in my constituency, constantly talk about workforce problems and the huge pressure to fill places and keep services running. A new radiotherapy unit has opened in a hospital in my constituency, and there will be huge pressure on it to employ and sustain radiologists for the future. Health service employers in Northern Ireland are acutely conscious of the pressures, but none of them has said to me that they believe this change will solve the problem.

The change seems to be sponsored mostly by the Council of Deans of Health, which is responsible for education, because it will perhaps solve a problem for universities. Universities look at their numbers and their funding and ask what the change will do for their economics, given that they have a key role in educating health service professionals. It will solve a problem for them, but not for the services that are meant to be supported or the professions. We must include in the consultation those whose voices have not been listened to and who have not canvassed and pushed for this change. Their voices must be heard, which is why this debate and others like it are so important.

The hon. Member for Sutton and Cheam said that something has to give and that the bursaries need to be changed. At one point, he actually said that one reason why bursaries are not good is that they can be taken away, as though that was an argument against bursaries. It is pretty cheeky to justify a proposal to take bursaries away by saying that we should do it because they can be taken away.

Paul Scully: Forgive me, I was talking about the title and the semantics. “Bursary” is a bit of a misnomer when, as had been said, it is more like a salary, albeit an inappropriately low one.

Mark Durkan: I take the hon. Gentleman’s point, which resets the context of his comments. I gladly acknowledge that clarification.

Just as we should not presume that bursaries are a given and cannot be taken away, people cannot afford to presume that the assurances about the loans-based policy are a given. The current rate of 9% of earnings over £21,000 can change—we must remember that the registration fees for people in the nursing and midwifery service have been hiked up. The Government’s justification for that significant hike in percentage terms is that they have been raised from a fairly low base. When people hear the argument that some students will not pay much debt for their whole career. I urge the Government to consider those points, which have been well made.

Many Members referred to the difficulty of getting part-time jobs. It was a pleasure to listen to the hon. Member for Lewes (Maria Caulfield) talk about her own experience. Given the number of hours that NHS trainees—nurses, midwives or AHPs—are expected to work during clinical placements or at university, plus all the extra hours on assignments, exams, practicals and study, there are not enough hours in the day for them to take on a part-time job.

I was interested to hear the hon. Member for Sutton and Cheam (Paul Scully) refer to Martin Lewis’s MoneySavingExpert.com website. I had a look at it during the debate to see the advice that he gives about NHS bursaries. I could not find anything particularly relevant, but I noticed that, to help students financially, he advises them to get a part-time job. That is obviously relevant, but I noticed that, to help students financially, he advises them to get a part-time job. That is obviously not suitable in this situation. The hon. Member for Lewes highlighted the relatively low pay that nurses on band 5 or 6 can expect to earn. Under a loan system, those people, once qualified, will be paying back that debt for their whole career.

Mr Andrew Smith (Oxford East) (Lab): My hon. Friend is making an excellent speech. Does she agree that the pressures will be all the more acute in high-cost housing areas such as Oxford, where nurses are already struggling, which will be a further disincentive to recruitment and retention in services that are already under enormous pressure?

Liz McInnes: I thank my right hon. Friend for his important intervention. Housing costs must be borne in mind in any discussions about changes to NHS bursaries. The days when cheap accommodation was available to NHS trainees are long gone. I can remember staying in
a tower block in Greenwich at a reasonable rate during my training, but those tower blocks were sold years ago and are now privately owned.

Replacing bursaries with loans will reduce the diversity of those able to access a career in healthcare. I noted with interest that the hon. Member for Sutton and Cheam claimed when challenged that that would not be the case, but was then unable to quote any equality impact assessments. I would be interested to hear from the Minister what assessments have actually been performed.

The NHS bursary is not a cost but an investment in the health and wellbeing of our society. To lose the bursary would affect not only prospective students but each and every citizen of this country, by which I mean England, because the proposals apply to England only.

In the Budget debate of July last year, I spoke against the change from maintenance grants to loans for young people hoping to go to university. The withdrawal of NHS bursaries, as announced in the comprehensive spending review, directly mirrors that change. As a result of the Budget proposals, our students will be saddled with even more debt. I said at the time that there was a real risk that the Government were experimenting with the future of the current generation of secondary school students, but it now appears that they are also experimenting with the future of current and potential nursing and health trainees. In short, it is an experiment on the future staffing of our NHS that has the potential to go badly wrong.

I put out a simple statement on Twitter regarding the views of the Royal College of Midwives, which opposes the proposals to remove NHS bursaries, and received this response:

“My daughter a single parent budgeted carefully b4 becoming a student nurse, may not be able to complete studies.”

That is an appalling situation into which the Government have put that student nurse. Again, that gives the lie to their oft-repeated claim to be the party of working people. Simply repeating the same line over and over again does not make it true, although that does seem to be this Government’s modus operandi on so many issues.

As with the Government’s conversion of maintenance grants to student loans, I would be interested to read an equality impact assessment, should such a thing exist, of the removal of NHS bursaries. The Government’s claim that cutting the bursary will reduce the diversity of students into nursing is ludicrous, and even some Government MPs are saying so publicly. I was pleased to hear the hon. Member for Lewes on Radio 5 live yesterday stating that she would have not been able to train as a nurse without an NHS bursary. Today she hinted at alternatives, including apprenticeships and maybe even a return to the days of state-enrolled and state-registered nurses, and I hope that the Minister will be able to elaborate on them.

The Royal College of Midwives believes that the NHS workforce deserves a better future and says, interestingly, that the Government have

“taken money away from other parts of the health system, including student education, to be able to give ‘the NHS’ more money. According to the King’s Fund, spending on health activity that falls outside NHS England’s budget will decrease by more than £3 billion in real terms by 2020/21—a reduction of more than 20%.”

The RCM then quotes the King’s Fund, which states that

“it is clear that a large amount of the additional increase in NHS England’s budget has come at the expense of other areas of health spending.”

The Royal College of Nursing is similarly opposed to the plans and refers to them as “ill thought out”. As the RCN celebrates its centenary, it calls upon the Government to listen to its knowledge and expertise, stating:

“The future of nursing must be protected. Our patients deserve nothing less.”

Unite the union also opposes the plans, highlighting the other health professions covered by the NHS bursary, including occupational therapists, physiotherapists, radiographers and speech and language therapists, to which other hon. Members have referred. Those professions are the backbone of our NHS, and we cannot allow entrants to them to train at their own expense while racking up debt. To do so would be disastrous for our NHS and for future patient care. I urge the Government to reconsider the proposals and, more importantly, to take advice from the professional bodies.

6.5 pm

Colleen Fletcher (Coventry North East) (Lab): I am grateful for the opportunity to speak. I congratulate the hon. Member for Sutton and Cheam (Paul Scully) on securing this vital debate on the e-petition relating to the retention of the NHS bursary. I praise those who created the e-petition and the more than 150,000 people who have so far chosen to sign it.

I have no experience of nursing, and I pay tribute to the hon. Member for Lewes (Maria Caulfield) and my hon. Friend the Member for Heywood and Middleton (Liz McInnes) for their experience. I have never had any interest in nursing, but when my husband was very ill last year I, like many others, gained experience of the nursing profession and how nurses go about their important work. I have nothing but admiration for nurses. However, because I do not have direct experience, I thought it pertinent to seek the views and opinions of some of the exceptional nurses who form the backbone of our NHS and who have first-hand experience of the physical, emotional, mental and financial challenge of successfully completing a rigorous healthcare course.

I asked nurses about the funding arrangements for NHS students and the consequences of the Government’s decision to scrap bursaries and charge tuition fees, thereby passing on the full cost of training to the students themselves for the first time. Without exception, these dedicated and essential frontline NHS professionals extolled the immeasurable importance of retaining and improving the existing bursary system and condemned, without equivocation, the Government’s decision to scrap it. They each wholeheartedly espoused the long-established reciprocity of the existing funding arrangements, which—albeit weighted in favour of the NHS and its patients—sees student nurses undertake a gruelling 2,500 hours of unpaid work across the NHS for the benefit of us all. In exchange, they are not charged fees for their training and receive a bursary. The arrangement recognises, whether by luck or design, the nature of the nursing course. It is longer than other university courses, with shorter holidays and a demanding work placement, all of which severely limits the opportunities to take on additional work to pay towards studies, to which many hon. Members have alluded.
The nurses to whom I spoke impressed on me how much of an incentive the current funding model is to those applying for a place on a nursing course and how its withdrawal, to be replaced with the huge levels of debt from a loan and tuition fee system, is likely to deter would-be applicants from entering the course in future. They said that that would be particularly true for mature students, who may have young families, caring responsibilities for elderly parents and a mortgage to pay, or those for whom healthcare is a second degree. Moreover, many of those whom I contacted raised concerns that the Government had already actively and wilfully undermined the incentives of a career in nursing, even before they announced the proposed funding changes.

One in particular, Steven, who is extremely proud of being a nurse and recognises the rewarding nature of the job and the positive impact that it can have on people's lives, said that he was none the less aware that the incentives for entering the nursing profession had been significantly diminished in recent years and would be lessened still further by the Government’s proposals, which would burden newly qualified nurses with debt of at least £51,600 and an average pay cut of £900 a year due to debt repayments. Steven told me:

“Nursing currently offers very little incentive even if students make it through the three years of training. The well documented staff shortages and increased work load, especially in the winter, coupled with five years of pay freezes, below inflation pay rises, and increased pension contributions does not inspire students to commit to three years of gruelling physical work and financial hardship.”

Given the staffing shortages in the NHS, the Government should seek to improve the terms and conditions of employment for nurses, to reward their invaluable work in extremely difficult circumstances and to incentivise more people to enter the profession, rather than exacerbating the workforce crisis as they have done in recent years and as the proposed funding changes will do in future.

I hope that the Government will listen carefully to extraordinary and dedicated nurses such as Steven and, in doing so, recognise the strength of support among health professionals and the wider public for a reversal of the proposals and for the retention and improvement of the NHS bursary. If the Government are not minded to reverse their proposals, at the very least they should pause them before rushing through such damaging changes and take the opportunity to commit to a proper consultation on the full proposals, not simply have a procedural consultation on their implementation.

At this juncture it seems apt to conclude by again quoting Steven, who told me:

“The bursary allows anyone with a caring and kind nature to achieve their dream of being a nurse; it ensures a constant stream of nurses, midwives and other health professionals.

Before I make further progress, I should declare an interest: my sister is a nurse at my local hospital in Paisley, the Royal Alexandra, to which my mother was admitted only a couple of hours ago. My local university, the University of the West of Scotland, helps to train and educate 4,000 nursing students, one of the largest cohorts in Scotland.

Following the Chancellor’s bursary announcement, I spoke to my sister, nursing friends and nursing students to learn about the impact of that reckless decision. They were disappointed, to say the least, to learn of the Chancellor’s actions and short-sightedness, but they were not surprised. Since coming to power the Chancellor and his Cabinet colleagues have launched a direct assault on the health service and on the education sector in England. A week does not seem to go by without health workers or students protesting about polices pursued by the Government.

Following my discussions, I decided to raise the issue of the bursary with the Chancellor when he stood in at Prime Minister’s questions while the Prime Minister was gallivanting around Europe in his rather pathetic renegotiation tour. I called on the Chancellor to explain to nursing students why he was removing vital support from them. Unfortunately, he was unable to provide any sort of answer, and from that performance it is clear that he will need to improve if he wants to become Prime Minister.

It is important to remember and understand why nursing students receive a different funding settlement from other students. Nursing students usually work longer hours on their course than other students and, alongside their studies on the course, nursing students work 37.5 hours each week in their placement areas. The long hours on placement ensure that nursing students follow the same duty patterns as full-time staff. From speaking to nursing students, I know how much they appreciate that education on the ward, and they benefit greatly from learning alongside qualified colleagues.

We should also remember that the majority of nursing students are women; a higher proportion are mature students; and some have children or other dependants to look after. Many students work part-time to help cover the cost of living, and most of their jobs are low paid. Based on that, we can all appreciate and understand why there is a different funding settlement for nursing and other health-related students.

If we want to improve our NHS, we cannot make reckless decisions like this one. The Chancellor’s decision to abolish bursaries should be seen as an attack on the NHS, on the health professionals of tomorrow and on aspiration—the very opposite of what the Government claim they want to achieve. Let us be clear: forcing such students to take out loans to cover the costs of their course will deter people from wanting to enter an NHS career.

A coalition that includes Unison, the National Union of Students, the Royal College of Midwives, the British Dental Association and others states that the proposed new system will lead to students accumulating debt worth at least £51,600. That is a disaster waiting to part in the debate and I strongly support the petitioners in calling on the Chancellor to keep the NHS bursary for those students who are studying to become the next generation of nurses, midwives and other health professionals.

6.12 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship, Mr Evans. I am grateful to have the opportunity to take
happen. Demand for NHS services is growing and we need more nurses and other health professionals; putting barriers in their way will lead to fewer choosing such professions. Instead of removing support for such students, we should look at whether the existing level of support is enough for them to excel in their studies and to develop their career within the NHS.

At the moment, nursing students in England receive up to £4,200 a year to support them through their studies. Given that those students are also working full-time in the ward, they will clearly be earning well below the minimum wage. We have to ask ourselves why the Government have not published the impact assessment that was carried out on the effects of their decision. Have they something to hide?

When summing up, will the Minister tell us why that impact assessment has not been published? Will he tell us what impact the changes will have on those students who come from the most deprived backgrounds? What impact will the policy have on the drop-out rate for students studying on nursing and health-related courses? Those are important questions that need to be answered. I fear that we are creating and debating policy without knowing the full impact of policy created in pursuit of the Government’s ideological obsession with austerity.

The Chancellor should seek guidance from the Scottish Government on support offered to nursing and health-related students. Whereas the UK Government want to abolish bursary support for nursing students, the Scottish Government provide £6,578 to students, which is £2,500 more than for students south of the border and all on a non-means-tested basis. Whereas the UK Government want to impose tuition fees of £9,000 on those students, the Scottish Government have abolished tuition fees and preserved the principle of education based on the ability to learn, not the ability to pay. Whereas the UK Government work against health service and education partners, the Scottish Government work with such bodies, in partnership, ever to improve the education and health services that exist in Scotland. I ask the Minister directly: will he assure me that the cut to bursaries will not result in cuts to the block grant allocation to Scotland? Finally, how will the cuts affect cross-border study?

We seem to have a tale of two Governments: a UK Government and Chancellor fixated on austerity and making life difficult for students and workers alike; and a Scottish Government working with people to protect us from Osborne austerity. However, we in the Scottish National party will not sit back and watch the UK Government attack the next generation of health professionals, including junior doctors. We support those students studying down south who dream about a career in the NHS. We will be a friend to them, a friend to students studying down south who dream about a career in the NHS. We will challenge the cuts at every opportunity.

Several hon. Members rose—

Mr Nigel Evans (in the Chair): If I heard correctly, Mr Newlands, you said that your mother had just been admitted to hospital—our thoughts are with you.

The debate will finish no later than 7.30 pm. The Front Benchers may divide up the time and should not exceed it, so that everyone gets an equal amount of time. It is customary to allow Mr Scully an opportunity to wind up right at the end. I call Philippa Whitford.

6.18 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): Thank you, Mr Evans, and it is an honour to take part in such an important debate.

There is no question but that England requires more nurses. The ratio is 5.8 nurses per 1,000 patients, the lowest in the UK, and yet NHS England cannot fill nursing posts. It is bringing nurses in from overseas and using agency nurses, so that number needs to be expanded. The approach taken is the idea of simply removing the cap, but the challenge is how enough placements will be found. As the hon. Member for Heywood and Middleton (Liz McInnes) said, how will that be funded when Health Education England is facing a massive cut? Furthermore, it is not simply a matter of funding the placements; they require the contribution of nurses and other staff on the wards who are already really busy. It is not something that can be dreamt up in an office in Westminster and happen by magic.

There is also the issue of whether, at the end of training, that unlimited number of nurses will all find jobs in our NHS. It is likely that they will not. We will therefore have wasted not just their money in the tuition fees they will pay for the cost of their training, but money invested by the Government in their training. That is short-sighted, because the Government will lose control of workforce planning, which is key, and with only 5.8 nurses per 1,000 patients, clearly that has not worked too well up to now.

There is an argument for re-expanding nurse places, which were at their height in 2004 when we had nearly 25,000 places and reached a low in 2012-13 of 17,500. At the moment, they have just crept above 20,000, but that does not even bring us back to the figures seen in 2001-02. We clearly need more places, but the idea that nursing students should take on the burden is ridiculous.

Hon. Members in the Chamber will know of my interest: I have been a doctor for 33 and a half years. If there had not been free tuition—and grants back in 1977—I could not possibly have become a doctor, let alone gone on to study surgery and work as a breast surgeon for all of those years. England is already losing out on students who have talent but not the opportunity to follow any degree, and medical degrees in particular. Now we are talking about nurses and allied health professionals—as Members have said, allied health professionals are included in that important group.

Some Members have asked about an impact assessment. We have not heard about one and it is clear that there has been absolutely no consultation. The Royal College of Nursing reported that there was no consultation with it: I should have thought that that is where one would start.

We need to look at the bursary. As the hon. Member for Lewes (Maria Caulfield) explained, it is not exactly generous: £1,000 is guaranteed. Above that, it is means-tested and it reaches the dizzy heights of £3,091 only for related students. Whereas the UK Government want to abolish bursary support for nursing and health-related students. Instead of removing support for such students, we should look at whether the existing level of support is enough for them to excel in their studies and to develop their career within the NHS.

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Mr Nigel Evans (in the Chair): If I heard correctly, Mr Newlands, you said that your mother had just been admitted to hospital—our thoughts are with you.

The debate will finish no later than 7.30 pm. The Front Benchers may divide up the time and should not exceed it, so that everyone gets an equal amount of time. It is customary to allow Mr Scully an opportunity to wind up right at the end. I call Philippa Whitford.
debt of £27 grand will certainly put people off. Even if I had been told at the age of 18 that I did not have to pay back the loan until afterwards, the idea that someone with no support in the world, as was the case at the time, would be signing on the dotted line to take on what was almost a small mortgage would be hard. People are not going to do that.

The idea that people will not be put off is naive. It will put off the 50% of nursing students who are postgraduates and mature students, and it will put off people from poor socioeconomic backgrounds. It will reduce diversity. We have talked about the need for Parliament to reflect our population, and it is crucial too that nurses and doctors reflect the population that they serve. That will change, because becoming a nurse will be an expensive business.

We need to think about why we moved from the old days of the enrolled nurse and the registered nurse: those were the nurses I used to work with. I have to say that, from the number of stripes on their hat, I knew exactly what experience they had and exactly what they could do. Many of us thought, “Why are we suddenly doing degrees?” but when we look at where our NHS is now, we see the whole point of that, because nurses are now leaders in the NHS and the vision of the future NHS workforce is of nurses leading independent teams, being out in primary care, triaging patients and diagnosing and treating on their own. The idea of the nurse as handmaiden has thankfully long been laid to rest.

The same applies to allied health professionals. About 30% of the patients who come to primary care have a musculoskeletal problem and part of the vision of improving primary care is to allow patients access to a physiotherapist—an expert on their problem—if they have a sore back, hip or knee.

Podiatrists provide care to an increasing number of diabetics. People are probably not aware that the life expectancy of someone with a severe diabetic ulcer is poor, ranking above only lung cancer and pancreatic cancer. That is a real threat to patients, so we need podiatrists who can check feet and treat ulcers at an early point. There are only 3,000 podiatrists for the whole of England, yet student numbers have been reduced from 361 to 326.

We are reducing the numbers of the very people we envisage needing in future—it is like the right hand and left hand are not talking to each other and do not know what the other is doing. As we say in Scotland, two grey cells and they are in a huff; they are not talking to each other. That needs to change. We need to look at the NHS as a whole and the people we expect to provide care in future.

As I mentioned, we have a reasonable bursary in Scotland. I would not say that our students are living the high life on £6,500 a year but, like our other students, they do not pay tuition fees. The hon. Member for Lewes cited a figure for graduates earning £100,000 more, but we must remember that that is over an entire working lifetime, so that is £2,500 a year, which is not a huge amount, and that is reduced by their debt. If students are graduating with £50,000 or £60,000 of debt from their study and living costs and so on, those extra earnings shrink to almost nothing. We will gradually reach the point at which people who might have considered being nursery nurses or primary school teachers or contributing to society in another way that is not well remunerated will not feel able to take on that debt.

We need to look at what we will need in future. We require physios and radiographers, who they will provide the wraparound care for our ageing population, out in the community, leading their teams and working on their own. I call on the Minister to follow the Scottish example and invest in people. That is the key.

Sadly, what we have seen recently—certainly in my short time in the House—is the debt created by the bankers towards the end of the previous decade became sovereign debt, which is now becoming individual debt. All the time in the main Chamber we hear how we cannot leave public debt to future generations, but we are putting it on future generations as individuals. We need to recognise that. People struggle to get a house, they struggle to get education and they struggle to get a job. We need to change that. In this instance, our return is a coherent, diverse, broad NHS staff made up of people who are committed to what they do. I call on the Minister to answer the many challenges raised today and to say how he will invest in the future workforce that will look after the people of England.

6.28 pm

Heidi Alexander (Lewisham East) (Lab): It is a pleasure to speak in this debate under your chairmanship, Mr Evans, and to follow the excellent contribution of the hon. Member for Central Ayrshire (Dr Whitford). I also thank the hon. Member for Sutton and Cheam (Paul Scully) for bringing the debate to the Chamber and I pay tribute to the petition’s organisers, because it is no mean feat to get 154,000 signatures.

We have had a good debate, with some excellent contributions. In particular, I pay tribute to my hon. Friends the Members for Ilford North (Wes Streeting), for Heywood and Middleton (Liz McInnes), for Sheffield Central (Paul Blomfield) and for Coventry North East (Colleen Fletcher) for their contributions. I also thank the hon. Member for Lewes (Maria Caulfield) for her insights. She was right to highlight the realities of life for student nurses, but I am afraid I do not share her optimism about the other training routes the Government are developing for nursing staff. She was also right to acknowledge that the bursary is not perfect, but it is beyond me why we should replace it with something worse.

In the short time I have, I want to set out why I think the Government are taking a huge gamble with the future of the NHS workforce and with patient safety. As others have said, the Government’s proposals affect not only nurses and midwives, but those studying radiography, radiotherapy, physiotherapy, occupational therapy, podiatry, chiropody and speech and language therapy. Many of those specialisms face recruitment challenges, and they are all integral to the NHS’s ability to continue functioning.

Before I turn to the problems with the Government’s proposals, we need to understand why the country has a problem with nursing supply in the first place. Shortly after the 2010 election, the Government cut the number of nurse training commissions in an ill-judged attempt to make some short-term savings. Those cuts saw nurse training places reduced from more than 20,000 a year to...
just 17,000—the lowest level since the 1990s. As a result, we trained 8,000 fewer nurses in the last Parliament than we would have done if we had maintained training commissions at 2010 levels. At the time, experts such as the Royal College of Nursing warned that the cuts would cause

“serious issues in undersupply for years to come.”

They were right. Hospitals are now forced to rely on recruitment from overseas or on expensive agency staff. That is a key cause of the projected £2.2 billion black hole in NHS finances.

Although the Government have tried to correct the problem and increase the number of training commissions in recent years, even today we are training fewer nurses than we were five years ago. There is therefore a problem. No one disputes that, but no one should be under any illusion about the cause.

The danger with the Government’s proposals is not only that they risk making staff shortages even worse by putting off the next generation of student nurses, but that they are ill-judged and not backed by a shred of evidence. As we have heard today, the starting salary for a nurse is just above the loan repayment threshold, which has, shamefully, been frozen. That means that nurses will start paying back their loans as soon as they graduate. As my hon. Friend the Member for Ilford North said, nurses will, on average, take an effective pay cut of £900 a year to meet their debt repayments. How on earth can the Minister justify that? Why is he so sure that burdening nurses with debts of more than £50,000 will have no impact on recruitment or retention?

If the Minister will not listen to me, perhaps he will listen to the stories of some of the student nurses themselves. Just before Christmas, I met four deeply impressive young women who were studying to become nurses—Danielle, Charli, Marina and Sophia. Those women were in their 20s, and their lives have not followed the simple path of GCSEs, A-levels and going straight to university. Danielle left school after her GCSEs, but she went back to do her A-levels. She got a job as a healthcare assistant and then decided she wanted to go into nursing. Marina had a child when she was 16. By the sound of things, she has had a pretty tough life. However, she is clear she wants to be a mental health nurse. When she says she thinks the best people to care for others are those who have experienced hardships themselves, she has a point. My fear about the Government’s proposals is that they will mean that those who end up training to be nurses will be those who are best placed to pay, not necessarily those who are best able to care.

Has the Minister read the testimonies of student nurses past and present, which the Royal College of Nursing collated? It is a hefty volume, and I recommend it to him. Natalie from Sheffield says this about the bursary:

“Without it I wouldn’t have been able to start the course...My mum gives me help when she can, but as a single parent she can’t afford to look after my sister as well as me. I think there will be a huge lack of people taking part in the course, which will further impact on the nursing shortage.”

Daniel, from south-east London, says:

“I would not have taken the course if it were another £20,000 plus worth of debt to incur. To cut the bursary is ridiculous. Student nurses are thrown into the...deep end as soon as their first placement a month into their studies, leaving less time for work that pays. If anything, the NHS bursary should be raised.”

Vicky, from York, says:

“I would not have been able to, or chosen, to study to be a mental health nurse without the bursary for the following reasons...I am a single mum and need support for childcare costs. I have debts from a previous degree. I am a mature student at 33. I would not take on further debts which would be impossible to pay back, and would not be fair on my little girl.”

I say to the Minister that I know about the fear of debt that can be instilled in people by a working-class upbringing. I know what discussions take place in homes across the country about the pluses and minuses of people going away to university and racking up debts when they could just start earning. I know that because I experienced those discussions.

My other main concern with the proposals is that, as others have said, the Government do not seem to understand that student nurses are not like other students. Student nurses are required as a normal part of their studies to spend a significant amount of their course working with patients in clinical practice, including on night and weekend shifts. They have less holiday than other students, and they spend hours on their course caring for patients and, sometimes, keeping our hospital wards running. The changes will, effectively, charge students for working in the NHS. How can that possibly be justified? What the Minister seems to have failed to grasp is that student nurses are far more likely to be mature students. We have only to look at what has happened to applications from mature students under the new student finance system to see what a risk the proposals will be to the NHS.

That raises an important question about the kind of people we want to train to be nurses. The application process is rigorous, and rightly so, but the average age of a student nurse is 28, and many have caring and family responsibilities. Are those not precisely the people we want to attract into nursing? If so, is it not all the more alarming that those people are the most likely to be put off a career in nursing as a result of the changes?

The Minister will stand up and no doubt eloquently argue that I am wrong, and that the Royal College of Nursing, the Royal College of Midwives, Unison and various other stakeholders are wrong. However, every one of the claims I am sure he will make has been questioned by experts. The Government’s case for the changes has been put together on the back of an envelope—they did not even bother to consult anyone before announcing them. The Royal College of Midwives has said:

“The RCM is extremely disappointed that the government did not seek advice or consult with us prior to making this decision.”

The Royal College of Nursing has said:

“This decision was made with no consultation or evidence gathering.”

Talking to organisations that might know a thing or two about nursing is not just good policy making but plain common sense. Will the Minister explain why he did not talk to the Royal College of Nursing or the Royal College of Midwives before the Chancellor made his announcement?

Will the Minister also explain why the proposed consultation is only a technical consultation on the proposals’ implementation, not on the principle behind them? Surely it makes sense to have a proper, detailed look at the matter and to work with all sides to explore how we can improve the support available to student nurses and increase the supply of excellent staff to the
NHS. By jumping to a solution that is not based on evidence or facts, the Government are taking a reckless gamble with the future of the NHS workforce, and with patient safety. I serve notice on the Minister today that the Opposition will oppose the plans every step of the way.

6.40 pm

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I add my voice to those of other Members who have spoken today to say how much I appreciate the decision of the Petitions Committee to bring the matter to the notice of the House. I thank my hon. Friend the Member for Sutton and Cheam (Paul Scully) for outlining the case as many of the petitioners see it. As both shadow Ministers—the hon. Members for Lewisham East (Heidi Alexander) and for Central Ayrshire (Dr Whitford)—said, we had a high-quality debate, and Members raised a huge range of points in a calm and collected but passionate way. I hope Members will forgive me if I address as many points as I can. I hope to finish before the end of our allotted time, so that people can get away, but I am aware of the number of different points that were raised. I am also aware of the intense public interest in this important issue, which is why I want to make sure that I address every point that was raised—including detailed points.

Many Members, including the hon. Member for Lewisham East, were here for the debate on tuition fees in 2011. It was a searing experience. It is the only time I can think of—the hon. Lady and other Opposition Members will remember this—when protests could be heard by those in the Chamber. We all remember, too, having to leave by secret exits because of the riot outside. It was understandable that, at the time, people were so passionate about the change being made. The hon. Member for Ilford North ( Wes Streeting) was a central player in the great debate, and he acquitted himself with honour. He explained in great detail his side of the argument—and that of the National Union of Students—at the time of probably the most controversial change made under the coalition Government. Yet every single one of the claims made at the time—the central claims against the changes—has been proven untrue.

I want to address the core point made in the considered speech of the hon. Member for Sheffield Central (Paul Blomfield)—that the Government should make changes on the back of evidence. My contention is that that is exactly what we are doing. Since the changes made in 2011, there has been an increase in the number of students in every part of the higher education universe. Most importantly, to my mind, there has been a considerable increase in the number coming from disadvantaged backgrounds. That is precisely why, even if it were not for the reasons that I want to come on to about why what we are doing is important for the NHS and for nursing in particular, it is an important change. Nursing students are the only significant group of students not to have been included in the reforms that have so significantly benefited the rest of the university sector.

Paul Blomfield: Clearly we could have a lengthy debate—I am sure you would counsel us not to, Mr Evans—on the merits of the student loan system. I was surprised by the Minister’s unequivocal statement a moment ago. Will he agree that one section of the demographic that has been negatively impacted by the introduction of the new student funding regime in 2012 is mature students?

Ben Gummer: I will not agree with the hon. Gentleman’s contention. UCAS figures for mature students in 2011, the year of the change, show that there were 42,170 acceptances. That figure dropped in the following year, as did the figures for all students across the university sector. It then went up to roughly the same figure in 2013, and up again in 2014. In 2015 the figure was 48,690, so the number of mature students has increased, and in percentage terms the increase is, I believe, more than that for university students of the normal age. When we consider the core reasons for the change—expanding the opportunity to go to university, through the number of places; increasing quality, which has improved according to a number of metrics; improving student experience, which has also happened in the past few years; and, most importantly for a university system, creating a ladder of opportunity for those born with least—we see that the reforms have delivered by every one of those measures. It is precisely for that reason that, even were it not for the wider issues that the NHS confronts, I would believe what we are doing to be entirely right. It enables us to spread to nurses the same benefits that have been realised in the rest of the student population.

Paul Blomfield: I thank the Minister for giving way again. I want to challenge him on those figures, which I guess—I do not have them before me—relate purely to full-time students. If we consider full-time and part-time students, we see unambiguous evidence that the number of mature students has fallen dramatically.

Ben Gummer: The numbers do relate to full-time students. I concede that, in the case of part-time students, there have been, for a longer period than the time since 2011, problems in maintaining a rise consistent with that across the population. The Chancellor has accepted that fact, which is why he devoted specific attention and funds in the spending review to supporting part-time mature students. However, in this case we are talking about a nursing degree that is, for the vast majority, a full-time one. For the majority of nurses—I believe the figures are not quite those given by the hon. Member for Central Ayrshire, although I do not have them to hand—their degree is a normal undergraduate degree, taken before maturity. For all those people, I want the same benefits that have been provided across the rest of the university sector. The hon. Member for Sheffield Central was a Member in the previous Parliament, as was the hon. Member for Lewisham East, and they made exactly the same claims then as they do now about a reduction in opportunity, a reduction in number of applicants and a reduction in all the areas where we want universities to perform. I am afraid they have been proved wrong and the Government have been proved right, and that is why it is important that we extend those benefits to nursing.

I will address in terms the process by which we have come to this decision, about which the hon. Member for Ilford North raised some detailed questions, and our intention for the wider reform of training routes into nursing. It is important that hon. Members should see
the changes that we are making to university training as part of a wider reform enabling us to increase both numbers and the quality of courses, as well as improving the student experience for nurses entering nurse registration by whatever route. The policy has been worked through in considerable detail in the Department of Health. There has been consultation with leading nursing professionals. The Department of Health is advised by a number of chief nurses. All were consulted and involved in working up policy in this area, which is entirely how it should be.

We have been very open about the fact that we want a full and detailed consultation about how the proposals should be implemented. We want that to be thorough and to involve everyone, whether they oppose or are in favour of the changes, so that we get the detail right. While I will maintain that the overall policy direction is correct for the reasons I have given, it is important to make sure we implement the detail correctly. If we do not get it right, it could have a perverse impact. If we do, this could be an important moment for the nursing profession, because we will be able to do something that previous Governments have not been able to do. Even in the wildest spending realms of the imaginations of some colleagues of the hon. Member for Lewisham East, it would not be possible to commit the resources to expand the training places that the route we have decided on will make possible.

The Opposition must answer a central point when they set out their opposition to the proposal. The fact is that we want to give more training places to people who want to become nurses. Last year, there were 57,000 applicants for 20,000 places. We want to expand the number of places so that people get the chance to become a nurse, but within the current spending envelope—even if we were to increase it more significantly than we propose to over the next five years, and certainly far more significantly than the Opposition propose—it is not possible to do that.

Dr Whitford: Does the Minister not accept, on the basis of invest to save, that if agency nurses are costing the NHS £2 billion, such an investment in future nursing would, in actual fact, save money in the long term?

Ben Gummer: I agree with the hon. Lady that one key thing we have to do is ensure we have a permanent workforce and do not depend across the service on agency and locum nurses and doctors. However, part of that is ensuring we have the workforce numbers trained to be able to fill places. In the past, we have failed to predict workforce numbers with any accuracy, which is something all Governments are guilty of.

No matter what happened to training places, the changes required across the service because of the impact of Mid Staffs on our understanding of safe staffing ratios has meant an increase in the requirement for nurses. At the moment, in the very short term, that requirement has to be plugged by agency and locum nurses, but we want to replace them with a full-time permanent staff that is sustainable. I hope the Opposition are able to bring an alternative view—I would be interested to hear it—but if we are to increase the number of training places, we have, simply put, to be able to afford to do so. The surest way of expanding places is to repeat exactly what we did for all other university degrees back in 2011, which has seen a massive expansion in training places.

The other point that the hon. Member for Lewisham East and her colleagues must address if they wish to oppose this reform is how they would afford not only the expansion in training places, but the maintenance support for nurses going through training. I completely agree with the hon. Member for Central Ayrshire and my hon. Friend the Member for Lewes (Maria Caulfield); the current bursary funding is not generous. It is certainly not sufficient for many, especially those with caring duties, to maintain themselves, but how can we find the increase while ensuring we expand places at the same time?

Through reforming bursaries, we are ensuring that we can increase the cash amount by 25%—something that, again, could not be funded out of the existing envelope, even though we are increasing NHS spending more than any other major party promised at the last election. We are therefore able to provide the support that people going through nurse training are rightly asking for.

Paul Blomfield: The Minister makes great play of the comparison between the reforms introduced in 2012 for other undergraduates and this reform. I admire the way he talks—I say that without any irony—about sharing the benefits of the current scheme with student nurses, midwives and allied professions. I am not quite sure they would describe a £56,000 debt as a benefit. Putting that to one side, does he not recognise the sharp difference between other undergraduates and those studying nursing, midwifery and allied professions in terms of the commitment to clinical placements, the shift patterns and everything else that will prevent them from being able to take employment in order to offset the cost of their education?

Ben Gummer: That is the case at the moment. The hon. Gentleman must answer the question of precisely how we increase support for people who are working in clinical learning placements. Converting the bursary regime means that we can increase that support by 25%.

It is easy for the hon. Gentleman to make a play to the gallery about how the reforms might work, but I ask him again to look carefully at the experience of other students and at the 47,000 applicants who are unable to secure a place because of the constriction in places. He is not able to give those people an answer about how we expand places without resources that I imagine he is not willing to commit from his position. The best way of giving those people the opportunity is reforming the education system. I am afraid that it is simply not credible for the Opposition to decry the proposals, which is their right, without providing an alternative of how we might fund the additional places and the maintenance of those who are in position.

Heidi Alexander: The Minister talks about the ratio of applicants to nursing students. Will he say what proportion of the applicants who failed to secure a place met the entry criteria to the course? What guarantee can he give that removing the bursary will increase the number of successful applicants?
Ben Gummer: I will write to the hon. Lady with year-by-year figures, where available—pass rates change every year. The nursing training course is one of the most over-subscribed of all undergraduate courses. Compared with other undergraduate courses, whatever metric we use, it is a significantly over-subscribed course. We know that a significant number will not receive a place on a course, even though they have met the criteria.

Dr Whitford: If the cap is completely removed, the Government will lose any ability to plan a workforce for the future. If all 47,000 applicants are given a place, what will happen when they come out at the other end? There will not be the placements to train them, and there will certainly not be the jobs. Is this just a way of having a flood of cannon fodder nurses, so that their pay can be frozen?

Ben Gummer: The hon. Lady mentioned in her speech, as did the hon. Member for Ilford North, the need by some trusts to recruit from abroad and to use locum and agency nurses. I hope she will understand therefore the internal logic of our argument: even at the moment, we are not able to fill places from the domestic supply of nursing graduates. It is precisely our wish to expand that supply. Planning the workforce will, in large part, be controlled through the placements that Health Education England buys from universities on behalf of the taxpayer and the NHS.

Several hon. Members raised the issue of clinical placements, on which we are now in deep discussions with Universities UK. The hon. Member for Ilford North raised that issue, as did my hon. Friend the Member for Lewes. I urge them both to look at the example of the University of Central Lancashire, and its relationship with Central Manchester University Hospitals NHS Foundation Trust and Bolton NHS Foundation Trust. They are delivering innovative and exciting ways of providing new placements outside the scope of the existing placement scheme, even without any Government support or change in the rules.

There is an appetite for delivering additional clinical placements, and we will see how that progresses in our discussions with Universities UK. All the while, it is important to point out that the Nursing and Midwifery Council has to register nurses at the end and ensure that the degrees are satisfactory. All of this will have to abide by the NMC’s recommendation that the placements are up to scratch, so we are constrained, quite rightly, in anything we might want to do by what it decides in that regard.

Heidi Alexander: The Minister gave the example of the University of Central Lancashire. Does he accept that one reason that pilot is successful is that individuals are guaranteed a job at the end of it, which would not be the case for the students to whom he proposes applying these more general changes?

Ben Gummer: In the course of taking interventions, I am skimming around the points that hon. Members have raised, which I want to address. The hon. Lady is right that the University of Central Lancashire has worked up a really good course, which is partly about job security at the end of it. It is exactly the kind of scheme we are looking at to improve attrition rates, which were another point that my hon. Friend the Member for Lewes raised. We have to do better to help nurses complete their courses, and again, that metric has improved across the rest of the university sector since 2012. I hope that in freeing up nurse training a little through our reforms, we will be able to provide better incentives for foundation trusts and NHS trusts to have an end-to-end training offer for student nurses—if not modelling the one that the University of Central Lancashire has brought in, then a variant on it.

There is a lot of exciting thinking out there in universities, foundation trusts and NHS trusts about how we can implement the reforms to make nurse training better, expand the number of places and solve their workforce problems. My job is to release that thinking. I cannot do it within the straitjacket of the existing system, but I can through the reforms I am able to make.

Dr Whitford: I turn to the issues raised by my hon. Friend the Member for Sutton and Cheam, who introduced the debate on the petition. He asked four specific questions. One was on specialist courses, and the shadow Minister repeated that point. Some specialist courses have suffered shortages for many years. For several years, the Higher Education Funding Council for England has been dealing with the wider attribution of training funds and university tuition funds across the sector, and it will take on responsibility for making sure that very small and specialist courses are properly funded and promoted. In liberating the universities sector a little, I hope that we will be able to excite interest in some of the more specialist courses, which have been suffering for several years, and better match foundation trusts’ workforce requirements with universities’ ability to deliver.

My hon. Friend asked whether foundation trusts will be able to pay back loans as an inducement. I do not know whether that will be possible for foundation trusts specifically, but they are free to offer pay premiums to aid their recruitment—they have been able to do so for many years. I imagine that will continue.

My hon. Friend asked about the number of placements and the financing of them. That will be determined by the consultation and in discussions with Universities UK. He also asked about the arrangement for placement expenses, and I have heard his point. I know it is a unique problem that is specific to student nurses—although to some extent, it also applies to student teachers—and again, we want to look at that in detail in the consultation to ensure that we get the implementation right. That is why it is not just a matter of pure detail; it is about how the policy works as implemented.
The hon. Member for Ilford North raised a number of points in addition to the ones he raised in his Adjournment debate. I apologise for not having answered all of them previously; I had a short time and he raised a huge number, with his usual eloquence. However, I hope I can answer some of his specific points on this occasion.

The hon. Gentleman asked about the problems of recruiting into community-based settings. There is a shortage in that specialty, which has traditionally suffered from problems in recruiting. I am well aware, just as he is, of the need to improve recruitment into community settings and primary care settings if we are to get the proper integration of primary and secondary care, and more importantly, of social care and the NHS. That is one of the key challenges facing us in the years ahead. Health Education England has a scheme under way called “Transforming nursing for community and primary care”, which it launched just over a year ago, precisely to incentivise nursing applicants into that specialty. Again, I hope that universities will respond positively, as they have in the case of other courses, so that they step up to the workforce demands placed on them as a result of the reforms that we are making.

The hon. Gentleman asked what the amount of debt to be written off was. The long-term loan subsidy—he will understand the phraseology—remains at 30%. That is the figure that the Treasury has set. As a consequence of that and because of, as he put it, reliable reports from newspapers, which he imputed to be fact, he asked whether there would be an increase in student fees above inflation. I can say to him that there are no plans at all to increase student tuition fees above inflation.

The hon. Gentleman asked whether I would be willing to meet those who disagree with my point of view and that of the Government on this matter. I would, of course, and I have done already. I would be delighted to meet anyone whom he wishes to bring to me, including the demonstrators he mentioned.

The hon. Gentleman began his speech, however, by talking about a burden of debt. It is important for all of us here to remember that the loan is an attachment against earnings, which is time-limited and limited according to the ability to earn, so it is not like debt such as a mortgage. We made the same argument back in 2011 and 2012, and it is important that we use language correctly in this place. We saw an uptake in university courses after the 2012 reforms. Once prospective students understood how the financing worked, how they would pay back the tuition fees and that it was not a debt that would saddle them in the same way that a mortgage or hire purchase agreement might, as was suggested at the time, university applications increased significantly. We all have an interest in this place in making sure that the number of people going into nursing increases. It is important, therefore, that even if we disagree with the policy, we do not misrepresent it.

Wes Streeting: After leaving the National Union of Students in 2010 when my term in office expired, I worked with Martin Lewis from MoneySavingExpert.com and the coalition Government to try to communicate the facts behind the tuition fees system, so I endorse what the Minister says about getting the facts across. Martin Lewis and I are concerned that the Government are seeking to apply retrospective changes to the terms and conditions of student loans without a parliamentary debate and vote. We would have a much better airing of all the issues, and this issue specifically, if we had that debate and vote in the House of Commons. Will the Minister commit to that process now?

Ben Gummer: The hon. Gentleman knows that I cannot commit other Ministers to debates, but I will certainly represent his concerns to the Minister for Universities and Science, my hon. Friend the hon. Member for Orpington (Joseph Johnson). He makes a strong point. It seems that I am the only person in this Chamber not to have a close acquaintance with Martin Lewis, but I will ensure that the hon. Gentleman’s points, including the one about the Delegated Legislation Committee—I sat on such Committees for a few years and never received anything nearly as exciting as student grants—are represented to the Universities Minister, so that he can answer him directly.

I wish also to address the points raised by the hon. Member for Heywood and Middleton (Liz McInnes), who talked about equality impact assessments. We have worked up an assessment of the impact that the changes will have on recruitment into nursing—of course we have—as part of our policy generation. That will culminate in a full equality impact assessment and a business case, which will be published at the time of the consultation, not long from now. I hope that that will inform the discussions that take place, so that we can have a robust and evidence-based debate.

The hon. Lady talked about housing costs, which was reflected in an intervention by the right hon. Member for Oxford East (Mr Smith). Housing costs are a considerable pressure for many students—not only those applying for nursing courses, but those in high-cost parts of the country. That is partly why we want to increase the amount of maintenance we can provide. To return to my central point, within the current spending envelope we can do that by such a considerable amount—25%—only through a reformed system. To do it in other ways would be prohibitively expensive, and I do not believe the Opposition have proposed that.

The hon. Lady asked about NMC registration fees. At the moment, they are incurred at the point of registration when the university course has finished and are tax-deductible. They have risen in the last year, which I know has caused disquiet among nurses. I have spoken to the regulators, including the NMC, and implored them to keep their fees at a sensible level and to avoid rises whenever possible. The NMC has had to deal with a considerable increase in fitness-to-practise cases, but I hope that with internal cost savings it will be able to mitigate further rises. I have certainly asked it to do that, although it is an independent body.

The hon. Lady cited someone she had spoken to who was, if I understood her correctly, halfway through a degree. It is important to state that the change is for new students only, so those on existing courses will not be affected.

Liz McInnes: The Minister has said that the equality impact assessment will be published at the time of the consultation, but what assessment has been made to ascertain the effect of the proposed changes?

Ben Gummer: The hon. Lady probes like an expert, but she should know that there has been a detailed assessment of the impact of the changes as part of the
clear that people want to work on a different premise so that they can hear alternatives? It is Government are not hearing alternatives. Will he reframe several times during the debate and said that the disadvantaged backgrounds, improve quality and provide increased opportunity, especially for those from proposals really are the way to expand places, improve the absence of alternative ideas, I believe that our want to proceed to try to improve nurse training. In appreciate that they may disagree with how the Government on both sides of the Chamber have spoken. I also also want all those things.

Several hon. Members spoke clearly and, in one case, movingly, about people who want to become nurses but cannot, either because they did not achieve the necessary grades earlier in life to go to university—that was a failing of their education rather than because of an innate inability to be a nurse or to pass the exams—or because they have caring responsibilities. We want both sorts of people to be in nursing, because they care and because of their vocational call to be nurses. At the moment, a significant number of them are working as healthcare assistants and cannot progress to being nurses. They are prevented from doing so unless they leave the workforce, go to university and then come back into the system. Even under the existing arrangements, that makes it impossible for many of them, which is profoundly wrong. That is why it is a priority for me, as I announced a few weeks ago, to open up an apprenticeship route to enable healthcare assistants to move from a band 3 position in the NHS to an intermediate new position—nursing associate—that is part of a vocational route to full nursing registration. The exciting thing about that is that it will provide a dual training route into nursing. There is the traditional nursing undergraduate route, which will still take three years, and there will be the new route—an apprenticeship—which will open up nursing to a whole new group of applicants who are currently precluded from achieving their dream of going into nursing and who do not even count in the statistics of those refused a place.

In the round, we are doing what I hope many Opposition Members want. I share their wish to see the diversity of those refused a place.

I appreciate the sensitive way in which hon. Members on both sides of the Chamber have spoken. I also appreciate that they may disagree with how the Government want to proceed to try to improve nurse training. In the absence of alternative ideas, I believe that our proposals really are the way to expand places, improve diversity, increase opportunity, especially for those from disadvantaged backgrounds, improve quality and provide support for those at university.

Mark Durkan: The Minister has criticised colleagues several times during the debate and said that the Government are not hearing alternatives. Will he reframe the consultation so that they can hear alternatives? It is clear that people want to work on a different premise and to a different agenda, with much better outcomes, including achieving the important goal of better equipment that he referred to. Widening the consultation would allow those alternatives to be heard, but the way the consultation is framed at the moment means they will not be heard.

Ben Gummer: I would be delighted to hear alternatives, and not just via the medium of the consultation. I would very much like them to be offered within the current spending envelope, but if people wish to offer alternatives outside that envelope, they must explain how much they will cost and how they will be funded. Within that spending envelope, the reforms will allow us to expand the number of places and improve quality, support and opportunity.

Liz McInnes: The Minister mentioned introducing apprenticeships to enable healthcare assistants to move on and train as nurses. Before I left the NHS, a similar scheme was being implemented. It was called “Modernising Scientific Careers” and applied to healthcare scientists. There was a long and arduous consultation process, which to my knowledge has still not been completed. How long does the Minister envisage it will take to implement the process for nurses and healthcare assistants?

Ben Gummer: We have a commitment to have 100,000 apprenticeships across the NHS in this Parliament, a significant proportion of which will be for nurses. I am approaching this at the utmost speed, and I and the Government will be judged on whether we deliver in five years’ time. I know that the hon. Lady will hold us to account. I will happily pick up on where the consultation to which she contributed has gone—I hope there is still someone in the basement of the Department of Health working on it—and give her an answer as to what happened as a result of it.

I want to address one final result of the reforms that we are bringing in. It was raised by my hon. Friend the Member for Isle of Wight (Mr Turner) and by the hon. Member for Scunthorpe (Nic Dakin), both of whom talked about the rurality of their areas and the impact that isolation has on recruitment. I hope that, especially through the introduction of nursing associates—an apprenticeship route through to nursing—we can help address problems of recruitment and retention in specific parts of the country. I recently floated that not far from the hon. Gentleman’s constituency, in Hull, where people were receptive of the idea of a different route into nursing that complemented the university route.

This is potentially an exciting moment for nursing. We will be able to expand the number of places and improve support, diversity, opportunity and quality—all things that have been achieved in the rest of the university sector. We will do so quickly, and we will do it even better if we have a good and robust consultation on the details. I will of course write to hon. Members who feel that their points have not been answered, and I once again thank the Petitions Committee for bringing the matter to the notice of the House.

7.19 pm

Paul Scully: Before I make some general points, I would like to clarify the disparity in the repayment figures that the hon. Member for Sheffield Central (Paul Blomfield)
and I were talking about. I was talking about people at the lower end of band 5. When people first join the profession, the repayment is about £5 a month. I think the hon. Gentleman was talking about the higher end of band 5. I believe that the £900 average that has been discussed relates to a point about midway through band 6, at about £31,000. We are talking about 9% of everything that someone earns over £21,000. It will be two years before this system comes in, then there will be three years of study, then it will probably take about 13 years for someone to go up the grades. It will be 16, 17 or 18 years before it is possible to talk about an average repayment of £900 a year.

This has been a fantastic debate. I am grateful to the Minister for the comprehensive response that he has given us and his commitment to answer in writing the points that have not been answered today.

I thank my hon. Friend the Member for Isle of Wight (Mr Turner) and the hon. Members for Ilford North (Wes Streeting), for Sheffield Central (Paul Blomfield), for Foyle (Mark Durkan), for Heywood and Middleton (Liz McInnes), for Coventry North East (Colleen Fletcher) and for Paisley and Renfrewshire North (Gavin Newlands), as well as the Front-Bench spokesmen, the hon. Members for Central Ayrshire (Dr Whitford) and for Lewisham East (Heidi Alexander) and of course the Minister, who represents Ipswich. However, the highlight for me was the speech of my hon. Friend the Member for Lewes (Maria Caulfield), because she argued her case incredibly articulately and brought a lot of experience to the debate. What is a fantastic addition to the House is a sad loss to nursing in my constituency, where she practised. It was a great shame to lose her from there, but it is fantastic to have her in the House as a colleague.

I thank the petitioners and the participants in all the listening events and various other events organised by Parliament, the Petitions Committee and a number of nursing organisations. If I may speak to them through you, Mr Evans, the Chairman of the Petitions Committee, the hon. Member for Warrington North (Helen Jones), always describes e-petitions as the beginning of a campaign—a process—not the end of it. I know that the audience at the debate and people who have followed things on Twitter, on the television and on ParliamentLive will go away with different conclusions. They may not agree with the conclusions that we have come up with today, but I hope that they can at least take individual points, focus on them and respond in the consultation that the Government are about to undertake to help improve the policy and the lot of prospective nursing students. The proposals are about increasing the number of nurses while ensuring that they have a better level of funding for living expenses while they are studying. I am sure that people will take away enough from the debate that they will be able to raise matters with the Minister, to make the process a far more comprehensive and productive experience over the next few months.
The debate was chosen by the Backbench Business Committee after a submission by the chairs of three all-party parliamentary groups. I have the privilege to co-chair the APPG on tuberculosis; and my hon. Friend the Member for Finchley and Golders Green (Mike Freer), who chairs the APPG on HIV and AIDS, and my hon. Friend the Member for Stafford (Jeremy Lefroy), who chairs the APPG on malaria and neglected tropical diseases, are here today because we are concerned to ensure that there is a continuing fight against three diseases that between them have accounted for, and continue to account for, millions of deaths every single year.

I would like to start by talking about the continuing need to fight these diseases, focusing particularly on tuberculosis, because that is the disease in which I have a particular interest. It continues to kill 1.5 million people every year in spite of the fact that the millennium development goal to halt and reverse the spread of the disease, as well as of HIV and malaria, by 2015, was met, with the prevalence of tuberculosis having halved. Tuberculosis continues to kill a very large number of people every year. Indeed, the latest figures published by the World Health Organisation indicate that it is now the world’s deadliest disease, surpassing the mortality caused by HIV, although there is a significant issue of co-infection in relation to HIV/AIDS. Some 400,000 people a year die of tuberculosis related to AIDS. Despite the huge progress that has been made on AIDS—progress, however, that did not meet the millennium development goal—the disease continues to kill 1.2 million people a year, and despite the great progress on malaria, it continues to kill 600,000 people a year.

The first point to make is that despite the global effort to counter these dreadful diseases, they remain very significant killers, and continuing action will be needed if they are to be eliminated. It was a fine thing that the world came together in September to agree the millennium development goals, with the prevalence of tuberculosis having halved. The UK Government have taken particular interest in drug resistance. The Prime Minister has led a focus on it through the antimicrobial resistance review, which is chaired by Lord O’Neill. The threat of drug resistance poses a huge risk to the global economy, amounting to billions of pounds of potential cost. By 2050, about a quarter of that cost might be incurred due to drug-resistant tuberculosis if we do not take action.

On all three grounds—humanitarian, economic growth and security—there is an argument for continuing action to tackle these terrible diseases. The question, then, is what the right mechanism to do so is. More than a decade ago, the world came together in the belief that it was important to set up a new means of fighting them. What was then described as a “massive effort” was launched under the auspices of the United Nations, and it became the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The importance of the fund to beating these diseases is illustrated particularly in the case of tuberculosis. The Global Fund provides three quarters of the funds that are committed to beating TB globally. In the absence of the Global Fund and its continuing ability to raise resources to beat TB, how would we continue to ensure that resources were deployed to beat this terrible disease, particularly given the ambition in the sustainable development goals to eliminate it in just 15 years?
The first reason why the Global Fund is the right mechanism to continue to tackle the diseases is that it is an established organisation that has experience in marshalling the resources that are needed. The second is that it encapsulates the important principle of partnership between donor countries—western countries with sufficient resources to contribute to the fight against these diseases—the Governments of the countries affected and civil society and the private sector.

The principle upon which the Global Fund was established is that it does not implement programmes to beat these diseases itself. It provides funding for those programmes and presides over them, but the ownership of the programmes is vested in the countries affected. The fund helps to mobilise and unlock domestic resources in the high-burden countries themselves. The principle of partnership between donor countries and the affected countries, and partnership among those who have a role to play in beating these diseases, is incredibly important and underpins the whole of the Global Fund’s work.

The third reason why the Global Fund is the right mechanism to continue this work is its accountability. It is clearly immensely important to the public’s view of international development money that it is spent properly, with accountability and transparency so that we know that resources are deployed properly. It has been a key principle of the Global Fund since its inception that there should be proper accountability in what was described at the beginning as a programme of “tough love” to ensure that the affected countries themselves are contributing to beating these diseases.

Fraud has surfaced over the life of the Global Fund, and I think it is true to say that the fund revealed most of these instances itself. They are part of the problem that any international aid agency has when it operates in countries where fraud can be a problem. The fund’s accountability mechanisms, which have been strengthened, are part of how we will address such issues. Some of the ongoing media criticism of the Global Fund has been misplaced. There is a misunderstanding of the fund’s success in ensuring that resources are implemented properly.

What are the issues for the Global Fund going forward? The fund is an immensely important mechanism in the fight against these diseases, but it has always been beset by external challenges. The terrible tragedy of 9/11 diverted the world’s attention from the need to maintain support for the Global Fund, and then the world financial crisis severely affected the willingness of donor countries to contribute. Some of the most important contributors to the Global Fund—relatively wealthy western countries—have faced a challenge to their own finances and have scaled back their commitment to the fund. That is a serious mistake for the west to make, despite the great challenges that every country faces because of the downturn. It remains important to continue to invest in beating these diseases, for the reasons that I have set out.

We now enter the replenishment phase that the Global Fund goes through every three years. It estimates that the combined external funding required to beat the three diseases, in line with the sustainable development goals, will be a staggering $97 billion over the next three years, 2017 to 2019. Those resources will be provided by the affected countries themselves and the countries that will be contributing to the fund. That requires the Global Fund to raise some $13 billion over the period, which is slightly less than the $15 billion that it was proposed the fund would raise in the last replenishment period, but it should be noted that the fund did not raise sufficient resources to meet that target. The fund estimates that that additional resourcing over the three-year period will save another 8 million lives, avert up to 300 million new infections and, crucially, support $41 billion of domestic investment, which represents an increased rate of growth. It will generate economic growth of some $290 billion, which underlines my point that such investment in beating these diseases ultimately does not impose a cost on the economies that are required to find the money; it actually helps to generate economic growth.

The UK has a proud record of supporting the Global Fund. In particular, the UK contributed up to £1 billion over the last three-year replenishment period, which made it the third largest contributor among donor countries. That was made possible by the Government’s commitment to meeting the international target of spending 0.7% of gross national income on international development, at a time when other countries have scaled back their spending. However, it would be helpful if the Government responded to some points about how the fund revealed most of these instances itself. They are part of the problem that any international aid agency has when it operates in countries where fraud can be a problem. The fund’s accountability mechanisms, which have been strengthened, are part of how we will address such issues. Some of the ongoing media criticism of the Global Fund has been misplaced. There is a misunderstanding of the fund’s success in ensuring that resources are implemented properly.

First, some conditionality was placed on the investment, so that only if other countries raised a certain amount of money would the full UK commitment be met. There is a question about whether that really produces an incentive for countries to fulfil their contribution or whether the real effect is simply to reduce the UK’s intended commitment. I hope the Government will consider that closely when they review their commitment for the next cycle. For all the reasons that I have set out, I hope the Government will now consider making a similarly significant investment in the Global Fund going forward. We are talking about substantial sums, and they should not be committed lightly. The Government need to assure themselves that the money is being spent properly, and it is encouraging that the Department for International Development’s 2011 multilateral aid review, and its 2013 update, assessed the Global Fund as providing very good value for money. Other studies have underlined the effectiveness of how the Global Fund spends its resources.

If the world community’s support for the Global Fund were scaled back, it would raise serious questions about whether we mean what we say when we sign up to international agreements to beat diseases such as HIV/AIDS and malaria. There is no point in the world coming together and setting an ambitious target to eliminate such diseases in 15 years if those targets are not only not met but not met by a country mile. That would undermine the whole process of international agreement that brings countries together to say, “We will work together to tackle these diseases.” It would place the sustainable development goals in a different position from the millennium development goals, which, at least in part, were met in relation to the diseases in question. There would be an ongoing humanitarian cost, as lives would be lost. There would be a continuing risk of the development of drug resistance, which would not be addressed properly. In relation to diseases such as TB, it would raise the question, “If the Global Fund, the principal agent by which this disease will be tackled, does not have the resources to do so, where are those resources going to come from?”
The UK Government are doing a great deal to fight these diseases in addition to their Global Fund commitment, and I was delighted by the Chancellor’s announcement in the autumn statement of the Ross fund, which, in partnership with the Bill & Melinda Gates Foundation, will ensure that £1 billion is invested over a three-year period in a new fund to develop the new drugs and vaccines that will be needed to address the world’s deadliest diseases, including malaria and tuberculosis. That is exactly the kind of focus that we need on new tools to beat those diseases. Only if such new tools are developed will the diseases be tackled properly, particularly tuberculosis, so that is immensely welcome.

However, I want the Government to appreciate that unless they and their fellow major donors continue to contribute to the fund, the progress that we have made in beating diseases such as tuberculosis, which has already been too slow, will fall further behind target. That would be a serious matter, which is why this debate is so important, coming at the point when the new round of replenishment is being considered. It is why voices are needed to discuss the value of Britain’s international aid contribution and the importance of investing in the global fund. Of course there are issues to discuss about the fund’s effectiveness and operation, and other Members might discuss them, but the overall picture is that it has made a vital contribution to saving millions of lives. If we want to continue to do so and to beat these diseases once and for all, it is essential that Britain maintains its contribution to the Global Fund.

Several hon. Members rose—

Nadine Dorries (in the Chair): Order. If I put a four-minute time limit on speeches and there are no interventions, we will still not have enough time to get everyone in. I will start the list of speakers and go in the order in which Members submitted their request to speak. If those speaking keep their contributions short, we will be able to get everybody in. I will set a time limit of three and a half minutes, and if everyone is brief and no one intervenes, we might make it. Without wasting any time, I call Pauline Latham.

9.51 am

Pauline Latham (Mid Derbyshire) (Con): It is a pleasure to serve under your chairmanship, Ms Dorries, for the first time not just during this Parliament but since I have been here. I congratulate my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) and colleagues on securing the debate, because the issue is incredibly important at this time. He talked about the generalities of the funding, but I will focus on a specific case, because although the Global Fund is fantastic, its eyes and ears cannot be on every single problem in the world.

I recently returned from northern Uganda, where I visited Gulu and Pajule in Pader, which are experiencing a huge problem with a malaria epidemic. Even the in-country director of the Malaria Consortium, the right hon. Member for Arundel and South Downs (Nick Herbert) ably sketched, it increases domestic resource mobilisation through counterpart financing, which is important. I saw for myself on a visit to Cambodia with Results UK how our leadership there, the Global Fund, empowers directors in the countries by allowing them to sort things out themselves. It is a powerful model.

Several hon. Members rose—

Nadine Dorries (in the Chair): Order. I am sorry, but I must call the next speaker.

9.55 am

Nic Dakin (Scunthorpe) (Lab): I am pleased to follow the speeches that we just heard, which set out clearly the need for action to ensure the delivery of sustainable development goal target 3.3 to end AIDS, tuberculosis and malaria. We need the political will to do so, and we are already beginning to see it in this Chamber.

The fund does not implement programmes but raises and invests $4 billion a year to support programmes run by local experts in communities most in need. Countries therefore take the lead in deciding where and how best to fight disease, as well as how to work with international partners. That enhances countries’ ownership and, as the right hon. Member for Arundel and South Downs (Nick Herbert) ably sketched, it increases domestic resource mobilisation through counterpart financing, which is important. I saw for myself on a visit to Cambodia with Results UK how our leadership there, the Global Fund, empowers directors in the countries by allowing them to sort things out themselves. It is a powerful model.
Using a country’s health and wealth to determine funding is indicative of the Global Fund’s model. It sees health as key to improving economies, and as a country’s wealth increases, its reliance on international support should decrease. With that in mind, the UK Government should press the Global Fund board, of which the UK is a member, to introduce a transition strategy to ensure that, when recipient countries move away from the Global Fund, they are still supported sustainably. For example, statistics show that 94% of gene expert diagnostics for TB and two thirds of second-line TB drugs within the World Health Organisation Europe region are provided through the Global Fund. It is imperative that those recipients continue to receive Global Fund support so that people who fall ill have access to diagnosis and treatment.

In short, the Global Fund should remain global, and support should be provided to middle-income countries to transition sustainably. Successive UK Governments have supported the Global Fund, and we can all be extremely proud of that, but the UK kept its contribution during the last replenishment in 2013, hoping that others would respond to the challenge of meeting the target. We have heard from the right hon. Member for Arundel and South Downs that that does not appear to have worked as a strategy, so I hope the UK Government will revisit and reconsider it.

The rationale given for the cap was that it would incentivise others to donate. Ahead of the replenishment, have the Government conducted any assessment of whether it has done so? It has been suggested that the cap has served only to limit our own contribution. The UK Government should commit to that important global initiative, on which so many people’s lives rely. That is clear and unambiguous. The Government should take steps other than a cap to ensure contributions by other donors. The UK should maintain its leadership role, continue to show strong support for the Global Fund and push for the $13 billion ask to be met by making its own substantial contribution, leveraging other donors to invest and expanding the donor base. By doing so, the Minister and his colleagues will show the world leadership that we have shown in the past and the word leadership that we have shown in the past and the issue that is about to strike in a big way, I think, is that of famine. I am interested in knowing what the Government plan to do, because we are probably looking at there being some kind of famine in southern Africa, and that matter needs attention as well.

The Global Fund is important and, as members of the all-party group, we saw for ourselves just how important it is that investment is going into hospitals and healthcare units in Zambia. The British Government have been criticised somewhat for putting money into overseas aid development, but I point out that many asylum seekers might have TB. Trying to ensure that we deal with TB at source prevents problems from coming into this country and having an impact on our national health service.

I would be grateful if the Minister could explain the Government strategy for dealing with the potential of famine in southern Africa, so that we can ensure that later this year we do not see on our television screens a mass of starving children and adults.

I am acutely aware that others want to speak, so I will now keep myself to myself.

9.59 am

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Thank you, Ms Dorries, for chairing the debate. It is the first time, I think, that I have served under you. I congratulate my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) on securing this incredibly important debate. Before I go any further, I must declare an interest. Last autumn I went with Results UK down to Zambia, where we saw for ourselves some of the issues related to HIV and TB, both of which are important. TB has a tendency to break down the immune system, which makes people much more susceptible to HIV. I am also the chairman of the all-party parliamentary group on Malawi, and the vice-chairman of the all-party parliamentary group on Zimbabwe. After visiting Zambia, I went to Zimbabwe to see what was going on there.

To my mind, there are a number of incredibly important issues. Yes, it is vital that we continue to put investment, through the Global Fund, into sorting out some of the health issues, but we also need to concentrate more on education, so that people are in a better position to look after their own economy and sort themselves out. The issue that is about to strike in a big way, I think, is that of famine. I am interested in knowing what the Government plan to do, because we are probably looking at there being some kind of famine in southern Africa, and that matter needs attention as well.

The trip to Ethiopia was about polio, a disease we are close to eliminating. The last remaining area with polio is on the border of Afghanistan and Pakistan. It has taken 30 years to get to that point, but it is incredible to think that polio might disappear in the next few years. Something can be done, and we have to keep on doing it.
The two things that require consideration are, first, the 10% limit, and whether it really leveraged anything or whether diplomatic pressure and sheer embarrassment would be more powerful, and, secondly, the transition in middle-income countries. It is important that such countries get at least a three-year warning and that, in our arrangement with them, we work towards a Government institution taking over. Often, non-governmental organisations do a lot of the work, and as we see ourselves moving towards a transition with a country we need to start pushing it to have proper institutional structures. Some 75% of HIV cases are in middle-income countries, and if we pull back, we will see that change.

In 2013, the United Kingdom stepped up in an incredible way, and we must not take our foot off the gas. It was the structures that had been developed through efforts to eliminate polio that spotted Ebola in west Africa. As the hon. Member for Plymouth, Sutton and Devonport (Oliver Colvile) said, we need to protect ourselves—and not just our NHS—from multi-resistant TB coming in. There are selfish reasons for acting, but we can also develop the world economy, the African economy and the developing economy by allowing countries to have healthier populations.

10.6 am

Mike Freer (Finchley and Golders Green) (Con): The latest figures released by UNAIDS show that nearly 16 million people now access antiretroviral therapies—ARTs—compared with fewer than 1 million just 10 years ago. In 2014, there were 2 million new HIV infections, compared with 3.4 million in 2001. That shows progress, but about 22 million people living with HIV still do not access ARTs and an incredible 19 million are simply unaware of their status.

If the aim of ending AIDS as a public health threat by 2030 is to be achieved, the bulk of the progress must be made in the next five years, to bend the curve of the epidemic towards manageable levels. The joint United Nations programme has accepted and released fast-track targets. These are that 90% of people living with HIV know their status, 90% of those people are accessing treatment and 90% of those on treatment are virally suppressed. That would significantly reduce the number of onward transmissions. The challenge of achieving universal access, however, remains ahead of us.

Affordable first-line treatments are available in low-income countries in the form of generic drugs, but those drugs are denied to middle-income countries—MICs. MICs are excluded from licensing deals and are forced to buy drugs at inflated prices, making second and third-line ARTs prohibitively expensive. It is estimated that, by 2020, only 13% of those living with HIV will be found in low-income countries. We will be leaving the rest behind. If international donors, including the UK, continue to scale back bilateral overseas development aid for MICs, we will leave the bulk of people infected with HIV with reduced access to treatment, as the countries we were aiding choose not to fill the gap because the groups that are left vulnerable are either marginalised or criminalised. We are leaving those people high and dry.

Multilaterals such as the Global Fund must be allowed to provide critical bridging finance for MICs. We cannot simply pull out and leave Governments to fill the gap when we know they will not do so. As countries transition into the middle-income category, we know that we will withdraw, but we must put some form of package in place to support the transition; otherwise we will not be supporting a successful response to the HIV epidemic.

The UK has championed the inclusion of the principle of “no one left behind”, but we are leaving people behind because of our focus on middle-income countries stepping up to the plate—something they are not doing. We have the influence and the money. When we withdraw—for the perfectly legitimate reasons of trying to persuade middle income countries to bridge that gap and step up—we need to ensure that we provide support. Simply withdrawing leaves too many people vulnerable and exposed. I hope the Minister will commit to looking at providing technical support before funding is withdrawn to ensure that programmes do not collapse after withdrawal and that illegal or marginalised groups are not simply left to their own devices.

10.10 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate, and I congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on securing it for our consideration. As the Democratic Unionist party’s parliamentary spokesperson on health, and someone who has a particular interest in the issue, I think it is always good to come along and make a contribution. The debate is about the Global Fund to Fight AIDS, Tuberculosis and Malaria, but I am ever mindful that in Northern Ireland we have rising numbers of people with HIV, so there is a problem for us at home, too.

Although much progress has been made in responding to the epidemics, the dual impact of HIV and TB continues to be devastating for millions of people and their families. I have had the opportunity to speak to people with HIV and to the HIV and TB organisations. The combination of both diseases is deadly to those who have them. Of the 1.5 million people killed by TB in 2014, 400,000 were HIV-positive. AIDS-related illnesses claimed 1.2 million lives in 2014, including the 400,000 TB deaths among HIV-positive people. Malaria causes hundreds of thousands of deaths every year, predominantly among young children. I congratulate the Government on how they have responded, because they have done many good things, and their support for the Global Fund is essential in reducing those upsetting statistics. The Global Fund can be part of the drive to eradicate the diseases, but it needs help from Governments across the world.

The Global Fund is also asking the private sector for support. That involves the pharmaceutical companies, and perhaps the Minister can give us some thoughts on the partnerships with them and what they mean. I and other Members have been made aware of the issue of out-of-date drugs being sent to the third world, where people have said, “We would not use them, but we will send them over there.” I have some concern about that, which other Members will share. Can the Minister give us some ideas on that?

We are well aware of the tightening of the purse strings and the finances at home, but we need to be able to respond in a positive fashion. Responding to the
Global Fund’s call for additional resources, UNAIDS executive director Michel Sidibé said:

“We have to invest additional resources today to end these epidemics, otherwise the deadly trio will claim millions more lives, as well as costing us more in the long run.”

The Government and the country need to ensure the future success of the Global Fund, so that it can deliver. That of course will not be free, but the Global Fund plan can work to end the pandemic.

The Global Fund has been successful and is ready to continue its lifesaving work, if funded. The statistics on what has happened so far should encourage us, as should what could happen if the Global Fund had more money. Because of the work of the Global Fund partnership, 17 million lives have been saved globally and 8.1 million people living with HIV and AIDS who would not otherwise receive any treatment are receiving antiretroviral therapy. Some 13.2 million people who would not otherwise have been tested for tuberculosis have been treated and 548 million insecticide-treated nets have been distributed by the Global Fund partnership. Those are some of the things that the Global Fund has been able to do, and it could do more if the opportunity was there.

The Global Fund partnership has been working in Nigeria. The number of Nigerians dying of malaria has declined by 60% since 2000, but every year around 250,000 Nigerian children still die from the disease. If we want to do something for more people that is even better, more effective and more long term, we need to ensure that the Global Fund can continue its work. There is a serious return on investment in the Global Fund, but with more funding the partnership can make even greater strides.

10.14 am

Stuart Andrew (Pudsey) (Con): It is a pleasure to serve under your chairmanship, Mrs Dorries. I represent a Leeds constituency and we have suffered a lot with the recent floods. I have had a number of letters and emails from people suggesting that the easy solution would be to cut the funding for international development and to put that money into flood prevention instead, but frankly that is a short-term solution that would not help. I want to see all countries succeeding, and to achieve that, they need healthy populations that can then drive healthy economies. That requires long-term thinking and investment.

While I have been a Member of Parliament, I have had the opportunity to visit a number of countries, and like my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) I declare an interest, in that I also went to Zambia in August. The trip was arranged for us to see how the country is addressing serious health challenges, such as TB and HIV. Over the past decade, Zambia has shown strong growth and during the visit we learned that the Government contribution to the health sector has doubled in the past five years, but that the health sector is dependent on other sources of funding, which account for something like 30% to 40% of health spending in that country.

Zambia has a serious AIDS epidemic. Malaria is the leading cause of illness and death. The country has a serious problem with TB, with the risk of co-infection with HIV. Zambia is working hard to tackle those things, offering support and education and raising awareness among those suffering with those illnesses. In 2014, some 64,000 Zambians developed TB, which is a rate of 406 per 100,000. In this country, the rate is 12 per 100,000. That gives us an idea of the scale of the problem they are facing, but they are making great progress.

Two visits particularly stuck in my mind. One was with a young health adviser in a village. His name was Elias. He dressed up smartly for us: he was wearing a waistcoat and tie while we all frankly looked like scruffs.

He was educating villagers on the basic standards of living, so that they reduced the risks of infection. The other most notable visit was to the St Luke’s mission hospital in Chongwe district. It receives funding from the Global Fund and is set in a very rural location. We were told that a man had walked for two days with his son to get to the hospital, but sadly got there too late. That shows how far these people have to travel to get the treatments they need. There we met patients who were suffering with TB and HIV, and they were becoming advocates in their communities to address the need for people to get treatment and, more importantly, testing.

That is just one example of how much the Global Fund has done.

In Zambia, the Global Fund has diagnosed and treated more than 81,000 TB cases, provided 14 million bed nets and given antiretroviral treatment to some 670,000 people. We should be very proud of what the Global Fund has achieved. It is critical to ensure that healthcare is available to everyone who needs it. It says that the £13 billion it is looking for could generate another £41 billion in additional domestic investments. We have a proud record in supporting international aid, and I hope that when these diseases are eventually eradicated, we as a country can look back and say that we helped to achieve that.

10.18 am

Kate Osamor (Edmonton) (Lab/Co-op): I thank the right hon. Member for Arundel and South Downs (Nick Herbert) for bringing this debate to the Chamber. I congratulate him on his thorough and eloquent introduction. He was able to lay out all the pitfalls facing us if we have a cut in the Global Fund.

In the summer of 2015, I was also on the same delegation to Zambia as the hon. Members for Plymouth, Sutton and Devonport (Oliver Colvile) and for Pudsey (Stuart Andrew). We went with Results UK. We were able to see at first hand the impact of the Global Fund and the importance of continuing to push to address global health challenges, including infectious diseases.

According to the World Health Organisation, 64,000 Zambians developed TB in 2014. That includes a high level of TB and HIV co-infection, with an estimated 38,000 TB cases reported among people living with HIV. The Zambian Government’s contribution to the health sector doubled between 2011 and 2014. Unfortunately, they rely heavily on external resources, which account for between 30% and 40% of health expenditure in recent years.

On the delegation, I was able to see at first hand the positive impact that the Global Fund has had on healthcare in Zambia. I, too, visited St Luke’s mission hospital in the Chongwe district, which has received Global Fund
grants, and was able to speak to patients who had undergone and lived through treatment for HIV and TB. They had become confident advocates, and were proud to be able to stand with us and chat with us, and to explain to us how their lives were before the hospital’s intervention. I know how important the Global Fund is in transforming people’s lives and making a difference to those people in Zambia. Overall, Global Fund-financed projects have treated more than 81,000 new cases of TB, distributed more than 14 million bed nets to protect families from the transmission of malaria, and provided antiretroviral treatment to more than 600,000 people with HIV living in Zambia.

I call on the Government and the Minister to end the cap and push for the 2017-19 proposed investment contribution of £13 billion to be met through both our contributions and those of others. If it is not, I am concerned that all the great work that has been done in places such as Zambia will be eroded.

10.21 am

Jeremy Lefroy (Stafford) (Con): I thank my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) for his eloquent speech and for setting out the case so strongly. I declare an interest as a trustee of the Liverpool School of Tropical Medicine, and I have previously done work on artemisinin.

The impact of the Global Fund cannot be underestimated. Since its inauguration, we have seen for malaria alone a reduction in deaths of at least 48%, most of them among children. It is largely through the Global Fund that we have seen the possibility of the mass distribution of insecticide-treated bed nets, which cut in half the chances of children catching malaria. The fund has also supported the use of rapid diagnostic tests, which have made rapid diagnosis possible in rural areas for pretty much the first time. Malaria treatment can therefore begin quickly, before the disease has taken hold.

Five hundred and fifteen million treatments for malaria have been provided, largely of the effective artemisinin-based combination therapies, which were previously much too expensive for most people. The Global Fund has without doubt helped to transform the global malaria situation from one that was becoming out of control in sub-Saharan Africa in the 1990s, to the current situation, where we are speaking with some confidence of elimination—indeed, several countries have become malaria-free.

There have, of course, been problems. The misuse of funds and tools—such as bed nets—and poorly implemented programmes have hit the headlines. However, the Global Fund has always taken such problems seriously and taken action to remedy them. The question is whether the fund is the best way to tackle these diseases in future, and if so, what it needs to change to become even more effective. I am certain that it has a vital role to play. As my right hon. Friend the Member for Arundel and South Downs said, one of the strongest arguments is that it funds programmes developed by the affected countries themselves. Aid-funded programmes have often been criticised for being the pet projects of the donors without reference to those who are supposed to benefit. The Global Fund takes the opposite approach.

It is important that the Global Fund looks hard at how it operates. I shall mention very briefly four things that it should look at. First, it could do more to ensure that its programmes are fully integrated into the health systems of the countries that it supports and strengthens. I would have much more to say on that, but there is not enough time. I would be very happy to speak to my hon. Friend the Minister about that on another occasion.

Secondly, the global community needs to consider the case either for a separate fund for neglected tropical diseases or for including such diseases in the work of the Global Fund, with increased funding. Diseases such as lymphatic filariasis, soil-transmitted helminths, trachoma and so on—there are 17 of them in total—affect 1.4 billion people on the planet.

Thirdly, the Global Fund needs to report more regularly and more strongly on the work that it does. I was perplexed that the fund did not respond more strongly to adverse reports in the press last year of malaria bed nets being misused. They were indeed being misused, but it was in only a tiny minority of cases. It is vital that corruption and the diversion of funds are investigated and offenders caught, and the Global Fund does that, as it did in Sierra Leone in 2014. At the same time, it needs constantly to point out just how many lives continue to be saved every year as a result of its work across the three diseases. I would like to see quarterly, not annual, reporting.

Fourthly, the Global Fund needs to keep a very close eye on the fight against resistance to antimalarial drugs and the insecticide on bed nets, and allocate money accordingly. The same goes for multi-drug-resistant TB, which my right hon. Friend the Member for Arundel and South Downs mentioned. If not checked, such resistance threatens the substantial gains made over the past 15 years. The importance of the Global Fund to the battle against malaria cannot be overestimated. We were losing that battle but we are now, I hope, on the winning side.

10.25 am

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Ms Dorries. I congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on his eloquent opening speech, along with all the chairs of the all-party groups who successfully bid for this debate. Once upon a time I was involved in the campaign for the South Downs national park, and a very beautiful part of the country it is too.

A number of Members have made a lot of excellent points. The importance of the issue to the House is shown by the fact that so many Members wanted to speak. Thanks to your skilful action, Ms Dorries, they have been able to contribute to the debate. I pay tribute to Members for their contributions and for the expertise that they have shown, not least the hon. Member for Stafford (Jeremy Lefroy).

We often hear in Westminster Hall debates, and in political discourse more generally, that any given political change is possible or achievable and all that is lacking is the political will. The Global Fund to Fight AIDS, Tuberculosis and Malaria is a good demonstration of that principle. It was the determination and political will of world leaders to tackle three of the most challenging and infectious diseases of our times, which at that time were killing about 6 million people a year, that led to the establishment of the fund in 2002. As we have heard, in the years since, literally millions of lives have been saved
by a massive scaling-up of proven responses and the targeting of funds and resources where they are most needed. The fund is an effective model of co-operation between Governments, the private sector, civil society and affected communities, reaching people in more than 140 countries. As we have heard, it is estimated to have saved more than 17 million lives since it was established.

We have heard about the need for the fund, about the human and societal costs of these diseases, and about the downward spiral that they can bring about for international development. Becoming infected with any of them severely limits the life chances of not only the individual affected but their wider family and community, which can be affected by the loss of income of either the individual or others who have to give up work to take on caring responsibilities. Just as on other issues, it is the poorest and most vulnerable and marginalised in society who are most at risk, with women and girls being disproportionately affected, as is sadly too often the case. The means and opportunity to rid the world of these diseases is there, which is why that ambition is reflected in sustainable development goal 3.3. Because of the challenges I have described, the replenishment of the Global Fund is incredibly important.

As we have heard, last year, for the first time, tuberculosis killed more people than HIV/AIDS. Again, it disproportionately affects the poorest in society, because crowded living conditions, poor ventilation and lack of access to clean water and sanitation all contribute to increased susceptibility. Because it affects people with weakened immune systems, it is one of the biggest killers of people with HIV and AIDS. I was particularly struck by the statistic on the progress that is currently being made on TB: it could easily take between 150 and 200 years to get rid of it, rather than the 15-year ambition that the world has set itself. The need for investment is clear.

Despite being so easily preventable, according to the World Health Organisation, malaria claims the life of a child every two minutes. I was not on the trip that many other Members went on, but in a previous life I spent some time living in Malawi, where I saw how prevalent and debilitating the disease could be. I also saw the challenge of providing relatively simple interventions, such as mosquito nets and prophylactic treatments, given what could sometimes be slightly relaxed attitudes. It seemed to me that in parts of Africa malaria was regarded in the same way that we regard the flu: as a bit of a hassle that some medicine and bed rest will sort out. But, like flu, it is a killer. It has become a catch-all term for all kinds of illnesses. Treating malaria is complex, and investment is needed not just in practical things such as the distribution of nets and treatment, but in education and awareness raising.

Oliver Colville: Does the hon. Gentleman recognise that access to clean water through boreholes and the like is also important?

Patrick Grady: Absolutely. I mentioned sanitation in the context of TB, but that is true across a range of health interventions. Improving access to water across the whole of sub-Saharan Africa would go a long way towards tackling not just these diseases but many other challenges. Access to water helps children pay attention in school, for example, so I agree with the hon. Gentleman.

One of the biggest barriers to progress against malaria is drug resistance. If people do not take the complete course of treatment, that helps to build resistance. We must therefore continue to invest in medicine research and development. Providing education and challenging stigma are crucial components in the fight against AIDS. Like TB and malaria, AIDS is an easily preventable disease, yet it continues to have devastating consequences in too many parts of the world. We often hear that HIV is no longer a life sentence in the west—that remarkable achievement is the result of significant investment over many years—but in developing and middle-income countries it remains a killer and, like other diseases, it is a barrier to economic and social progress across society.

The scale of the challenge is clear. I want to echo a number of the questions and points that have been put to the Minister. It would be useful to hear how the Government intend to respond to calls for resources for the fund. What amount are they considering contributing? What timetable have they set for their response? What further opportunities for scrutiny will there be? Will the replenishment be put before us as a statutory instrument? What will the process of disbursement be?

The subject of the cap has been well covered, but I want to re-emphasise some points that have been made. If the Government are prepared to say that they can commit up to £1 billion, the money must be there, so why do they not make those funds available in full? The replenishment request is based on a needs analysis. If the need is not met in full, we risk having an incomplete response, which could cost us and the world more in the long run.

We welcome the announcement of the Ross fund, but it would be useful to know how it will complement the Global Fund’s work. I heard for the first time from the right hon. Member for Arundel and South Downs that it is a three-year programme. I did not find that information elsewhere; perhaps I did not read the correct briefings. It would be useful to know what the plans are after that and how the two funds will complement each other.

A number of Members mentioned the need to tackle the spread of diseases in middle-income countries. The UK Government are free to set their own priorities for their international development programme. They announced that 50% of overseas development aid would be spent on fragile states, but they must recognise the Global Fund’s expertise and the need for it to be able to target funding effectively to prevent backsliding. My hon. Friend the Member for Central Ayrshire (Dr Whitford) made an important point about transitioning middle-income countries from aid. It would be useful if the Government would commit today not to interfere with Global Fund decisions to support programmes in middle-income countries.

Drug resistance is a challenge in tackling all of these diseases. The Minister will be aware of the World Health Organisation meeting in Geneva in March, which will look at reforming global research and development structures and ways of incentivising the production of pharmaceuticals to meet global health need, rather than simply tackling the most lucrative and profitable diseases, for which medicines can be sold. It would be useful to know whether the Government will take part in that conference.
The Global Fund estimates that meeting its next replenishment target could save up to $8 million lives and prevent 300 million new infections. That level of achievement would put us firmly on the path to meeting the SDG eradication target by 2030. However, a failure to resource the fund properly risks reversing progress, increasing drug resistance in new strains and new areas, and ultimately resulting in more unnecessary loss of life. The Government have a chance to show leadership. I look forward to hearing their response.

10.34 am

Mike Kane (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Ms Dorries. Thank you for skilfully fitting in so many contributions into such a short time. I have to declare an interest: like the hon. Member for Glasgow North (Patrick Grady), I did not go on the Zambia trip last year. We have heard incredibly powerful testimonies from the hon. Members for Pudsey (Stuart Andrew), for Central Ayrshire (Dr Whitford) and for Mid Derbyshire (Pauline Latham), and from my hon. Friend the Member for Edmonton (Kate Osamor). The change that we can make as a developed nation helping developing nations is essential, and they have brought real quality to the debate.

I, too, congratulate the right hon. Member for Arundel and South Downs (Nick Herbert) on securing this timely debate. I thank him for his leadership on the issue of tuberculosis—he chairs the global caucus on the matter. This debate follows on from the debate on malaria that the hon. Member for Stafford (Jeremy Lefroy) secured in October, so the House has been highly focused on these issues and on the Global Fund. It is incumbent on me to welcome the new International Development Minister to his place and congratulate him on his position.

We all welcome the recently adopted agenda for sustainable development, which will guide international co-operation, including the UK’s development co-operation, over the next 15 years. We are entering a new era of efforts to eradicate poverty, foster human wellbeing and protect our planet. It is a universal programme for all people in all countries. As the hon. Member for Finchley and Golders Green (Mike Freer) said, it should leave no one behind. We now have to realise the transformational potential of the agenda.

We are talking about three diseases. In the October debate, the hon. Member for Stafford highlighted the issue of global malaria. Global malaria control is one of the great public health success stories of the past 15 years, but we face substantial challenges, such as the spread of resistance to drugs and insecticides. The prevention of infectious diseases is one of the best uses of aid, as the hon. Member for Pudsey said. It is estimated that if global malaria targets are achieved by 2030, more than 10 million lives will be saved, generating more than $4 trillion of additional economic output. We know what that kind of output can mean to developing nations.

Through sustained efforts, the tuberculosis mortality rate has nearly halved since 1980. However, as has been said, more than 1.5 million people died from TB in 2014. According to the World Health Organisation’s 2015 global tuberculosis report, most of those deaths could have been prevented. The report highlights the need to close the detection and treatment gaps. We want to get there by 2030, as the right hon. Member for Arundel and South Downs said, not in 200 years. We need to fill the funding shortfalls and develop new diagnostic tools. Through partnerships, Global Fund programmes have detected and treated more than 13.2 million cases of TB.

AIDS is the biggest killer in the world of women of reproductive age and the second biggest killer of adolescents. Some 1.2 million people died of HIV or HIV-related illnesses in 2014, and more than 36 million people live with the virus. Global Fund programmes have enabled 8.1 million people with HIV to access antiretroviral therapy.

The Opposition welcome the establishment of the £1 billion Ross fund, in co-operation with the Gates Foundation. We will hold the Government to account on how that co-operation is going in the months and years ahead. That £1 billion includes a £300 million package on malaria and £115 million to develop new drugs and insecticides for malaria and TB. We also need to support multilateral partners, such as the Global Fund, to fight HIV, AIDS, tuberculosis and malaria. It is essential that we continue to fund that work and build on what has already been done. In particular, we must invest in new vaccines, medicines, insecticides and diagnostic tools.

If we tackle AIDS, TB and malaria, there will be a number of spill-over effects, such as greater productivity and growth, reduced worker and child absenteeism, increased equity and women’s empowerment, and improved wellbeing, particularly for vulnerable and marginalised populations. Failure to act could lead to the diseases resurging, leading to increased deaths and lost opportunities for progress and development. The Ebola crisis in west Africa has painfully illustrated the importance of strong public health systems in fighting diseases. The lessons also apply to our efforts to combat AIDS, TB and malaria.

We need to scale up our efforts in combating malaria, to which the hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Scunthorpe (Nic Dakin) alluded. We need to invest more in AIDS and TB research and development, tackling resistance to life-saving medicines and boosting health systems across the world to help bring an end to these terrible diseases.

10.40 am

The Parliamentary Under-Secretary of State for International Development (Mr Nick Hurd): It is a pleasure to serve under your chairmanship for the first time, Ms Dorries. I congratulate you on getting everyone in to speak. I also congratulate all three chairs of the relevant all-party groups, especially my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) who gave a powerful opening speech, on working together to secure this debate. My hon. Friend the Member for Mid Derbyshire (Pauline Latham) was cut off mid-speech because three and a half minutes was not enough for her to articulate the power of what she saw in northern Uganda. She has my commitment to sit down with her and reassure her that the Department and the Global Fund to Fight AIDS, Tuberculosis and Malaria are on that situation.

I thank my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) for raising El Niño. As the topic is not central to this debate, I will
Mr Nick Hurd

write to him, but he is quite right to raise it, because in Ethiopia, for example, we are seeing drought conditions that are comparable with 1984. What has changed is the capacity of the domestic Government to manage the situation on behalf of their own people, which has been supported to some degree by our development work over many years.

I am glad that it became clear towards the end of the debate that I was not the only person who had not been to Zambia recently, but it was powerful to hear accounts of how the Global Fund has worked on the ground. I am extremely grateful that this debate is happening now. I am also pleased that so many Members, from both sides of the House and representing all parts of the country, have decided that this is where they want to be this morning, to hold the Government to account and to press ministerial feet to the fire on the future of the Global Fund. I am grateful for that, as it makes my job that bit easier knowing that there is that level of scrutiny and interest inside Parliament.

The debate is extremely timely for several reasons. As many colleagues know, this is an important time because some lessons, which flow from the spending reviews that are being taken inside the Department relating to our review of bilateral and multilateral aid programmes, of which the Global Fund is obviously a central piece. As many have said, however, the Global Fund is on the brink of a fifth replenishment, and active discussions between donors and Governments are ongoing. It is therefore an important time to take stock of the progress made through our investments and to think about how we can match resources to need in an even more intelligent way.

What strikes me and what has come through in many of the speeches, and which I had not fully appreciated before taking on this brief, is just what incredible progress our species has made in the face of these dreadful diseases over a relatively short time. We have seen radically improved access to treatment, significantly reducing the number of people dying from HIV, which fell by over a third between 2005 and 2013. There have been dramatic increases in the diagnosis of TB in high-burden countries, saving some 37 million lives since 2000. Friend the Member for Stafford (Jeremy Lefroy) brought home so powerfully, global death rates from malaria have almost halved since 2000, saving over 4.3 million lives. As my right hon. Friend the Member for Stafford and I will be particularly interested in the points made by my hon. Friend the Member for Stafford and I will be discussing them further with the head of the Global Fund when I meet him shortly.

There is no doubt in my mind that the Global Fund is a success. It works. It has made a crucial contribution to the fight against all three diseases. It has been reformed over time and those reforms have strengthened its efficiency and effectiveness. It scores very highly in most independent assessments of transparency, accountability and, critically for us, value for money. It plays an important role in the crucial work of strengthening domestic health systems, although that is challenging to measure. As was shown, the fund has also been an extremely effective catalyst for unlocking domestic resources and really important partnerships that are really the only way forward in bearing down on these diseases and bending the curve, as my hon. Friend the Member for Finchley and Golders Green (Mike Freer) put it so well.

But—it is a big “but”—however amazed and satisfied we can be with this progress so far, we are not where we need to be. I find it chilling that 90 children will have died of malaria and 37 adolescent girls will have been infected with HIV during the course of this 90-minute debate, and that 4,000 people will have died of TB over the course of today. I am sure that everyone here will agree that that is absolutely unacceptable on humanitarian grounds and is undermining everything that we are doing to try to lift people out of poverty and to put economies on a more prosperous path. As was powerfully put by various Members, it also carries a risk to our stability and security, so there are absolutely no grounds for complacency or any suggestion that we should lessen our intensity in this fight.

Malaria is a preventable and treatable disease yet it continues to kill almost half a million people a year, the vast majority of whom are children and pregnant women in Africa. Progress is threatened by drug-resistant malaria and by mosquitoes adapting to the insecticides that we use to treat bed nets. As we have heard, TB is now the leading cause of death, with an estimated 1.5 million people dying every two minutes in sub-Saharan Africa, she is twice as likely to get HIV as her male peers. Although incredible progress is being made, there is no doubt that this is absolutely not the time to ease up. The Global Fund is central to the global effort to bear down on the diseases. I hope that I have reassured Members that the Global Fund is central to the global effort to bear down on the diseases. I hope that I have reassured Members that the matter and our evaluation of how effective it is are important to this Government. However, it is our responsibility—I was interested in the various comments about this—to ensure that the fund works even more efficiently and effectively in its next phase, and that the lessons of the last phase are absorbed and understood. I was particularly interested in the points made by my hon. Friend the Member for Stafford and I will be discussing them further with the head of the Global Fund when I meet him shortly.

The central challenge for all of us who are accountable for the money and who care passionately about this agenda is to ensure that resources are directed where they are most needed. There are priorities to set and difficult decisions to take in that context, but we must certainly give priority to countries with the highest burden or risk of disease and the lowest ability to pay for tackling the epidemics on their own. The point was powerfully made by my hon. Friend the Member for Finchley and Golders Green and the hon. Members for Central Ayrshire (Dr Whitford) and for Central Ayrshire (Mr Nick Hurd) about the need to ensure that any transitions—in particular for middle-income countries—or movement of resources are managed extremely responsibly.
My hon. Friend has my reassurance that that is very much top of mind in our discussions with donors and other countries.

As my right hon. Friend the Prime Minister remarked at the launch of the global goals in September 2015, we “commit to putting the last first”,

and to end extreme poverty

“we need to put the poorest, the weakest and the most marginalised first to Leave No One Behind”.

Those words are important to the Department.

How may we ensure that the Global Fund delivers? For HIV it needs to work with young women in Africa, who on average catch HIV between five and seven years earlier than their male peers. For malaria it means ensuring that the children and pregnant women who account for 80% of all malaria deaths have access to bed nets and quick diagnosis and treatment. For TB it means working with people with HIV and harder-to-reach groups, such as migrants and miners, to test and treat them. The Global Fund must use the right interventions, evidence-based tools that we know work, and diagnostics, treatments and tools for prevention.

My hon. Friend the Member for Finchley and Golders Green asked about the need for the UK to finance the most vulnerable in middle-income countries, but the numbers need to be treated with caution. The middle-income country category is very broad, ranging from countries that have just crossed the threshold, such as Zambia, where the GDP per capita is less than $2,000, to countries such as Malaysia, where the GDP per capita is more than $11,000, which primarily self-finance their own disease responses. We therefore need to match the solution to the problem. The vast majority of people living with the three diseases are in the first category of middle-income countries—countries that do not yet have the ability to pay for the response to their disease epidemics—and in that context external resources are still needed, so we encourage continued investment by the Global Fund.

In other middle-income countries the issue is willingness to pay, in particular for the marginalised and hard-to-reach groups of people. There the different parts of the health architecture must work together to encourage and enable Governments to step up and take responsibility for the rights of their citizens, which means ensuring that the World Bank works with Governments to build systems that allow them to plan and independently finance their disease responses according to need. It also means encouraging the World Health Organisation to provide technical assistance to help countries develop the most cost-effective way of delivering services as part of a broader health system. It means holding Governments to account to deliver for their most marginalised, not least by working with civil society and partners such as UNAIDS. My key point is that I absolutely understand the need to manage transition responsibly. I hope I have given him some reassurance that we are aware of that and take it seriously.

On intellectual property, my hon. Friend rightly pointed out that the costs of treatment are an important factor in whether a country’s ability to pay for it. The Global Fund supports countries to obtain quality-assured products at the lowest cost. I am pleased to say that in 2014 and 2015 IP restriction was only an issue for 0.5% of the total value of antiretroviral orders made by the Global Fund. We recognise, however, that intellectual property is a very important issue in some cases, which is why the UK also funds the medicines patent pool, which works to address IP blockages related to HIV, and why we are starting to explore TB and support the WHO, the United Nations Development Programme and UNAIDS in working with countries to support them in addressing their intellectual property issues.

A number of colleagues raised the issue of the UK’s cap in the most recent replenishment. It is important to note that the cap was intended not only to incentivise others, but to ensure that everyone plays an appropriate part in addressing global challenges. To be frank, it is difficult to assess the impact of the cap on other donors; some said—one in particular—that the cap was a factor for them, but we will have to review that in terms of our tactics in relation to the forthcoming replenishment.

I am very proud and many colleagues in the House are extremely proud of the leadership that this country has shown under successive Governments to move the development agenda, to shift gears of ambition, to meet international commitments and to encourage others to step up and meet their responsibilities. We helped to shape the latest round of sustainable development goals. We have been extremely ambitious in the commitments we have made through the new official development assistance strategy, through our manifesto commitments, and on the role that this country intends to play in supporting that ambition with action that will make a difference on the ground. The Global Fund is a key element in the delivery of that strategy.

Colleagues know that because discussions are ongoing. I am absolutely not in a position to front-run any decisions or to make any commitments. That would be something with career implications that I am not prepared to contemplate—

Kate Osamor: Be brave!

Mr Hurd: I will resist the call to be brave. I hope, however, that I have reassured Members that successful replenishment of the Global Fund, which is about not only the UK’s commitment, but the role we play in encouraging others to step up, is personally important to me and extremely important to the Government. I am grateful to all Members who were present today for putting a spotlight on the Global Fund and on the need for Britain to stay up and to maintain its position of leadership in the world.

10.56 am

Nick Herbert: May I make two apologies? First, I apologise to my hon. Friend the Member for Mid Derbyshire (Pauline Latham) and indeed all hon. Members. Members for foreshortening their time: my maths was insufficient and I had not realised the number of people who wished to take part in the debate, so I spoke for too long. That follows on from moving amendments on planning matters at 2 am last week, which added immensely to my popularity with colleagues. Those of us who wear Apple watches know that it is possible to receive electronic reminders when one should be taking more exercise. Perhaps a reminder to shut up when one is speaking for too long would be a useful additional app for someone to develop.
Secondly, I apologise to the Minister, because I should have welcomed him to his new position. The way in which he responded to the debate confirms the impression that many of us had that it is an ill wind that blows no one any good, and that his appointment and return to Government were immensely welcome, in particular to the Department for International Development. He has a genuine interest in international development matters and speaks with some passion about them. What the Minister said about the importance of the Global Fund and its replenishment to the Government and to him personally was encouraging.

It is important to debate such issues and we had welcome contributions from Members of many parties, in particular on the need to focus on the effectiveness of the Global Fund and the points made by my hon. Friend the Member for Stafford (Jeremy Lefroy). I hope that those points will be taken on board by the excellent director of the Global Fund, Mark Dybul, who has made great efforts to improve its effectiveness. We look forward to further discussion with him as well as with the Government.

A real issue is that of middle-income countries, which affects the Government’s international development agenda more broadly—when countries reach a certain income threshold, what is the right role for wealthier countries? We cannot simply step away. Much of the burden of those diseases falls on the middle-income countries and there is a real question about whether they would devote sufficient resources to tackling the diseases. If international bodies such as the Global Fund concentrate on other, lower-income countries, there is an imbalance in the resourcing and the focus is wrong. That is an important debate, which we will need to have.

This has been an excellent debate. I am delighted to tell the Minister that I, too, have been to Zambia, although I am sorry to say that I was not on the trip with my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) and for Pudsey (Stuart Andrew) and the hon. Member for Edmonton (Kate Osamor). I look forward to an opportunity to follow their example in future.

Question put and agreed to.

Resolved

That this House has considered the Global fund to fight AIDS, TB and Malaria.
Bridge arrive within five minutes of schedule. By contrast, the figure is 52% for Brighton, 49% for Haywards Heath and 65% for East Grinstead.

Govia Thameslink Railway’s moving annual average public performance measure of trains “on time”—the proportion of the total number of trains planned that arrive within five minutes of the advertised arrival—stands at the lowest of all franchises, at 81.7% against a national average of 89.3%. Commuters also face the consequences of driver shortages, broken tracks and no spare rolling stock: regular cancellations, delays, short formations and last-minute station skipping, which cause untold stress for commuters. All of this—drastic cuts, chronic overcrowding and appalling reliability—has created significant discomfort and extended journey times, affecting the health and ruining the family life and quality of life of regular commuters.

There are serious questions for the Minister to answer about the specification of service delivery levels set out in the management agreement. Are they too lenient? Perhaps she can explain whether it was because of that inadequacy that the Department for Transport issued Govia Thameslink with a remedial plan notice requiring it to set out improvement measures that, once agreed with Government, will become contractually binding. Will she tell us when that will be agreed and what penalties will be able to be imposed, with a view to providing direct reparations to rail users affected by terrible service?

It is clear that, regardless of the Minister’s deep-dive examination, her performance improvement plan and her undoubted energy and engagement with colleagues, the franchise into tiers to be fundamentally flawed. Is she prepared to set a deadline in public for specified performance improvements in the remedial plan, which, if missed, would trigger the termination of the franchise?

There are also questions to ask about the level of services that commuters can expect once the Thameslink upgrade is completed in 2018. Are the Redhill, Reigate and other local commuters who I represent suffering all this pain now for someone else’s gain later? I invite the Minister to commit to discuss with Govia Thameslink’s management the specific timetable improvements that Redhill and Reigate rail users can look forward to. Will the future Thameslink timetable be able to improve journey times and create regular, fast services to London? Will it provide a better service than in 2011 or replace it with an inferior service, which is what my constituents fear?

We should be hearing about the improvements that are to be secured, but the Department is still considering the hare-brained idea of building a second runway at Gatwick airport, despite the Airports Commission having so decisively dismissed it, not least on the grounds of the inferiority of Gatwick’s surface transport links. There is no way that an expansion at Gatwick, involving a fourfold increase in passenger numbers, can be supported by the Brighton main line. That the proposition is still being alive hardly promotes confidence in the Minister’s Department.

Commuters have lost confidence in train operating companies’ ability to deliver even a half-decent service, and the historically high and continually higher fares just rub salt into the wounds. A Redhill annual season ticket including zones 1 to 6 costs £1,100 more—47% more—than the same ticket from Coulsdon South, which is two stops up the line. Fares to and from London for stations on the Redhill route are significantly higher than those for equivalent stations in Surrey, even those outside Oyster zones, such as Oxted and Dorking. Even tickets from places further away from London, including Gatwick, Three Bridges and East Grinstead, are cheaper.

I repeat all of that to remind the Minister of the unfairness in the pricing structure, which she heard about when she met the Reigate, Redhill and District Rail Users Association in October. At that meeting, and in subsequent correspondence, we presented a reasonable proposal, supported by the borough council and London TravelWatch, to extend Transport for London zone 6 to stations to Gatwick, with a review on completion of the Thameslink works. Our case is both logical and affordable. The long overdue introduction of Oyster pay-as-you-go for trips to and from Gatwick airport and the installation of such technology at the stations on the short stretch of main line between Gatwick and the current Oyster boundary at Coulsdon South provides the opportunity for the Minister to extend zonal fares, ending the confusion that has arisen from the complicated fare structure on that stretch of railway.

Such measures to simplify and reduce fares have always shown a benefit of increased usage of about 4% to 5%. That happened when zonal fares were introduced in 2007 and when Oyster was introduced on the national rail network in 2010. Revenues have also held up following substantial fare reductions of up to 40% on some off-peak services, associated with the transfer of several London and Essex services to London Overground in May 2015. The expected increase in usage alone would recover most—or probably all, if not more, based on previous experience—of the approximately £6 million cost of introducing zone 6 to the stations at Redhill, Reigate, Merstham, Earlswood, Salfords and Horley. The total risk, if all of that is completely wrong, is less than 0.1% of the revenue stream in 2013-14.

Despite the case that was made to the Minister, she wrote to me on 16 December to turn down our proposal. It appears to the commuters I represent that she is proffering every assistance short of actual help, whether that is introducing zonal fares, direct reparations or an annual RPI minus a percentage change—something she has powers to do.

Why should my constituents be expected to pay a premium price for substandard services? Local rail users will find it incomprehensible that the Minister and her officials cannot even consider a fare reduction through zoning or otherwise. They will not understand why Dartford and Brentwood could be brought into Oyster zones last year, and why Stratford and other east London stations could be brought into financially better zones for commuters this year, when Redhill and surrounding stations cannot be considered.

Commuters using the Redhill and Reigate routes are fed up with being given excuses and the brush-off. They are suffering the double whammy of disproportionately more severe delays and disproportionately higher fares. They have asked me who is responsible, and I have so far ducked giving them a direct answer. Uncomfortably, however, it seems that the Minister and her Department are responsible for the management contract. That contract now gives her responsibility for the fare stream, which she receives directly. It has now been more than a year
since the disaster following the London Bridge works last Christmas. I hope that she will not only explain who is responsible, but bring some relief on an issue that she can control directly, given her responsibility for the fare stream, while she also wrestles indirectly to improve the inadequate performance we have seen.

11.12 am

The Parliamentary Under-Secretary of State for Transport (Claire Perry): It is a pleasure to serve under your chairmanship, Ms Dorries. May I wish you and the rest of the team in Westminster Hall a happy new year?

I congratulate my hon. Friend the Member for Reigate (Crispin Blunt) on securing this important debate. He tempts me to comment on issues that are rather outside my brief; such as the runway decision, and I will resist that temptation. However, I am always happy and, indeed, anxious to discuss the performance on his line, and I am committed to doing that.

My hon. Friend has raised these issues repeatedly with me in correspondence and, most recently, in our meeting on 22 October. He has eloquently made his points about the need for clarity about who does what under the management contracts and about the need to ensure that his constituents get a reliable service.

I genuinely welcome the ongoing campaigning and activity of the Reigate, Redhill and District Rail Users Association, of which my hon. Friend is president. The campaigning and the information and analysis that the group has presented to me is truly excellent. That is exactly the sort of on-the-ground, forensic analysis we need to ensure that we get things right.

My hon. Friend pointed to the fundamental problem: over many decades, successive Governments ducked carrying out the improvement works that were needed at London Bridge station—the fourth busiest station in the country—and on the Brighton main line. It was this Government who finally took the decision to make those necessary investments as part of spending an unprecedented £38 billion on upgrading vital transport infrastructure across the country.

It is difficult—it would be fair to say that it is more difficult than the project team perhaps thought—to carry out such enormous improvement works on a vital functioning railway. There is always the choice whether to blockade the whole service for a time or to keep it running and to manage the timetable so that the improvements can be carried out.

Now that we have gone through the worst of the project—I am the first to admit that it has been very difficult for all the users of London Bridge station and particularly for Brighton main line commuters—the light is quickly emerging at the end of the tunnel. Half the new station will be open this year. There will be new trains, and they will serve the main line that commuters in my hon. Friend’s area connect with. We will start to see a steady improvement in services and the benefits that were the basis for all that investment. About £800 million is being invested in and around London Bridge alone.

As my hon. Friend will know, the Brighton main line, with which his loop connects, is one of the busiest lines in the country. In the last five years, the number of passengers on Thameslink has grown by 40%, while the number on the Southern network has grown by 32%. In a way, therefore, we have had a perfect storm of enormous and long-overdue investments to sort out creaking infrastructure; continued growth in passenger numbers; and a railway system that has, in some cases, struggled to cope.

My hon. Friend was right to allude to the series of completely unacceptable engineering overruns that happened last Christmas. I am sure that he, like me, welcomed the fact that this year, all the planned engineering work done right across the country, including at London Bridge, was completed on time, and that the railway was handed back to passengers. There were then several unacceptable points of disruption in the first week of service. We are investigating those, but Network Rail has, quite rightly, learned how to do these major pieces of infrastructure work and then to hand back the railway on time so that passengers can benefit.

My hon. Friend asked what was in it for his constituents and whether we can confirm that there will be new services. He is right to point out that the timetable has been squeezed to deal with all the pinch points on the network. In 2018—this will, of course, be subject to consultation—Redhill alone will have five extra trains to and from London in the morning and evening peaks. They will be new, state-of-the-art, longer trains, and there will be more capacity. At that point, I think we will be able to say that his constituents are getting the service they deserve. What we all want from that work is once again to make that part of the network a high-performance route, with improved trains, stations and performance.

My hon. Friend asked me repeatedly to talk about compensation. I have considered the issue extremely carefully. Having done some research over the holidays, I want to point out that Britain has one of the most generous compensation systems in the world for rail users. We already have in place compensation payout triggers that we do not see on any other network. The challenge for my hon. Friend’s constituents, whose average journey time is about 43 minutes, is that the compensation triggers come in after 30 minutes, which is not much use on a 43-minute journey. We need compensation that addresses the repeated short-term delays. My hon. Friend will be pleased to know—that is something the Conservative party committed to in its manifesto—that we are looking to introduce compensation payments from a 15-minute delay trigger point. That is something I would like to introduce very quickly, because my hon. Friend is right that we have to improve the compensation. The challenge is that it is really difficult to target a compensation package specifically at passengers using a particular station on what is a very open network. We have repeatedly looked at ways of doing that, but, so far, we have not found a way of targeting the compensation specifically.

My hon. Friend’s point about fares is absolutely right. That is why I am pleased that we were able to commit to an RPI plus 0% deal on fares for the remainder of this Parliament. For too long, commuters in the south and the south-east were seen as easy pickings—as a way to subsidise the overall railway operation, particularly for other franchises in the country that received a subsidy. That is completely wrong. The RPI plus 0% deal that we have put in place means that, on average, regulated and unregulated fares will go up by only
1.1% this year. That is worth about £750 million to commuters across the life of this Parliament. The average season ticket-holder will save £425 over the life of this Parliament and for the first time in a decade wage increases are outstripping rail fare increases—quite properly. We are listening and trying to do all we can to improve the fare structure and the deal for commuters.

My hon. Friend raised the point about extending Oyster zone 6 to Reigate and Redhill. I know that he knows quite how hard we have all worked to get the Gatwick extension proposal up and running. Indeed, that extension was opened yesterday and people can now buy a pay-as-you-go Oyster card at Gatwick and use it on the intermediate stations. He also knows that that is not the same as a zonal extension. It is difficult but possible to put the technology in place and there is a very small reduction in fares if people buy a pay-as-you-go Oyster card, but it is a much more complicated structure to rezone.

My hon. Friend mentioned some stations. I need to double-check. My understanding is that the fare changes, for example at Dartford, were almost de minimis when the zoning happened—very similar fares already applied. Rather than responding on a piecemeal basis to requests for re zoning, which may be very valid, I would like to look at this issue on the round. He will know from our conversations that we are supportive of a proposal to consider further changes regarding who does what between Transport for London and those with franchise contracts let by the Department. We are committed to devolution where it makes sense, and I am hopeful that we will be able to have a consultation and a conversation on that specific issue in the very near future. I also hope that he and those he represents will continue to lend their voices to that conversation. We want to do things right and make something work for the future.

My hon. Friend again raised his concerns about the disparity in fares between Redhill and Reigate services and East Grinstead and Oxted services. Again, his user group made some very clear points when we met. However, he will know that it was dear old British Rail that changed the whole basis upon which fares were calculated. Until 1968, fares were based on mileage, which was something we could all understand. Then they were changed for all sorts of reasons—frankly, the thinking of BR management at that time was about what the market could bear. We have ended up with discrepancies such as the ones he pointed out.

Although Redhill and Oxted are both about 20 miles from London, rail fares are no longer calculated on distance alone. That is why, rather than trying to manage some of these discrepancies, we have focused on the overall cap and capping the fare increases at RPI plus 0% over the duration of this Parliament. Fundamentally, however, if we had a train service that ran on time and did not have delays, the questions about compensation and fair fares would drop off.

Delivering performance on one of the most heavily congested lines when some of the most substantial engineering works in the country are being carried out is a real problem. My hon. Friend will know that performance on that route and indeed specifically on the Brighton main line has been in decline for several years. Passengers on that part of the network have not received the high-quality service that they deserve.

As my hon. Friend knows, that is why, since the election, I have set up and chaired a south-east quadrant taskforce, which for the first time brings together Network Rail, the operators and Transport Focus to thrash through these issues and to understand what is causing the problems—it is fair to say that most of the problems are infrastructure-related, but there are challenges around driver numbers and train reliability. Both those issues are reducing in terms of the level of disruption they are causing. People should remember that, when the franchise was let, the franchise holders inherited a very substantial driver shortage.

On the Southern and Gatwick Express line, I can tell my hon. Friend that, by looking at my charts, I can see that the headcount deficit for drivers will be cleared by May. In other words, there will be enough trained drivers out there driving trains so that the number of trains cancelled because of driver shortages will drop very substantially. The same is true regarding the new train fleet. As the new fleet comes into service up to 2018, the issues caused by fleet reliability will decline.

Crispin Blunt: I have had the frustration of being on a train that was cancelled because it did not have a driver, only to move to another train that could not move because it did not have a conductor, which is an entirely typical experience for the people I represent. My hon. Friend has given that promise about improvements by May. Can she say what there is within the contract to hold Govia Thameslink’s feet to the fire? If it does not deliver, when will it lose the franchise?

Claire Perry: I am quoting from the plan, which is baked into both the contract and the remedial plan that was put in place last year, when we were fervently of the view that the performance on the line was unacceptable. That is what the company is now being managed to in terms of driver delivery and the train roll-out. Slightly later—I am conscious of the time—I want to discuss with my hon. Friend what happens with the contracting process.

Fundamentally, we are trying to address the challenges: what is happening with the underlying infrastructure, drivers and train performance? By the way, I hope my hon. Friend and MPs from all parties on the route will attend the meeting with the head of franchising in my Department, the management team and Network Rail next Monday, 18 January, to hear the conversation. I want all that information out in the public domain and I want the commitments to be made very public.

What has happened since we let the contract? Clearly, there has been an unacceptable period of poor performance and we have notified the franchise holder that it was effectively in breach of its contract. The first stage is to come up with a remedial plan that sets out the measures that it will take, which is what I am referring to, particularly on the driver side.

The other question is on Network Rail because, as I have mentioned, most of the delays are related to infrastructure. My hon. Friend will know that Network Rail has been put on notice and has agreed a £4 million package of remedial works for the Brighton main line to address some of the more immediate performance issues.

My hon. Friend has invited me to set out a vision of what good looks like. The answer is that we have that information and we need to ensure that it can be delivered.
What we want is a performance target that can be delivered. Subject to all those works, the new trains will roll out, which is what we are all striving for. That is what good looks like and what we are contracting for in 2018. If he comes to the meeting next Monday, we can further discuss what it looks like both for his line and right across this network.

My hon. Friend will see some very specific improvements to his local station in the next couple of years. We have committed to providing a £270 million, 12-car platform at Redhill station, so that we can get longer services on that line, and so that the Great Western Railway can increase its services on the north down lines linking Redhill and Reigate to Reading, accessing all the works that are going on through Crossrail and on to Heathrow. A series of other benefits come at that point.

Fundamentally, however, my hon. Friend invites me to say at what point we would take the franchise back. I would invite him to consider that we would remove the franchise only if we felt that the management team could not deliver. Having spent far more time down in the weeds of railway management than I ever intended to on that particular line, I have to assure him that I think everything is being done to address the performance issues, the driver shortages and the roll-out of new rolling stock. For the next 18 months, there will be a difficult period of performance. It does not need to be as difficult as it has been, and we are doing all we can to ensure that the new timetable delivers the sort of reliable service people want.

My hon. Friend mentioned one thing that I want to go away and investigate. If it is true that no peak evening train has arrived on time since last October, that will give me great cause of concern. I want to go away and look specifically at that particular timetable.

Crispin Blunt: I am very grateful to the Minister and I appreciate her giving away. I will have to present the case to her behalf to my constituents. The reason that I called for the debate in isolation from the wider line performance is about the proposal to zone the line down to Gatwick. Rather than simply a no, can she give me a full costed reason if the answer remains no, which I hope it does not? I need a full explanation to take back to the rail users to say exactly why she has come to that decision. I will be very happy to help her to do that.

Claire Perry: What I will tell my hon. Friend’s rail users is that the proposal to rezone and effectively to change the boundary between Til and the franchising should be quite rightly looked at in the round, so that his constituents and others who are involved—this is an around-London issue—feel that the proposals have been properly worked up. What he can take back to his constituents is that they will shortly be asked for their opinions regarding a London-wide and suburb-wide series of proposals on devolution. I would expect that he and they will make their voices heard.

In conclusion, my hon. Friend is well aware of the constant level of concern that that railway causes. It is the biggest and busiest franchise. We look at performance measures. By the way, what I want to see is performance measures that focus on the people rather than the trains.

[MARK Pritchard in the Chair]

2.30 pm
Sir Alan Haselhurst (Saffron Walden) (Con): I beg to move,

That this House has considered the effect of airport expansion on the Anglian Region.

I welcome you to the Chair, Mr Pritchard. It is an honour to serve under you for the first time, and I am glad to see that you are enjoying being a member of the Panel of Chairs. I also welcome the Minister—if he grimaces at any stage in the course of my remarks, it may well be because he feels he has heard it all before—and I welcome colleagues from the region and others who have come to take an interest in the debate.

I will give a little history, if I may. In 1977, I became very fortuitously the successor to R.A. Butler and Sir Peter Kirk as the Member of Parliament for Saffron Walden. They had fought successfully up to that point against the proposition that Stansted should become London’s third airport. Despite their efforts, the fascination of officials in Whitehall persisted. Here was this very long runway built by the Americans for their bombers in the 1940s; surely it could be put to civilian use.

When I came to Saffron Walden, I had previous, as they say. I had been the Member of Parliament for Middleton and Prestwich in Greater Manchester between 1970 and 1974 and had very much absorbed the findings of the Roskill commission—a long-time predecessor to the Davies commission that had been asked to advise the Government on where to provide extra accommodation, specifically in terms of a third airport. The commission rejected Stansted, even on its shortlist, and by a majority recommended Cublington in Buckinghamshire. There was a dissenting view by Colin Buchanan that there should be an airport in the Thames estuary. That was adopted by the incoming Government of 1970, who proceeded to construct the airport, which was termed “Maplin”.

I had time in those days to fully read the Roskill report, and I also became familiar with all the inland sites being considered. I came to the view that a third inland airport would be a mistake, so I heartily supported the proposition that there should be a new airport altogether in the Thames estuary. Why, I asked myself, should there be a third airport when there were already two?

What was, to my mind, unfortunate was the legal agreement arrived at between West Sussex County Council and the British Airports Authority, when it was still a statutory authority, that there should be no second runway at Gatwick for 40 years, expiring in 2019. In a sense, it had cut off a limb for expansion and was seeking a third site. I did not think that that made any sense in 1979, and I do not think it makes any sense now.

After the airports inquiry of 1981 to 1983, which considered further expansion at Stansted or Heathrow, the recommendation was to allow a terminal at Stansted, limited to 15 million passengers per annum. It took about two years for the Government to reach that decision after the inquiry reported—Howard Davies,
please note. The inspector also stated firmly that he would only recommend such a degree of expansion at Stansted provided it was made clear that there should never be a second runway—Howard Davies, again, please note the worth of that type of promise.

Sir Oliver Heald (North East Hertfordshire) (Con): I do not know whether my right hon. Friend remembers this, but it is my understanding that Stansted airport was then marketed to the local community as its own airport in the countryside, not at all with the sort of pretensions necessary for a major airport such as Heathrow.

Sir Alan Haselhurst: My hon. and learned Friend is quite right. There was an attempt to damp down the feelings locally about Stansted by not referring to it as London’s third airport, but the assumption in its design and construction was that it would, indeed, share an even amount of the traffic coming into London.

What followed? Well, traffic distribution rules were abolished. The effect was that 19 airlines promptly moved from Gatwick to Heathrow, leaving rather a large hole at Gatwick, which made that airport much more attractive at the time than Stansted. The next decision was to give BAA, when privatising it, a monopoly of the three London airports, which of course meant in the circumstances that it had no particular priority for Stansted. It was probably making more money at the other two airports, so there was no pressure from that direction to improve access to Stansted.

Kelvin Hopkins (Luton North) (Lab): One problem that arose from BAA being given control of the major airports was that London Luton airport was squeezed completely out of the picture. Does the right hon. Gentleman agree that that was a big mistake?

Sir Alan Haselhurst: I do not want to enter too much into the undoubted controversy that I know exists around Luton. It has its proponents and its opponents, but I accept what the hon. Gentleman says.

All we got in terms of access from London to Stansted airport—apart from the M11, which had originally been conceived as the London-Norwich motorway but was somehow stunted and ended up close to Cambridge—was a spur off the main rail line. The tunnel into the airport has a single track, so there is an obvious limitation on its capacity. A 41-minute service from Liverpool Street was inaugurated and quickly proved to be unsustainable, because there was not the rolling stock to accommodate the continuing and growing commuter needs, while half-empty trains were going out on a regular basis to the airport. In the end, the service had to slow down over the years in order to deal with the totality of traffic.

In those circumstances, it was small wonder that major carriers were not attracted to Stansted. The day was saved by the emergence of low-cost carriers such as Ryanair and easyJet, which had never been heard of at the time the terminal was built. The terminal was not designed for the kind of traffic that it eventually found itself accommodating. The day was also saved for Stansted by the break-up of BAA much later on. There is no doubt about it: Manchester Airports Group is incomparably better than BAA at looking after Stansted. London Gatwick has also become a far more welcoming airport than it ever was in the past.

Relations with the local community improved. Stansted is the largest employer in my constituency. Manchester Airports Group has been active in developing educational and apprenticeship opportunities, and in that direction has been aided and abetted by my right hon. Friend the Minister for Employment, whose ministerial duties prevent him from being here this afternoon. Passenger throughput is now growing and has reached 22 million passengers per annum. Jobs are being created on and off the airport. Its presence has had a wider regional effect, and we are now seeing world-class businesses clustering close by, notably in Cambridge but also at various points along the spine of that railway and further afield, in places that have access. The whole M11 corridor is attracting high-end business growth and, at the same time, is of course generating housing development.

Thinking about it, that might be seen as a dream scenario for anyone who wants to build and operate a railway and operate trains. The airport is growing its passenger numbers and needs to find employees. High-tech companies, large and small, need to draw in staff, and influential business visitors are coming from overseas. There is a level of housing construction along the line which, although it may be worrying to some in its concentration, is nevertheless unavoidable if we are to provide homes for aspiring owners. However, in all this time, nothing has been done to improve the West Anglia rail line.

Fast, efficient, comfortable surface transportation is essential, and not just for the railway, although I focus on that to a large extent. The volume of traffic is increasing, whether from the north or the south. If the constituencies nearest to the airport have high employment, they have to look further afield for employees. The weights of the region are coming from overseas. There is a level of housing construction along the line which, although it may be worrying to some in its concentration, is nevertheless unavoidable if we are to provide homes for aspiring owners. However, in all this time, nothing has been done to improve the West Anglia rail line.

James Cartlidge (South Suffolk) (Con): My right hon. Friend makes an interesting point and is giving a very interesting speech. South Suffolk is not far from Stansted, but the commuter transport is very poor. One reason why we want improvements to our local roads—there has been a long-running campaign for a Sudbury bypass—is so that young people in our constituency can get within commuting distance of Stansted.

Sir Alan Haselhurst: I am grateful to my hon. Friend for underlining my point. There have to be wider connections across the region, and notably with Norwich. Given that it is one of the major cities in the region, it is incredible that the rail link is so insubstantial."

Peter Aldous (Waveney) (Con): I congratulate my right hon. Friend on securing the debate. Does he agree that improved connectivity through rail can really enable Stansted to be a major engine of growth for the whole East Anglia region, including my constituency, which is the most easterly constituency in the region?
Sir Alan Haselhurst: I agree with my hon. Friend. Stansted would, of course, see itself as already being that engine of growth. Its presence is undoubtedly a major factor in the investment decisions being made by some very important businesses.

Mr Gavin Shuker (Luton South) (Lab/Co-op): To the right hon. Gentleman’s relief, I do not intend to speak about Luton airport, which is based in my constituency. I hope that my hon. Friend the Member for Luton North (Kelvin Hopkins)—my good friend—will talk about it later. To underline the point, in the analysis on east-west rail, one of the most interesting growth pairs between two different places over the next 15 years will be between Luton and Essex. East-west applies both on the eastern and western sides of the region.

Sir Alan Haselhurst: I am grateful to the hon. Gentleman. I think there is something called “the golden triangle,” and I certainly do not reject the idea of the east-west connections in any way, but we do not have the money to do everything. I concentrate on this line as a priority, simply because, at the moment, it is the main link between the city and the airport and it has had so much neglect over these past years.

Mr Mark Prisk (Hertford and Stortford) (Con): I congratulate my right hon. Friend not only on securing the debate, but on his remarkable leadership over many years in fighting this corner for his constituents, and indeed, for mine, given that we are from neighbouring constituencies. A lot of people are concerned about access, which he has mentioned. The airport is very important for the wider economy, but for many of my constituents, being unable to get to London because of the inadequacy of the rail connections is the core issue.

Sir Alan Haselhurst: I agree with that, without ignoring the points that other colleagues have made. It cannot just be seen in terms of north and south—there are other considerations—but my hon. Friend is absolutely right. He and I, in neighbouring constituencies, probably suffer the weight of the complaints from quite a lot of rail passengers.

There is also the A120 which, I was told 38 years ago, was to be a critical route across to the M11 for traffic coming from the east-coast ports. The section between Braintree and Marks Tey is still not in place, which is an absolute scandal. We then have the other minor scandal of junction 8 on the M11 motorway. My hon. Friend’s predecessor, Bowen Wells, and I appeared bravely at the preponderance area. It was decided that the airport access should be from junction 8, it was then decided that we should have the motorway services area at another quadrant of it. The result was chaos, and yet, Bowen Wells and I were told in the inquiry—of course, we really knew nothing and were not experts—that they had got it absolutely measured. It has been a disaster. There is consideration even now that perhaps the only way of overcoming the inherent difficulties of that junction will be to shift the motorway services area. It is not beyond the realms of possibility that that might have to happen. There are also the demands from my right hon. Friend the Member for Harlow (Robert Halfon) for a junction 7A to ease the pressures from people getting to the airport.

I want to feed these points into the bigger picture of airport provision. Stansted undoubtedly has the spare capacity to soak up a lot of the pressures that are going to arise until the decision on the Davies commission has been made and, perhaps more importantly, implemented. Without a decent railway, however, Stansted will struggle to address that demand. The bigger airlines expect a high standard of connectivity and quality rolling stock to come with it, and as local MPs, our concern has to be, as much as anything else, for our long-suffering commuters, who are having to pay more to travel in not very good conditions. There is problem after problem, and they extend across the region to the Great Eastern line—not least already this week.

Even Davies concedes that the quickest increase in runway capacity can be achieved at Gatwick. It has multiple rail access. That is currently being upgraded, which is fine for them, but it is galling that there still has been no upgrading on the West Anglia line. Stansted has absolutely nothing to compare in rail access with either Gatwick or Heathrow, yet to fulfil the role of that airport in our region, four-tracking of the West Anglia line is the minimum needed now. Four-tracking between Tottenham Hale and Broxbourne is needed, not in 2025 or 2030, but now, just to sustain the existing level of demand, let alone what is in prospect from north to south of the line. Four-tracking is also the vital precursor to the Crossrail 2 project, which would naturally follow on from that.

The Anglian region needs to be plugged in better to Greater London, not just to Liverpool Street, but to Stratford and to places that Crossrail 2 will reach. I say to the Government that, if only to buy time on their airport strategy, they need to sort out the West Anglia line.

Mr Stewart Jackson (Peterborough) (Con): Will my right hon. Friend give way?

Sir Alan Haselhurst: If I may, I will continue. If the Government want to underpin the growth potential of the Anglian region, they need to sort out the Anglian region line. If they want the increasing population in our constituencies to travel conveniently to work, they need to sort out that line. It is in no one’s interest to let improvement work slip into what Network Rail calls control period 6 or even control period 7. There has been a 30-year struggle to get this improvement, and if nothing is done soon, the potential of the Anglian region will be severely handicapped.

2.49 pm

Stephen Timms (East Ham) (Lab): I am pleased that you are presiding over the debate, Mr Pritchard.

Sitting suspended for Divisions in the House.

3.14 pm

On resuming—

Stephen Timms: I was going to say that I was pleased to see the Minister in his place, but he is not there—I am sure he soon will be. I am, however, delighted that my
hon. Friend the Member for Cambridge (Daniel Zeichner) is in his place to respond on behalf of the Opposition, and I congratulate him on his promotion. This is the first time he has done so in a debate I have taken part in, and that is particularly appropriate today, given that he represents a constituency in the Anglian region.

I agree with much that the right hon. Member for Saffron Walden (Sir Alan Haselhurst) said in opening the debate. I particularly want to pick up his point about rail access to Stansted from Stratford. Well over 20,000 people in the borough I represent in east London work at Stansted airport. We have a bright and youthful population in east London, with many people looking for rewarding careers. Having a good rail service from Stratford to Stansted will be important for many of those people, as well as giving the airport access to key future talent, which will be very much in its interests.

I want, however, to focus on the potential contribution of another airport on the east side of London—London City airport, which is in my constituency. It is disappointing that the major capacity increase needed at London airports has been delayed yet again, this time to avoid embarrassing the Conservative party in the London mayoral elections. However, the expansion proposals for London City airport, which will be considered on appeal in a couple of months, can help to meet rising demand while we await the decision on Heathrow versus Gatwick.

I have a long association with London City airport. I was at its opening 29 years ago, as chair of Newham Council’s planning committee. I particularly welcome the imaginative and committed way in which the airport, with its “Take Off Into Work” initiative, is ensuring that local residents have access to the expanding employment opportunities it offers. Partly on the strength of that, it won last year’s all-party group on corporate responsibility award for national responsible business champion.

London City airport catered for 4.32 million passengers in 2015. Some 52% travelled on business, but quite a large group now travel on leisure flights. Ten airlines fly to and from the airport, mainly serving European destinations, although British Airways also flies to New York from London City. Some 2,000 people work at the airport, and its development will create 1,500 additional jobs by 2023.

The proposed expansion at London City does not require any increase in the movements allowed under the existing permission or any change to the runway. However, it does require larger aircraft parking stands to accommodate quieter and more fuel-efficient aircraft, such as those in the Bombardier C series, whose wings are manufactured in Belfast. It also requires a further seven stands for aircraft, a new taxi lane parallel to the runway to increase the number of movements per hour on the runway, and expansion of the airport terminal. Altogether that represents a £200 million investment, which will deliver increased capacity for the benefit of the Anglian region and the wider UK economy by 2018.

As the local planning authority, Newham Council gave the development permission last February. However, against the advice of his officials, the Mayor of London blocked the expansion. His letter of 26 March 2015 said that the application did “not adequately mitigate and manage its adverse noise impacts.”

I am not entirely clear what the Mayor meant by that. The airport is appealing, and the appeal will be heard in March and April. The decision will then be made jointly by the Secretary of States for Communities and Local Government and for Transport, although we do not know precisely when.

Kelvin Hopkins: I wonder whether the Mayor was concerned that an expansion of London City might dent his ambition for a Boris island airport.

Stephen Timms: That is possible. I think it might be more to do with his objection to expansion at Heathrow, and a feeling that to be consistent he needed to object to expansion at London City as well, but that is speculation on my part.

London City airport is the only London airport that does not operate night flights. It shuts from 10.30 pm to 6.30 am. It also closes for a full 24 hours from 12.30 pm on Saturday to 12.30 pm on Sunday. Of course, there are people who are concerned about noise from the airport, as is the case with any airport, but quite what the Mayor meant when, against the advice of his officials, he said there was not adequate mitigation and management of noise impacts, I am not sure. The plan includes £25 million for an enhanced sound insulation scheme, and the whole purpose of the plan is to allow the use of newer aircraft that are quieter than those that use the airport at the moment. It includes the introduction of a fixed noise contour enforced by the local authority, which will limit noise impact and incentivise airport operators to use quieter aircraft. I am disappointed that development at London City airport has been delayed.

Everyone recognises that additional airport capacity serving the Anglian region, London and the south-east is needed. Development at London City can provide extra capacity quickly, with the potential for nearly an additional 2 million passengers a year by 2023, while we await the longer-term decision on Heathrow versus Gatwick—I presume that is where the decision will land.

Of course, expansion at London City is a bit of a sticking plaster for the needs of the Anglian region and the wider UK economy, but it will be an extremely valuable step. Its delivery will have substantial economic benefits for east London, which is increasingly the focus for investment from outside and inside the UK, the home to more and more people, and an economic centre. The expansion of London City airport can only help and support it.

3.22 pm

Mr Stewart Jackson (Peterborough) (Con): I congratulate my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) on securing this important debate. I want to speak only briefly, to reiterate the important comments that my right hon. Friend made towards the end of his remarks, that we should view the decisions we take about Stansted airport within a wider economic context, and take a wider strategic overview of the economy in the east of England. He, more than anyone, will know that the airport at Stansted is the largest single-site employer in the east of England, with 11,500 people and more than 200 individual companies working there. He will also know that the Airport Operators Association concluded in its report in November 2014 that as a whole the airline industry in the United Kingdom contributed £5.2 billion to our country’s gross domestic product, was responsible for employing 960,000 people, and directly contributed £8.68 billion of tax.
My right hon. Friend put the national and local debate about Stansted airport into its correct historical perspective, and it seems to me that all the issues to do with airport expansion essentially revolve around the position of an airport within the economy. The environmental issues are noise, ground access, congestion and pollution, and those things come to the fore when we consider Heathrow versus Gatwick and the so-called Boris island. The decisions of the Davies commission, and the expediting of a final solution to the issue next year or at the end of this year are, obviously, eagerly awaited. It is an issue that has dragged on for at least 10—probably nearer 15—years. It is accepted now that Heathrow is at capacity and Gatwick is not far off it, and across the whole of the wider south-east, including the eastern region, we will be at capacity by 2030.

I want to concentrate on the economic issues. You will know, Mr Pritchard, that the area loosely described as the London-Cambridge economic corridor—I make an oblique reference to Cambridgeshire's second city, Cambridge, as opposed to Peterborough—is not just about London and Cambridge. It was the Labour Government who identified a London-Cambridge-Peterborough growth corridor, an integral part of which, for sustainable economic growth and employment, was Stansted airport. That is important. On a serious note, the success of Cambridge in particular means the success of Cambridgeshire and the wider eastern region, so we need that level of connectivity, not just on the railways but as a matter of worldwide airport connectivity and a local—if I can use that word—airport that can serve Cambridge and the wider economic area including Suffolk, north Essex and east and north Hertfordshire, as well as London, which is a world city.

Will Quince (Colchester) (Con): I totally accept the point about the Cambridgeshire corridor. Does my hon. Friend agree that surface access to airports is very important—particularly the upgrading of road routes such as the A120, and similar routes to give access to Stansted and the Cambridgeshire area? That is important for the potential expansion in airports and airport use.

Mr Jackson: Absolutely. One of my bugbears, which I brought up in Transport questions not that long ago, and which I have been raising for years, is the fact that we tend to be slightly London-centric and think about the Stansted Express and the connectivity between east London and Stansted. The right hon. Member for East Ham (Stephen Timms) touched on that issue in talking about London City airport. However, we should remember that there is also a need for enhanced connectivity between the midlands and the north of England, via a key subregional transport hub such as Peterborough, bringing jobs, opportunities and tourists and other people to Stansted from the north and the midlands. It is just as important in the context of the wider infrastructure picture, which is that the east of England suffers from relatively poor road and rail infrastructure. We might think of the Liverpool Street to Norwich line and road access to places such as Suffolk—particularly Waveney, Lowestoft, Great Yarmouth and the very large county of Norfolk.

I have for years pressed for a little strategic thinking about the CrossCountry service from the midlands to Stansted. My constituents want to be kind to the environment. They do not want to get into a car at the crack of dawn to drive down the A14, on to the M11, to reach Stansted. They would much prefer to get a CrossCountry train that began its journey in Birmingham, and to get to Stansted in good time for their flight—perhaps with time for an early breakfast and some shopping there. They could support the local economy of Uttlesford and Essex. However, they cannot do that because the train does not run at the appropriate time. That is something pretty straightforward and simple that goes to the heart of the issue of connectivity.

Peter Aldous: The east Anglian region has for a long time been the poor relation with respect to airport connectivity. Does my hon. Friend agree that we can up our game? In the Chamber today there are Members representing constituencies with Stansted, London City, Luton and Cambridge airports—and there is also Norwich. We need a strategy for connecting to those airports and making the best use of the facilities and resources that we already have.

Mr Jackson: My hon. Friend makes an important and astute point that speaks to a lack of joined-up thinking on transport infrastructure. We get it right on the smaller, strategic projects. One only has to think of the guided bus that links St Ives in Mid Cambridgeshire to Cambridge. I used that bus to go into Cambridge over Christmas. It is a fantastic facility and, as I understand it, it is now scrubbing its face financially. My hon. Friend the Member for North East Cambridgeshire (Stephen Barclay) is campaigning for a better link between Wisbech and Cambridge, and I thank the Minister because we are having an upgrade of the east coast main line. Some £43 million has been spent on Peterborough railway station, for which we are inordinately grateful. However, do we actually join up all those individual projects across a big area? I suspect that we do not. Airport capacity and connectivity is another issue that we need to look at.

I want to talk briefly about air passenger duty. The elephant in the room is the massive generational decision that will be taken about airport capacity, which will centre on evidence for or against Heathrow. It seems that successive Governments have missed a trick by not availing themselves of the opportunity to use air passenger duty as a way of driving, or at least influencing, demand for the creation of new long-haul services at places such as Stansted, Luton and so on. The Minister will say that that lies within the bailiwick of the Treasury and I accept that, but the debate about air passenger duty needs to continue and we need to look at it again.

To conclude, my right hon. Friend the Member for Saffron Walden made an excellent case for the importance of Stansted. My contention is that we need to look at the expansion of Stansted as our regional airport. We need to move away from a London-centric, overly prescriptive focus on what is good for Greater London, which I admit is a world city of 8 million people. This needs to be about rebalancing the economy, and that does not just mean the north-west, Yorkshire and Humberside and the east midlands. It also means creating jobs, new opportunities and transport infrastructure in
the east of England. Stansted can be at the heart of that but it must be in a co-ordinated, long-term, sustainable and comprehensive infrastructure plan.

3.32 pm

Kelvin Hopkins (Luton North) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on launching this important debate. Not surprisingly, I will speak about London Luton airport, as I have been doing for a very long time. When I first came into this House 18 and a half years ago, there was a south-east airport strategy. Luton was constantly ignored and marginalised. It was not even mentioned in that report, largely because BAA dominated and had the ear of Downing Street, so Luton was just pushed out of the way. That has changed. Luton is now taken seriously as an airport. I am pleased to say that the Government are accepting that it will expand, and plans are now well advanced for Luton airport to expand.

There is a debate, of course, as to whether Luton is in east Anglia. The airport serves London and the south midlands and it could be argued that it is almost a Greater London airport, but it is in the eastern region so I will speak in those terms. Luton will never be a major hub airport because the topography means that the runway cannot be extended. It is limited in the number of passengers it can put through but it could almost double the number of passengers. There are currently just over 10 million a year and the airport could—indeed, it is planning to—go up to at least 18 million a year. It might even go beyond that with the parallel taxiway, expanded ground handling and, I hope, a fixed link to the mainline railway, which would be a tremendous advantage and something that I have argued for ever since I came to the House.

Rail connectivity has been mentioned regarding other airport areas and it is important for Luton as well. Luton Airport Parkway station has been open for a decade or so now but, unfortunately, only one East Midlands Trains service an hour stops there. East Midlands Trains runs the mainline trains—the express trains—and the airport wants four an hour to stop there. We are arguing strongly for that.

As excellent as the Thameslink local trains are when they are running well—I travel on them every day—they do not run early enough. The airport would like those trains to run earlier so that more people, particularly from London, can travel out to get business flights from London Luton airport early in the morning. They could fly out and back within a day, doing business in continental towns and cities, and, of course, within the United Kingdom, but they need those earlier trains to get from London out to the airport to catch those early flights.

Oxford Economics has just produced an excellent report called, “The economic impact of London Luton Airport”, which I recommend to the Minister and his colleagues in the Department. It makes the case for Luton and says what splendid effects expansion will have. In time, London Luton airport could take more aircraft, especially with the modern, composite body aircraft coming through. Those aircraft will have shorter take-off and landing distances, higher load capacity and travel longer distances because they are lighter.

Although London Luton airport does mainly medium and short-haul flights at the moment, in time it could do some long-haul ones. I would hope that it could take some of the long-haul burden from other airports in the region, perhaps even including flights to the far east. Luton has a large population from Pakistan, for example. Why could we not fly to Karachi or Islamabad direct from Luton? I would like to think that that will happen one day. Luton is the base for easyJet and for Monarch, and Wizz Air flies a lot of people to and from eastern Europe. The airport has a good future and can make a major contribution.

I was lobbied recently by a group that argued that we do not need the third Heathrow runway, and that making maximum use of and expanding the existing airports—using them as efficiently as possible—would be sufficient for the future. I was, in part, persuaded by that argument, but I do not have the economic arguments at my fingertips and I know that the business community is keen on a new runway at Heathrow. There is possibly a case that we could just expand existing airports, including Luton, and the Government should look at that. It would be a useful way forward. I want to emphasise that Luton has a serious contribution to make to airport capacity in the east and, indeed, to London and the south midlands. I hope that the Government will continue to be supportive of the expansion of Luton.

Mark Pritchard (in the Chair): I advise Members that the debate is due to end at 4.25 pm due to the additional time for the votes.

3.37 pm

Douglas Chapman (Dunfermline and West Fife) (SNP): Mr Pritchard, it is a pleasure to serve under your chairmanship for, like some other Members here, the first time. I congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on securing the debate.

I will outline some of the Scottish National party’s views before I sum up. On the ongoing debate between Gatwick and Heathrow, the SNP has been fairly agnostic on airport expansion and the choice of location. Our main proposal would be to secure two-runway capacity at Heathrow and establish a sustainable connectivity between Scotland and our global markers. We need assurance that we can enjoy sustainable access to the hub airports that serve Scotland. Clearly, some of the final decisions to be made—the costly and large infrastructure decisions—affect many billions of pounds in commercial activity. Like the right hon. Member for East Ham (Stephen Timms), we are particularly disappointed that it seems to have turned into a bit of a bunfight for political advantage. A quick decision on airport capacity is needed. There is a risk attached: if the decision is further delayed, it is to the detriment of all concerned. We cannot allow the machinations of the London mayoral elections to get in the way—that point was clearly made by the right hon. Gentleman.

The right hon. Member for Saffron Walden has made a good case that his local airport is successfully managed. He mentioned the number of apprenticeships and jobs that were created by the airport and the increase in passenger traffic. It is also vital to recognise that where we have a successful airport such as Stansted, we do see a clustering of high-quality businesses. Again, for the long-term sustainability of the economy, these are extremely valid and good reasons to have airport expansion across
the UK. However, he made the point that if such expansion was to take place, connectivity to such airports, particularly rail links, would be vital.

I cannot comment on the scandal of the A20, as the right hon. Gentleman called it; I think he was going back 38 years. I might not be chronologically challenged on that one, but I am geographically challenged, because I am not fully aware of where the A20 either starts or goes to. I am sure that is something we can discuss at a later stage.

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): The hon. Gentleman need not be too embarrassed. It is a devolved matter, so I do not expect to know all the road numbers in Scotland, either.

Douglas Chapman: I take that on board.

The right hon. Member for Saffron Walden mentioned that the rail infrastructure around his airport is not nearly as good as the rail infrastructure around Heathrow and Gatwick. As a Scottish MP, all I can say is, “Welcome to the club.” We have to deal with that daily.

I will quickly address the comments of the right hon. Member for East Ham. Obviously, there is the issue of the Stratford link and ensuring that people in his constituency can gain employment by making it an easy move for them. There is also the promotion of London City airport. The right hon. Member for Saffron Walden will already be aware that, as soon as such a debate comes up, we get people from all over the country saying, “Our airport should be the one that is favoured,” or “Our part of the country should be favoured,” and supporting various airports that are close to their heart.

Stephen Timms: I think I am right in saying that London City airport has more flights to Edinburgh than any other London airport. Will the hon. Gentleman join me in celebrating its contribution?

Douglas Chapman: Certainly. I am a regular user of London City airport in the right hon. Gentleman’s constituency, and I am grateful for the services provided from that airport.

It is also a shame and a great pity that the hon. Member for Uxbridge and South Ruislip (Boris Johnson) is not here to support the proposal for Boris island. Perhaps he is too busy playing whiff-whaff—I do not know what he does in his spare time. The Boris island proposal is obviously another part of the discussion that maybe has to take place.

The hon. Member for Peterborough (Mr Jackson) helpfully not only highlighted the capacity issues but focused on economic growth for the eastern England corridor. He made the good point that that should also include Peterborough, which is a fine city. He also recognised that, under many parties that have been in UK government, joined-up strategic plans that support our air industry have been missing for a great number of years.

Like other Members, the hon. Member for Luton North (Kelvin Hopkins) highlighted Luton and the need for a more strategic approach—there seems to be more speed behind that. He also highlighted the weaknesses of the current report, which only considered the Heathrow-Gatwick dogfight. Many more passengers and cargo need to be moved from across the UK in a much more strategic way, rather than just focusing entirely on what he called a London-centric approach.

3.44 pm Daniel Zeichner (Cambridge) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard. I also congratulate the right hon. Member for Saffron Walden (Sir Alan Haselhurst) on securing this debate. He has been passionate about this issue for many years, and in a previous debate said that, “the word ‘Stansted’ will be found engraved on my heart.”—[Official Report, 26 November 2015; Vol. 602, c. 1562.]

His contribution today confirms how strongly he feels about this issue, and particularly about the rail infrastructure linking Stansted to our region. Everyone who has spoken in this debate is united in wanting the best possible outcome for people in our region, a region whose economic prosperity and job growth have perhaps too often been let down by poor transport infrastructure. Alongside those concerns, many of my constituents in Cambridge—I share their concerns—feel just as strongly about the environmental and community factors linked with airport expansion, which must always be weighed carefully against the economic and operational arguments for expansion.

We have had some strong contributions today. I am delighted to say that three quarters of the members of Labour’s east of England parliamentary team are here today—it is amazing what can be done with statistics. I am delighted to hear the kind words of my right hon. Friend the Member for East Ham (Stephen Timms), for which I thank him. He has always been a good friend to Cambridge, which we have always appreciated. He made a series of points about the important role of London City airport.

Obviously, my hon. Friends the Members for Luton South (Mr Shuker) and for Luton North (Kelvin Hopkins) also require commendation. My hon. Friend the Member for Luton North is always a passionate advocate for Luton—both my hon. Friends always are—but I was particularly struck by his comments on the opportunities offered by new aircraft, which brings something new to the debate.

There were also strong contributions from Government Members, including my regular sparring partner from up the road, the hon. Member for Peterborough (Mr Jackson). On this occasion, we probably find ourselves much more in agreement than on some other occasions. His points about regional connectivity were very well made. It was good to hear some kind words about Cambridgeshire’s guided bus, which has been much maligned over the years, but I agree is now doing rather well.

I think we can all agree that the aviation industry is important to Britain’s economy. As we have heard, it generates some £50 billion in GDP, 1 million jobs and £8 billion in tax revenue, servicing and connecting millions of passengers every year. On Labour’s side there is no doubt that if Britain wishes to remain a global player in the aviation market and to enjoy the subsequent economic benefits, there is a strong case for a new runway in the south-east. Heathrow is operating at full capacity while
The Airports Commission has found that, without action, the entire London airport network would be operating at the limits of capacity by 2040.

As the Opposition, it is our job to scrutinise decisions on airport expansion made by the Government whom we are opposing. That puts us in a slightly difficult position because, of course, the Government have been unable to set out that decision, breaking their own promises and leaving the country effectively on hold. The Prime Minister guaranteed a decision by the end of last year but is now dragging his heels. Meanwhile, the Secretary of State for Transport has said only that he hopes to make a decision this year. That strategic dithering is not only farcical and weak; it is completely unacceptable. It potentially means years of additional uncertainty for people living close to airports. That tactic indecision is also economically damaging. Furthermore, considering that the Government have claimed that the delay on airport expansion is for environmental reasons, it seems absurd that they are not backing the industry’s attempts to deliver cleaner fuels. Aviation is not included in the renewable transport fuels obligation, thereby damaging potential investment.

In addition to their promise to unveil a decision by the end of last year, the Conservatives also pledged in their 2010 manifesto not to add a runway to Heathrow, Gatwick or Stansted, which means there is likely to be yet another promise reneged upon by the Government. It seems that we will just have to wait and see which one it will be.

Sir Alan Haselhurst: I do not wish to take away from the hon. Gentleman’s kind words on those matters on which we are in accord, but I am slightly disappointed that he has chosen to bring party political differences into the debate. There is blood on all hands over the years as far as airports policy is concerned. I could somewhat mischievously say to him that, had a Government of his political colour not cancelled the Maplin project in 1974, we would not be in the difficulties we are in now.

Daniel Zeichner: I thank the right hon. Gentleman for that point. As a historian, I always find it interesting to note which point in history people like to go back to in order to attribute blame but, as the Opposition representative in the Chamber, I fear it is my role to make these important points about the potential damage being done to our country by the Government’s lack of decision. We shall see. Probably after the London mayoral election, all will become clear.

Once the Government set out their expansion recommendation, we will be able to examine its relative merits properly based on four tests that the Labour party has set out, including commitments to meet our legal climate change obligations and mitigate local environmental impacts. Only then can we truly assess the impact that expansion will have on the south-east, the wider Anglian region and the rest of the UK.

We know now that, regardless of the decision made, its effects will not be felt quickly. A new runway will take about a decade to come into being, even without further delay in Government decision making. Thus any short-term changes should positively impact the connectivity of our country, including our region. Indeed, the fourth test that Labour set out to inform our response before the publication of the Airports Commission report was that the benefits of any expansion should not be confined to London and the south-east. The Government might be standing still, but the aviation industry will not. We must act to help connect UK businesses and people with new markets and places in the meantime.

The Airports Commission has also called for the improvement of surface access links to other airports, which has formed the basis for much of our discussion in this debate. In its response to Network Rail’s consultation on the Anglia route strategy, the Airports Commission called for a more joined-up approach to meeting the needs of Stansted airport users. Improving rail infrastructure to Stansted is a key request of both Stansted and the London-Stansted-Cambridge Consortium. It is worth noting in passing that the current Stansted Express service uses a relatively new fleet of trains introduced under a Labour Government.

Mr Shuker: My hon. Friend is making the point that surface access is key to all airports, including Luton airport in my constituency. It sets the airport’s reputational standard. People do not judge an airport based only on the airlines, the airport itself or the journey there but on the whole experience. Certainly in Luton, surface access is letting us down at the moment.

Daniel Zeichner: My hon. Friend is absolutely right. I suspect that we can all agree on that. I assure the right hon. Member for Saffron Walden that we heartily agree with his argument about improving surface access. I am absolutely sure that local commuters would benefit, including those in my constituency. We can agree that the Government should invest in a West Anglia line, making life that little bit easier for many in our region.

To conclude, the Government need to stop dawdling and decide. Until they get their policy off the ground, we will be unconvinced that they are taking environmental concerns and capacity needs seriously. While in this state of flux, the Government could still take decisive steps to improve access to our country’s airports, helping provide short-term solutions to capacity and connectivity problems. Anything less would do a disservice to people and businesses in our region and across the UK.

Mark Pritchard (in the Chair): Before I call the Minister, I remind him that, under the new Standing Orders for this Parliament, as I am sure he is aware, the mover of the motion is allowed two or three minutes to wind up the debate. I remind the mover of the motion that if he wants the question to be put formally, he must allow the Chair at least 30 seconds to do so.

3.53 pm

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): It is a great pleasure to serve under your chairmanship, Mr Pritchard. I congratulate my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) on securing this debate. I enjoyed his recap of the history of Stansted; I do not think I grimaced even once. He talked eloquently about the importance of airports not only for the Anglian region but for maintaining the UK’s air connectivity and for jobs and economic regeneration across the country.
I therefore welcome the opportunity to respond to the debate on behalf of the Government.

I hope my right hon. Friend will be encouraged that we all have the same interests at heart. I acknowledge his specific points about the continued and future importance of Stansted airport. Indeed, I have visited some of the facilities with him to see them at first hand.

I made a point of travelling there by train, so that I could experience that journey myself. When I visit airports, I try to travel in the same way as members of the public in order to experience the whole journey that they would cope with in some cases or enjoy in others.

As my right hon. Friend mentioned, Stansted is one of the largest employers in his constituency, employing 11,500 people on site across 200-plus companies. It provides significant economic benefits not only locally but to the wider Anglian region by supporting the globally competitive high-tech and biomedical industries, not least in the constituency of the hon. Member for Cambridge (Daniel Zeichner), who speaks for the Opposition.

This is a timely debate, given the Government’s recent announcement on airport expansion in the south-east. The Airports Commission set out a convincing case for the best possible package of measures to mitigate the impact on local people and the environment.

Mr Jackson: Mr Pritchard, I was remiss earlier in not saying what a delight it is to serve under your chairmanship. Does my hon. Friend agree that, in terms of sustainability, it is also important to concede that even during the 10 years that we have been in the House, aircraft have become cleaner and quieter? There have been big technological changes in the development of aviation fuel, for instance. The aircraft industry and airlines are much more sustainable than they have ever been.

Mr Goodwill: My hon. Friend is absolutely right that new aircraft is quieter than the previous one. Of course, the problem with aviation tends to be the very long life of aircraft. Cars might have a 10, 12 or 15-year turnaround, but many 25-year-old aircraft are still flying. Turnaround happens more slowly in the aviation sector, but it is good news that both Boeing and Airbus have thick order books and that companies such as easyJet, which is based in Luton, are buying new aircraft. We heard that, at London City airport, new Embraer aircraft are providing quieter and cleaner journeys.

Of course, air quality around airports is not just about aircraft. In some cases, it is mainly about other sources of pollution, particularly NOX from traffic. I need not remind Members of the problems that we experienced last year with vehicles that did not come up to the emissions standards that might have been expected from the lab tests. That is one factor that we must consider to see how we can improve air quality in areas, particularly London, where air pollution has not decreased as much as we would have expected based on the replacement of old vehicles with new vehicles that perform to Euro 6 standards.

Crucially, the timetable set out by the Airports Commission for delivering additional capacity to the south-east by 2030 will not alter. My right hon. Friend the Member for Saffron Walden will, I am sure, appreciate the importance of airports for businesses and residents in the Anglian region. This debate has shown that it is not just larger airports such as Stansted and Luton that are important to the Anglian region; some of our smaller airports also play a key role in supporting the economic growth of the regions that they serve. The Government have always made it clear that regional airports make a vital contribution to the growth of regional and local economies as a way to provide convenience and travel choice for air passengers.

Kelvin Hopkins: Has the Minister, or have the Government, been lobbied by a group that seems to make a reasonable case for expanding all the airports as a better way forward than an extra runway at Heathrow? I leave it with him; I have not definitely made up my mind one way or the other, but there seems to be a case.

Mr Goodwill: Virtually every airport that I have visited around the country shows increased passenger numbers and investment, both by the airports themselves and by the airlines that use them. I support the growth of regional airports. It is all about choice. We have a fantastic opportunity in this country to provide more choice, aside from the arguments that we will revisit later this year about the main decision on airport capacity at either Gatwick or Heathrow.

The smaller regional airports help to encourage investment and exports. They provide valuable local jobs and fuel opportunities for the economic rebalancing of their wider region or area. In the 2013 aviation policy framework, we emphasised the importance of regional airports for the availability of direct air services. Indeed, I prefer to call them local international airports rather than regional airports, because if someone lives in a region their local airport is their international airport.

Flights from those airports help to reduce the need for air passengers and air freight to travel long distances to reach larger UK airports. The Civil Aviation Authority’s statistics for 2014 show that the UK’s regional airports handled 92 million passengers, which was about 39% of the UK’s total. That underlines the point that the hon. Member for Luton North (Kelvin Hopkins) made about the importance of regional airports. Services from UK regional airports operated to more than 100 domestic and international destinations.

It is heartening to see that many of the airports that were impacted by the economic downturn a few years ago are now seeing real growth again, like the rest of our economy, and we want to see that growth continue. We warmly welcome the ambition of the UK’s airports. They are responding to local and regional demands by investing in their infrastructure to enable services to more destinations, better facilities and more choice for their passengers. That is particularly true for airports in the Anglian region.
At Stansted airport, passengers are seeing the benefits of a £260 million investment programme. That funding is transforming the airport and the passenger experience, with new terminals, improved security and immigration areas, and investment in car parking facilities. It is not just the passengers who are benefiting from that investment. The airport has recently invested half a million pounds in a new education centre for five to 18-year-olds to create an inspirational airport-themed learning environment for the local communities. That will encourage the next generation to consider jobs in the aviation industry. Indeed, I was pleased to hear about similar work being done at London City airport.

At Luton airport, a £100 million investment programme is seeing expansion of the existing terminal, investment in the latest security scanning technology and improvements to the airport’s forecourt.

Southend airport did not get much of a mention today, which I was a bit disappointed about. However, I will visit it in two weeks’ time. Substantial redevelopment of the airport has seen a new control tower, a dedicated rail station, improved terminal facilities and a runway extension. The Secretary of State for Transport had the pleasure of opening the new £10 million extended passenger terminal back in April 2014. Private sector investment at Southend airport has also meant the dedicated railway station being opened, providing direct rail links to the airport for passengers travelling on the line between Southend Victoria and London Liverpool Street.

We have heard from almost everyone who has contributed today that good surface access links to our airports are essential, because getting to and from an airport as quickly and easily as possible is vital for passengers. Also in Southend, investment by the Government is seeing improvements to routes in and around the town, including those to the airport. More than £38 million of funding has been provided through the local pinch point fund and local growth fund. In addition, funding secured by the South East local enterprise partnership will see further expansion of the Southend airport site to create a business park, commercial developments and jobs.

The Government’s plans for the first road period, from 2015 to 2020, include investments that will improve access to many of England’s major airports. For Stansted, that will include a technology upgrade on the M11 between junctions 8 and 14—incident detection improvements, automatic signalling, variable messaging, signs and CCTV cameras will all benefit those travelling to Stansted airport. Further improvements are scheduled for passengers travelling to Stansted by rail.

Between 2014 and 2019, which is control period 5, Network Rail will deliver the construction of a third track between Tottenham Hale and Angel Road and power supply improvements on the line, along with a new station at Cambridge science park. Those changes will benefit passengers from the rest of the Anglian region and from London who travel by rail to Stansted.

I am well aware that my right hon. Friend the Member for Saffron Walden chairs the West Anglia taskforce, which I understand is looking at ways of improving rail connections between London Liverpool Street, north-east London, Cambridge and Stansted airport. We look forward to seeing the taskforce’s findings when they are presented later this year. During the debate today and on other occasions—often over breakfast—my right hon. Friend has made his own position on the issue more than clear.

At Luton airport, we have funded improvements connecting the M1 spur to the wider motorway network, improving access to the airport and helping to reduce congestion. The South East LEP has also secured more than £21 million of funding to improve road access for passengers and planned development around Luton airport. By the way, we will also consider the recommendations set out in the Transport Committee’s study of surface access to airports when they are published later this year. I was pleased to be able to give evidence to that Committee.

Stephen Timms: Given the Minister’s remarks, does he recognise the potential benefit of the expansion that is proposed at London City airport? Of course, that expansion is now subject to a planning appeal procedure, but it is a potentially worthwhile and significant addition to airport capacity for London, the south-east and the Anglian region, which could be delivered quite quickly.

Mr Goodwill: I thank the right hon. Gentleman for making that point. I will be very careful about what I say in the light of the planning inquiry that is scheduled to take place in March. As he mentioned, the Secretaries of State for Transport and for Communities and Local Government will make the final determination on the application, so it would not be appropriate for me to comment. I very much enjoy using that particular airport. Indeed, I timed myself passing through security the last time I used the airport. It took just four minutes, which is just what most of the business community want. They want to arrive very late at the airport but still get on the flight, although I am not sure that the airport management would suggest that as a strategy.

Within the UK, airlines operate in a competitive and commercial environment, and we consider that they are best placed to determine which routes they operate and from which airports. We know that the commercial aviation market brings many benefits to air passengers. However, the Government also recognise that aviation plays an important role in connecting regions, so there may be occasions when aid is necessary to develop air services to airports where local economic conditions prove unattractive to airlines. However, we are conscious of the risk of competition being distorted by Government intervention in the commercial market. That is why we have been careful in balancing the commercial imperative with the need to provide support for new air routes from our smaller airports.

The Chancellor announced in November that 11 new air routes from smaller UK airports would be supported, with about £7 million of start-up aid over the next three financial years. Those routes—two of which are from Norwich airport and one from Southend airport—will begin operating from this spring, and they will provide domestic links between England, Scotland and Northern Ireland, as well as international connectivity to France, Germany, the Netherlands and Ireland.

Mr Jackson: The Minister is being generous in giving way. Will he undertake to continue to monitor the fiscal impact of air passenger duty, including that on long-haul routes, of regional airports and on potential new long-haul routes? APD is an important issue, although it does not lie within his remit.
Mr Goodwill: Yes, I almost say without thinking that that is a Treasury matter. However, as my hon. Friend outlined in his speech, we have seen massive investment in road and rail, which has been funded in part by air passenger duty and other taxes. I point out that APD raises £3.2 billion per year, and the Chancellor has responded to concerns about it in a number of Budgets, not least by simplifying the banding so that people travelling on the longest-haul flights are not penalised. Most importantly, however, he has recognised the problems that many parents face with the high cost of flights during school holidays by bringing forward exemptions to APD for children. If there is one thing that I cannot criticise the airline and airport industries for it is making clear their views on APD.

My right hon. Friend the Member for Saffron Walden raised the issue of the A120 from Braintree to Marks Tey. In the July Budget, the Chancellor announced that the Government would co-fund a study with Essex County Council into dualling the last single-carriageway section between Stansted and the A12. That puts the scheme in a strong place for the next roads investment strategy. If funding is secured for the scheme, it could be one of the first schemes at the start of construction in roads investment strategy period 2, which I think is the equivalent of a control period in the rail industry.

The hon. Member for Luton South (Mr Shuker) talked gloriously about Luton airport and its benefits. Luton Borough Council is part of the east-west rail consortium of local authorities, and the rail investment strategy has made funds available for the reinstatement of passenger and freight services between Oxford, Bedford, Milton Keynes and Aylesbury. The infrastructure is expected to be completed by 2019, although the final stage of the electrification between Bletchley and Bedford will not be completed until 2020-21, to coincide with the electrification of the midland main line.

The hon. Member for Luton North also, not surprisingly, talked about Luton airport. Luton airport will assist the Department and Network Rail in examining the opportunity to secure four fast train services an hour to London. Upon completion of the Thameslink programme, the new franchisee Govia Thameslink Railway expects to operate 16 trains an hour between London and Luton Airport Parkway at peak times.

I have received a copy of the Oxford Economics study on the benefits of Luton airport, and I will consider the points made in it. Having visited the airport, I am aware that the short journey up the hill would be much improved were there a rail link, but given that such a link would benefit mainly the airport, it is not a project for which I would expect the taxpayer to stump up most of the money.

The hon. Member for Dunfermline and West Fife (Douglas Chapman) talked about the importance of connectivity to all parts of the United Kingdom, including Scotland. Indeed, part of the assistance that we are providing to build connectivity is helping airports in Scotland. He also said that we must not be London-centric. I say “Hear, hear” to that, coming from Yorkshire as I do. He wisely did not touch on Prestwick airport, which is now run by the SNP—the Scottish nationalisation party, as it is becoming—and he did not update us on how that is turning out. He shakes his head—I am not surprised.

The hon. Member for Cambridge was kind in recognising the high level of agreement on aviation issues, and I am pleased that we will be scrutinised in that spirit. He talked about the sustainability of aviation, which is a subject close to my heart. This year will give us a once-in-a-lifetime opportunity to secure a global market-based mechanism at the International Civil Aviation Organisation meeting, so that we can bear down on aircraft CO2 emissions. I hope that that mechanism will be agreed later this year. Of course, airlines such as British Airways and Virgin do tremendous work on alternative fuels produced from waste and from by-products of the steel industry.

I will give my right hon. Friend the Member for Saffron Walden plenty of time to sum up. The Government have established the right foundations for moving forward, gaining consensus and securing the benefits that aviation brings to the whole nation. We are clear about the economic and connectivity benefits that all our airports bring to regions and to business.

4.12 pm

Sir Alan Haselhurst: I am grateful to colleagues for their contributions to the debate, which, as I anticipated, has covered a wide range of points. In response to the right hon. Member for East Ham (Stephen Timms), I respect the role that City airport can play and I hope that it will not be constricted in its future development. I mentioned Stratford because I believe it will become an increasingly important destination for people coming down the West Anglia line and for those going up the same line to take up job opportunities in Essex and Hertfordshire.

I say to my hon. Friend the Member for Peterborough (Mr Jackson) that I share his worries about the cross-country service. Perhaps we need to consider how we can strengthen it. I plead with him not to refer to Boris island, because when Maplin was conceived and started to be implemented our hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) was probably still wearing short trousers.

My hon. Friend the Member for Colchester (Will Quince), in his brief intervention—he had to return to the Chamber—mentioned the A120, and the Minister’s words on that subject were helpful. It really has taken a long time.

The hon. Member for Luton North (Kelvin Hopkins) understandably spoke, as he always does, in support of Luton airport. Within its runway constrictions, I think that it has to look for point-to-point services, and there are possibilities there with the development of aircraft such as the Airbus A350 and the Boeing 787.

I say to the hon. Member for Dunfermline and West Fife (Douglas Chapman) that I sought to make a speech not wholly about benefits to my constituency but about a much wider area. One has to take a balanced approach, and in that sense I agree with the hon. Member for Cambridge (Daniel Zeichner). It is about quality of life versus economic prosperity, and we have to get the balance right. It is important to be able to draw employment and benefit from as wide a field as possible, rather than having to concentrate those things in any one particular area and give rise to a lot of popular opposition.

I am grateful for what my hon. Friend the Minister said, but we have no promises yet, and I hope that the West Anglia taskforce will deliver a message that gives
the Government confidence that the project must go ahead. That project was my starting point, and I believe it is the key to a major improvement for the whole region. Although the four-track section might have a price tag of £2 billion, it is in fact cheaper than some of the other projects that we need to carry out over time, and it is key if people are to have any kind of decent transportation in their everyday lives, and key to supporting businesses and the airport. I leave that with the Minister, as the kernel of what I have been trying to say.

**Question put and agreed to.**

**Resolved.**

That this House has considered the effect of airport expansion on the Anglian Region.

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**Swine Flu Vaccination: Compensation**

4.15 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I beg to move,

That this House has considered the compensation for people with narcolepsy and cataplexy linked to swine flu vaccination.

It is a pleasure to serve under your chairmanship, Mr Chope. I thank Mr Speaker for allowing this debate on an important issue, and I thank the Minister for being here to respond to the concerns that I will raise on behalf of my constituent, Lucas Carleton.

I begin by saying something about vaccinations in the broad sense. We are fortunate in this country to have a robust and comprehensive vaccination policy. The policy has saved countless lives since its incarnation almost 100 years ago. Through our vaccination programmes, and those of other nations, we have successfully eradicated diseases such as smallpox across the world, and have reduced the number of people affected by polio by something like 98% over the past three decades. To this day, the advice from mainstream medical professionals and the national health service is that everyone should be vaccinated, not only to protect themselves but for the wider benefit of the communities in which we all live.

Historically, we have seen the tragic consequences of terrible epidemics that vaccinations can protect us against. For example, during the ’20s and ’30s, Spanish flu killed more people than the first world war had. Vaccinations, which are often brushed off in our everyday lives as a painful exercise, save thousands of lives a year, reducing human suffering and misery on a huge scale.

There is no serious scientific debate among mainstream scientists about the benefits of vaccination to public health—medical advice is clear that vaccination is one of the most successful and cost-effective public health measures—but vaccination is not without controversy. There have been a small number of instances when vaccinations have been responsible for adverse reactions, causing sometimes long-term and sometimes irreversible problems. I stress that that is rare, but tragically it is the reason we are here today.

During 2008 and 2009 there was a global swine flu pandemic, also known as the H1N1 pandemic. The particular strain of flu originated in Mexico, but it quickly spread, leading to the World Health Organisation issuing its first ever “public health emergency of international concern” declaration. Cases were confirmed in 171 countries and more than half a million people are thought to have died as a consequence.

During the outbreak, the British Government decided to purchase enough swine flu vaccine to immunise the entire population with two doses, meaning that 120 million doses were ordered. Almost 99% of the vaccines that were given out were Pandemrix, manufactured by GlaxoSmithKline—GSK.

Vaccines, as with all pharmaceutical products, are subject to extensive clinical trials. However, it is recognised that during a pandemic the trials may not be as rigorous as they would otherwise be, because of the demand to safeguard lives. Completing mass trials can take months or even years. For that reason, the European Union intervened and licensed Pandemrix for use within the EU, including the UK, without the completion of the
normal rigorous trials. That was followed by advice from the UK’s Joint Council for Vaccination and Immunisation, which advised that the Government begin immunisation to protect against a swine flu pandemic in this country.

As a consequence of the speeding up of the licensing process by both the EU and national Governments, GSK was not prepared to supply the vaccine to Governments unless it was given indemnity from any liability. The UK Government gave GSK that indemnity. For a number of reasons, other countries were much more cautious about granting an early licence. For example, the Food and Drug Administration in the United States had a policy of not licensing adjuvant vaccines—that is where a substance is added to vaccines to increase the body’s immune response—without robust clinical trials demonstrating that they are safe. Adjuvant vaccines have additional chemicals that speed up the body’s immune reaction to the antigen, and it is considered that that sometimes increases the risk of adverse reactions. That possibility led other countries, such as Switzerland, to license Pandemrix only for adults and not for children.

Pandemic swine flu vaccinations were added to the Vaccine Damage Payment Act 1979 by the Vaccine Damage Payments (Specified Diseases) Order 2009 in September 2009. The vaccine was added to the Act for the duration of the pandemic campaign, which lasted from October 2009 to August 2010. The campaign ended when the Swedish and Finnish Governments expressed concerns about a vast increase in the number of paediatric narcolepsy cases in children under 10. The condition usually shows symptoms in those in the 15 to 30 age bracket. It was not until August 2010 that the Swedish and Finnish Governments discovered a link with Pandemrix. On 1 September 2010, Finland stopped vaccinating with Pandemrix. The UK Government discontinued the pandemic campaign from the same date, but encouraged GPs to continue vaccinating with Pandemrix where no seasonal flu vaccine was available.

Jim Shannon (Strangford) (DUP): Figures indicate that one in 2,000 people have narcolepsy that is not related to vaccination. When it comes to compensation, how would the hon. Gentleman ensure that those who are vaccinated and are due compensation actually get it?

Stephen Twigg: The hon. Gentleman’s intervention is timely, because he raises the issue to which I now turn. Lucas Carleton is a young boy who lives in my constituency in Liverpool. On 17 January 2011, he was vaccinated with Pandemrix. He was seven years old at the time and in good health. His mother, Pauline, asked her GP to vaccinate Lucas because a family friend had recently been very ill with swine flu and, perfectly understandably, she believed it was a responsible step to get her son vaccinated. A week or two after Lucas received the vaccination, he began to experience excessive daytime sleepiness, which is a common characteristic of narcolepsy. He also started falling when he laughed or got excited, made strange facial expressions and experienced a loss of control of his tongue. That is known as cataplexy and is a common symptom of narcolepsy. After two to three weeks, Pauline sought medical help from a GP and Lucas was taken to hospital on a number of occasions. In August 2011, he was diagnosed with narcolepsy.

Narcolepsy is an incurable neurological disorder that until 1999 was classified as a psychiatric condition. Its main symptoms involve excessive daytime sleeping, hallucinations, sleep paralysis, temperature control problems and cataplexy. Cataplexy is a side symptom of narcolepsy that causes involuntary muscle relaxation brought on, for example, by laughing or anger. Narcolepsy begins in the hypothalamus, the part of our brain that controls our autonomic nervous system, which involves processes such as breathing and the regulation of the heart. Narcolepsy occurs when the brain cells that produce neurotoxins in the hypothalamus are destroyed, either through a trauma or through the body’s immune system mistaking those cells as foreign bodies.

The Department for Work and Pensions has accepted that the Pandemrix vaccine is capable of causing narcolepsy in children. It has also accepted that, in many cases, Pandemrix did in fact cause narcolepsy in children. However, it disputes that narcolepsy amounts to a severe disability. That is an issue on which the DWP has been defeated in court, but I understand that it is appealing against the decision. Herein lies the issue: the 1979 Act recognises that there can be adverse reactions to vaccines that can cause severe and irreversible damage to patients. Since the Act was passed, around 900 people have been awarded compensation, which is a very small number when compared with the 650,000 children vaccinated every year. Compensation can range from £120,000 into the millions.

The pandemic swine flu vaccine was part of the 1979 Act from September 2009 until it was removed by the Vaccine Damage Payments (Specified Disease) (Revocation and Savings) Order 2010. That is preventing Lucas from claiming compensation, as he had the vaccine administered outside that period, in January 2011. If the pandemic swine flu compensation period was simply extended to April 2011, Lucas and others who had adverse reactions could claim compensation for the reaction to the vaccine.

Julian Sturdy (York Outer) (Con): The hon. Gentleman is making a powerful argument, and I congratulate him on securing the debate. My constituent Ben Foy sadly suffers exactly the same symptoms as Lucas, and the DWP has acknowledged that there is a link between Ben’s swine flu vaccination and the development of narcolepsy and cataplexy. The Department appears to acknowledge that he is disabled as a result, as Ben is in receipt of disability living allowance, but it is saying that his case is not severe enough and there are no grounds for that disability compensation. As can be imagined, the family feel that that is a complete insult. Does the hon. Gentleman have any thoughts on that?

Stephen Twigg: I am grateful to the hon. Gentleman for making that point. While the focus of my remarks has been on the compensation period, there is clearly a related issue with the attitude of the DWP on the severity of disability. I concur with the important point that he raised on behalf of his constituent. A number of other families in other constituencies around the country are also affected, and I welcome the colleagues from all parties who are in the Chamber for this debate. It is worth reiterating the point that the hon. Gentleman just made: the Government have accepted that there is a causal link between the vaccine and narcolepsy. Since 2014, the Department of Health has had responsibility...
for the 1979 Act, which is a welcome change. Bringing the Department of Health into the process should ensure that responsibility for the legislation is controlled by health professionals, rather than benefits officials. That shift of responsibility can be a good thing for constituents like mine who have outstanding compensation claims. I am asking the Department for Health to extend the compensation scheme to make it possible for all citizens who have life-changing conditions as a result of vaccines to claim compensation. That is not only important for the individual families suffering as a consequence of adverse reactions; it is crucial to ensuring public confidence in the vaccination system.

Peter Dowd (Bootle) (Lab): Does my hon. Friend agree that the quality of life of people who have been affected or damaged by the vaccine is dreadful and quite deplorable? We should be doing something as soon as we can to sort that out.

Stephen Twigg: I thank my hon. Friend for making that point. He is absolutely right. In preparing for today, I was struck that some of the aspects of this subject are technical in character. It has been a little like going back to school and doing biology again in learning some of the terminology. What lies at the heart of the debate, however, is the lives of children and their families. I raised this issue on behalf of my constituent because I want to ensure that he and his family have the quality of life that any family should have the right to expect.

I was about to say that extending the compensation scheme is important not only as a matter of compassion and decency for the families concerned, but to ensure public confidence in the system of vaccination. There is barely a one in a million chance that people will react badly to a vaccine, so if it was certain that, were that to happen, there would be compensation, that would not only be right for the affected families but increase confidence in vaccination.

In conclusion, I am aware that the Department of Health has for some time been in discussions with the lawyer representing Lucas. I thank the Department for listening to my constituents’ concerns, but, on behalf of Lucas and his family, I urge the Minister to do everything she can to ensure that those discussions are brought to a successful conclusion.

4.30 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate the hon. Member for Liverpool, West Derby (Stephen Twigg) on securing this debate. I am aware that he has sought to support his young constituent and his family on this difficult matter for a number of years, and we have written to each other about this case previously. I was very pleased that, despite this sad case, the hon. Gentleman emphasised his general support for vaccination programmes. We are lucky to have a world-class national immunisation programme. Such programmes are a vital way of protecting individuals and the community as a whole from serious diseases, so I am grateful for his sentiments in that regard.

The hon. Gentleman referred to the global swine flu pandemic and the arrangements for licensing drugs during a pandemic. Flu pandemics are natural phenomena. They occur when a new flu virus emerges and spreads around the world and most people do not have immunity. Each pandemic is different. The nature of the virus, the population groups most likely to be affected and the impact cannot be known in advance. It is impossible to predict the severity of a new virus strain. Large swathes of the population can become infected over a relatively short period if transmission spreads rapidly. The potential impact of pandemic flu makes effective measures to limit the spread and morbidity of virus infection a public health priority. Countermeasures are employed in combination. Vaccination, when possible and appropriate, is one such countermeasure.

Thankfully, the H1N1 strain of swine flu turned out to be relatively mild, but we should not forget that it still caused more than 450 deaths in the UK. Pandemrix, the vaccine that the hon. Gentleman’s constituent received, was developed specifically for use in a flu pandemic when the number of lives lost and people with serious illness could not be known. Once a new pandemic strain emerges, it takes several months to produce batches of a specific vaccine to protect against it. As a pandemic strain of flu generally spreads rapidly, there is of course little time to undertake large-scale clinical trials. To address such constraints, the European Medicines Agency has a mechanism for the fast-track licensing of pandemic vaccines to address the immediate public health threat. The mechanism includes accelerated clinical trials while permitting the use of the vaccine in advance of receipt of all the required clinical trial data.

It would be unfeasible to conduct very large clinical trials in the midst of a pandemic, when time is of the essence, to identify risks that are very rare. Indeed, regardless of the pandemic situation, very rare potential risks can generally be identified only after a medicine or vaccine has been licensed and used in the wider population. All Governments have a responsibility to protect public health. The decision to commence the swine flu vaccination programme, which was made by previous Ministers in 2009, would have been based on the expert advice of the Joint Committee on Vaccination and Immunisation, an independent expert committee that advises Ministers in the Department.

Pandemrix was used against H1N1 swine flu in the UK from October 2009 to March 2010. It was used again on a limited basis in the following flu season until March 2011. The hon. Gentleman has noted that his constituent received Pandemrix in January 2011, during the seasonal flu vaccination programme for winter 2010-11, rather than the specific response to the swine flu pandemic in 2009-10. As he noted, that is highly relevant. He summarised his constituent’s experience and described the impact that narcolepsy and cataplexy can have on an individual. I very much assure him that I do not underestimate how distressing narcolepsy can be, for both those with the condition and their carers. Indeed, I was talking to a constituent about that very issue only this past weekend. I fully recognise the impact that narcolepsy can have on quality of life. It is important that anyone with narcolepsy, with or without cataplexy, receives the appropriate care and attention so that they can manage their illness.

At the time Pandemrix was used in the UK, no potential association with narcolepsy was known. Following suggestions of a possible association with narcolepsy, its use was stopped in the UK in March 2011, on the
advice of the EMA. The hon. Gentleman referred to the Vaccine Damage Payment Act 1979, which was designed to help to ease the burdens on those individuals to whom, on very rare occasions, vaccination has caused severe disablement. The degree of disablement is assessed on the same basis as for the industrial injuries disablement benefit scheme. It would not be appropriate to comment on the case raised by the hon. Gentleman.

Despite the title of this debate, I would like to clarify for the House that the vaccine damage payment scheme is not a compensation scheme. The hon. Gentleman referred to compensation ranging from £120,000 to millions of pounds; in fact, the VDPS provides a one-off, tax-free lump-sum payment of £120,000. The scheme does not prejudice the right of the injured person to pursue a claim against the manufacturer of the vaccine. As the hon. Gentleman alluded to, his constituent is pursuing that course of action and, again, it would not be appropriate for me to comment further on that case.

Stephen Twigg: I appreciate that the Minister cannot comment on an individual case in this forum and that the discussions are ongoing, but is she able to comment on the affected time period? It is the definition of the time period that is denying my constituent access to the scheme.

Jane Ellison: I am aware of that and will address it shortly, although I suspect the hon. Gentleman might be disappointed by what I have to say.

A VDPS payment is for those who are severely disabled as a result of a vaccination against those diseases listed in the 1979 Act and those that have been specified by statutory instrument since then. As I have already mentioned, the hon. Gentleman noted that his constituent received Pandemrix in January 2011; however, the Act relates to diseases, not vaccines. The list of specified diseases covered by the Act includes pandemic influenza A (H1N1) swine flu, where vaccination was administered from 10 October 2009 to 31 August 2010—the period of the swine flu pandemic. That was a temporary addition considered appropriate by Ministers at the time. The hon. Gentleman’s constituent’s vaccination was administered in January 2011, so it was not given for pandemic swine flu, which is covered by the Act.

Peter Dowd: GlaxoSmithKline was indemnified because there was an issue of risk—that is the whole point. Why are the Government not as quick to effectively indemnify the victims of this vaccine?

Jane Ellison: Perhaps it would be easier if I wrote to the hon. Gentleman after the debate to clarify that point.

As I have said, it appears from the timing that the constituent of the hon. Member for Liverpool, West Derby received the vaccine during the 2010-11 flu season. The 1979 Act did not cover seasonal flu vaccination at that time as it was not part of the routine childhood immunisation programme. Influenza was added to the Act as a specified disease in February 2015, but the order stipulated that the vaccination against influenza must have been administered after 1 September 2013, when flu vaccination became part of the routine childhood immunisation programme. Unfortunately, that will not assist the hon. Gentleman’s constituent. I am afraid that it is not possible to accept a claim outside the conditions laid down in the Act. I recognise that that aspect of the scheme has produced an unfortunate result in this case, but we must work within the confines of the law. The Act has been in place for many years on the basis of disease rather than vaccine, and the Government currently have no plans to change how the scheme is run.

Of course, I have sympathy for the case that the hon. Gentleman has made on behalf of his constituent, and I recognise the frustration and disappointment that his constituent and his family will feel at my response. This is a complex topic, with no quick or easy answers, as successive Governments have found. I stress, though, that the VDPS is only one part of the wide range of support and help available to severely disabled people in the UK. Other examples include the disability living allowance, which provides an important non-contributory, non-means-tested and tax-free cash contribution towards the disability-related extra costs for severely disabled children. I encourage the hon. Gentleman’s constituents to consider what other entitlements might be available. I know that the hon. Gentleman will continue to offer Lucas and his family every support in that regard.

Question put and agreed to.
Access to Jobs: Disabled People

4.40 pm

Ian C. Lucas (Wrexham) (Lab): I beg to move, That this House has considered access to jobs for disabled people.

It is a pleasure to address the Chamber under your chairmanship, Mr Chope. It is important when assessing the impact of Government policy and judging its success to look closely at the individuals we represent. We must bring to the attention of Ministers—I know this particular Minister quite well by now, and I know that he is assiduous in his duties—individual cases that we consider representative of the failure or success of Government policy.

I want to talk about a constituent of mine, Margaret Foster, whom I have come to know quite well over a number of years. Margaret has suffered from cerebral palsy from birth. She has been directly affected by Government disability policy in recent years, because for 26 years she worked at the Remploy factory in Wrexham. During that period, she was a taxpayer who contributed to her community and all of our communities by paying taxes and working hard in her job. She did not particularly like her job; she is quite frank about that. She is a very bright woman, and she felt that it did not stretch her capabilities. Nevertheless, she held down the job for 26 years and took great pride in it.

I first met Margaret in about 2007-08, when the then Labour Government proposed to close the Remploy factory in Wrexham. I argued against that proposal at the time, and I was pleased ultimately to win the argument to the extent that the factory remained open in 2008. Unfortunately, the coalition Government revisited the issue of Remploy in 2012 and decided to close the factory in Wrexham, as they did a large number of Remploy factories across the country, affecting many disabled people.

Ian Lavery (Wansbeck) (Lab): I congratulate my hon. Friend on bringing such an important issue to the House. Does his constituent feel as betrayed as my constituents about the closure of the Remploy factories? The Government guaranteed support into employment, which is not there any more, but more than two thirds of the people in my constituency who worked for Remploy have not been able to get employment since the closure of the factories.

Ian C. Lucas: Part of the reason why I secured this debate is to point out the failure of Government policy and the way in which it affected Margaret, who worked for Remploy for 26 years. Since the Prime Minister and the Conservative-Liberal Democrat Government decided to close Remploy, making Margaret redundant, she has not been in employment for a single day and has not been offered a job.

Rather than being a taxpayer, Margaret now lives on benefits. She has an income from the disability living allowance, and she receives an enhanced level of mobility allowance—£57.45 per week—and the middle-rate daily care component of £55.10 per week. She has even been refused employment and support allowance. When the initial assessment was made, she received no points. Even on appeal, she was given only nine points. She needs 15 points to qualify for the allowance. How can the disability benefits system present a case such as Margaret’s? She wants help to work and has been disabled from birth, but does not qualify for the benefit put in place by the Government supposedly to support her into work. What does the fact that the taxpayer is not supporting Margaret in her attempts to find work say about the Government’s policy?

Richard Graham (Gloucester) (Con): The hon. Gentleman is telling a powerful story about his constituent, Margaret. Is he aware that in Gloucestershire we recently launched a programme called Supported Internships? Remploy was a partner, as were the local authority, the local further education college and two employers. Supported internships are an effective way for people with significant disabilities to get back into employment.

Ian C. Lucas: I have no doubt that they can be, but I am afraid they are not happening.

The 2014 labour force survey recognised that, “disabled people remain significantly less likely to be in employment than non-disabled people.” There is a 30.1% gap between levels of employment for disabled people and non-disabled people. I welcome any efforts to find internships and support individuals into work, which is what we all want. Margaret was in work when the Government decided to close Remploy factories, and we were told at the time that they would support those disabled people into jobs in the mainstream. When Remploy in Wrexham was closed and Margaret was put out of work, we received all sorts of assurances about how disabled employees would be helped into the mainstream jobs market.

Chris Evans (Islwyn) (Lab/Co-op): I lost a Remploy factory in Croespenmaen in my constituency, and the Welsh Government Minister at the time offered to take on the Remploy factories on the proviso that the Westminster Government devolve the Remploy budget to the Welsh Assembly. Does my hon. Friend think it is an absolute shame that, rather than looking at that proposal properly, the Westminster Government flatly said no to those Remploy workers?

Ian C. Lucas: It is a matter of profound regret that the Welsh Government’s helpful offer to take over responsibility for the Remploy factories in Wales was not taken up. Their constructive effort to address this issue was rejected out of hand. Consequently, the 35 or so people in Wrexham who would have been in work if the Welsh Government had taken on the responsibility for ensuring that the factories remained viable lost their jobs, and Margaret has remained out of work ever since.

Margaret is not alone. I am grateful to the large number of organisations that are interested in the fact that I secured this debate and forwarded me numerous briefings, all of which I have read. Time does not allow me to refer to them in detail, but Mencap said:

“Current back-to-work support for disabled people has proved ineffective. Job outcomes for disabled people on the Work Programme are low at only 8.7 percent”— nine people out of 100—“for new ESA claimants, and 4.3 percent for other ESA/Incapacity Benefit customers.”
Mr Christopher Chope (in the Chair): Since all the key players are here, I call Ian Lucas.

Ian C. Lucas: Thank you, Mr Chope. It is always good to be described as a key player.

I was quoting Mencap:

“Work Choice, the Government’s specialist employment support programme, is ineffectively targeted and offers support to a small number of disabled people with just 17 per cent of referred customers claiming ESA. This represents only a small proportion of disabled people who are looking for work and it is unlikely that many people with a learning disability are benefiting from it.”

Incredibly, between 2011 and 2015 the number of jobcentres employing a full-time adviser to help disabled people fell by more than 60% from 226 to only 90, with reductions in every recorded year. It is only going to get worse. Under the Welfare Reform and Work Bill, which is being considered in the Lords, employment and support allowance for those in the work-related activity group will be cut by almost £30 a week for new claimants from April 2017.

Patricia Gibson (North Ayrshire and Arran) (SNP): Given the context that the hon. Gentleman is describing and the shocking statistics that he is giving us, is it not in the least surprising that 3.7 million disabled people in this country live in poverty? That number increased by 300,000 last year and will only get even worse in the light of the issue that he is raising.

Ian C. Lucas: Absolutely. We want to get people into work. The irony of Margaret’s case is that she was put out of work. The responsibility must rest with the Government. I am not talking about a private sector job, but about a job taken away by a Government led by the current Prime Minister. He must take full responsibility for that, and it makes me angry.

Seventy per cent. of respondents to a recent survey carried out by the Disability Benefits Consortium said that the £30-a-week cut would affect their health and more than half said that it would mean them returning to work later. So constituents are now approaching us. Margaret is only one example, and there are many more. Many more people who were made redundant by the Government were told that they would be able to go into mainstream employment, but have not been able to do so. Some are now not even being provided with support through the ESA. As a consequence, they remain unemployed.

I want to hear from the Minister that the Government have a real intent to address the issue. He should be providing the level of support to which I believe citizens such as Margaret are entitled. The Government failed following the closure of Remploy. They have let Margaret and others such as her down. The Government need to up their game, because people’s lives are being destroyed and they are suffering because of ill-advised and improperly implemented Government policies.

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to serve under your Chairmanship, Mr Chope. Given the number of people wanting to speak, I will keep this as brief as I can.

When I saw the name of the hon. Member for Wrexham (Ian C. Lucas) leading on this debate, I rather suspected that we might dwell a bit on Remploy, because he has a long track record of campaigning on the issue. He is, however, right to draw attention to the plight of his constituent. Personally, I take a much wider view of disability employment. On many occasions I have said that I regard Remploy as but one model, and a model that harks back to a different era of how we saw disabled people fitting into the workplace.

I know that people rarely read election manifestos—I make the effort to read my own at least, if not the Opposition’s—but one of the proudest moments of my
life was to see in the Conservative manifesto for the 2015 election a commitment to halve the disability employment gap. Such a commitment cannot be seen in any other party’s manifesto—only in the Conservative party’s. I for one am proud of that fact. I am equally proud of the fact that, over the past two years, we have got 340,000 more disabled people into employment, although I recognise that there are individuals who have not benefited and that there are always detailed reasons for how things can be done better.

Julian Knight (Solihull) (Con): I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing this important debate, which should be not only about what has happened over the past two years, but about what is in the spending review. As I understand it, the spending review included a real-terms increase in the Access to Work budget for disabled people. Will my hon. Friend reflect on that for a moment?

Paul Maynard: I certainly will. I served with the shadow Minister on the Select Committee on Work and Pensions, where we looked at the Access to Work scheme in some detail. I am sure we had different interpretations of what we heard, because we normally do, but that is a really important project that the Government have at their disposal—it is often described as their best-kept secret.

We could do far more on Access to Work, which is one of the few uncapped Government benefits in the sense that no artificial cap has been placed on the overall amount spent. It is really important that we realise that and understand what else it could do. It is not just for critical adaptations any more. The number of people with mental health conditions who benefit from Access to Work has increased by 202% since 2010—it has more than doubled.

That demonstrates a really important point that I want colleagues on both sides of the House to understand. Once upon a time, disability employment was about physical access: the nuts and bolts of equipment, doorway widths, desks and chairs and so on. While that remains important, today, mental health issues are just as important, but they do not get sufficient attention.

I hope Opposition Members will join me in paying tribute to the Minister’s commitment. He is working tirelessly to pursue the goal of halving the disability employment gap. The Disability Confident campaign occupies a great amount of his time and I know that he is personally committed to it. We should welcome that.

In the previous Parliament, we saw frequent changes in the identity of the Disability Minister. I sincerely hope that our current Minister stays in his post for the entire Parliament—he may not wish that, but I do, because he is doing a superb job.

To return briefly to Access to Work, while one may think that the entire picture is rosy based on what I have said, it is far from that. Certain groups in the disability community are really struggling to get on to the employment ladder, such as those with learning difficulties and autism in particular. The hon. Member for Wrexham quoted the labour force survey and, I think, the 47.6% figure in it, which I saw in the Mencap briefing, too. There are arguments about the starting point, but, while the overall employment gap is 19%, for groups such as those with autism it is significantly greater than that and much more challenging.

If I had to give one recommendation to the Government, it would be to ensure that Access to Work is available at the pre-employment stage when people are looking for work. The employer needs confidence that Access to Work will be available. It cannot be something for them to discover after they have made a leap of faith to take a person on. That would be one way in which Access to Work could benefit a new group of people.

I am fortunate enough to chair the all-party parliamentary group for young disabled people and, when a few months ago the muscular dystrophy campaign Trailblazers did a short report on the right to work, it found that much more support was needed at the job-seeking phase of engagement with employment. That cannot all occur after employers have decided to employ someone, because only then can they start solving some of the practical problems.

There is a wider reason to increase disability employment not just for the sake of human dignity and equality, but, I am afraid to say, for fiscal reasons, too. If we can halve the employment gap, the gain to the Treasury, according to Scope, is somewhere in the region of £12 billion. That is a sizeable sum of money that should not be ignored by any Chancellor of any political persuasion.

I also want to make a plea. To go back to my point about Access to Work, one of the avenues I pursued in the Select Committee’s inquiry was the similarity between the ultimate purpose of disabled students’ allowance and Access to Work, which are both about allowing people to participate in their place of work, be that a college, university or workplace. I still struggle to understand why they are managed by two different Departments on different sets of procedures and with different criteria. It would be far better to bring them together, because they both seek to equip people to function in everyday life. I urge the Minister to look at that.

I will move on to my final point, because, while there is much more I could say, I want others to be able to contribute. No one should underestimate the difficulty of halving the gap. That will not be easy. I know that policy makers like to use the cliché “low-hanging fruit.” That is a disrespectful way to talk about individuals, but some will be closer to the workplace than others and it will be easier to get them into it. The difficulty will come when those with much more complex needs that are more costly to address come into play in terms of meeting the goal.

No one should underestimate the courage, ambition and confidence that young people need to try to seek work. A young person in their teens is probably still in the family home and in the school environment that they have always been in. To a certain extent, they are in a safe environment. It is not until one gets out there and tries to find a job that one really discovers the existence of prejudice against the disabled in society. That can be quite a shock to many young people—it certainly came as a shock to me. I was not expecting to encounter it when making job applications, yet I rapidly ran into it and I do not consider myself to have a particularly severe form of cerebral palsy at all.

When we discuss disability employment overall, it is worth remembering that we need to encourage young people. They do not aspire to a lifetime of supported employment and their families do not aspire to that on their behalf, either. They want full equality in the workplace and we must do all we can to make that happen. It is not
easy. I do not doubt that it is a very ambitious target. We are making progress now, but there is no guarantee that that will continue for ever. I therefore thank the Minister for what he is doing. I have offered a few helpful suggestions and I look forward to hearing what other Members have to say.

5.16 pm

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I start by congratulating the hon. Member for Wrexham (Ian C. Lucas) on bringing this extremely important debate. I will declare an interest: I previously worked with individuals with disabilities and I chair the all-party parliamentary group on disability.

The importance of employment to those who are disabled should not be underestimated. As for all members of society, having a job is not just about earning a living; it also contributes to psychological wellbeing. A job, and the day-to-day experiences that come with it, can provide people with a sense of belonging and purpose. It can help them to build confidence and self-esteem. It can also help to provide social opportunities for people who may otherwise be vulnerable or isolated. In addition, closing the disability employment gap and helping people to reach their full potential has benefits for society and our economy as a whole. The Conservative party committed in its manifesto to halve the disability employment gap, although at present there appears to be no comprehensive strategy on how that is to be fulfilled.

Changing Faces has highlighted ongoing issues with attitudes and stigma, which can affect the employment prospects of people with facial disfigurements. Low confidence and poor expectations can also be internal barriers for disabled people.

Yesterday, my office team met Callum Russell, who is blind from birth and the founder of disabledgapyears.org, which seeks to encourage and enable young people with disabilities to volunteer on a gap year or a shorter-term project. The key point Callum highlighted was the benefits of such opportunities being available to those with disability.

I want to speak only briefly, because I am aware that so many people wish to contribute, but in addition to securing jobs it is also extremely important that the Minister considers enabling people with disability to start their own business and supporting people to maximise their skills and abilities in that realm. I am pleased to have been able to speak in this important debate. This is an area that the APPG will focus on and inquire into in the next 12 months. It is critical to address that, which is about empowerment, enablement and, ultimately—this is one of my favourite words—indpendence.

5.19 pm

Mrs Flick Drummond (Portsmouth South) (Con): It is a pleasure to have the chance to speak on this incredibly important topic. I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing the debate.

As my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) mentioned, the Conservative party committed in its election manifesto to help open opportunities for the disabled, which I was very pleased about. The Prime Minister’s speech yesterday repeated the theme that the Government must be the enabler of people and the destroyer of prejudice. It is not just about providing this or that service.

Many great national third sector organisations such as Mencap, Scope, the Royal National Institute of Blind People and Action on Hearing Loss do so much to help those with disabilities, and we all welcome and appreciate the work they do. We are fortunate in Portsmouth to have some great work being done to support those with disabilities by the Beneficial Foundation—I declare an interest as patron of that organisation. It is a great organisation that works with people with a variety of needs, and I had the pleasure of showing the Prime Minister the work it does in 2014 when he visited Portsmouth.

I know from discussions I have had with the Beneficial Foundation’s chief executive, Jenny Brent, that finding a job or placement is just the first step in a journey back into secure and rewarding work for anyone with a disability. It is vital that there is support for that disabled worker in terms of adaptations so that they can do their job and have equal access to facilities.

Julian Knight: Will my hon. Friend reflect on the Disability Confident events that are run around the country, which bring together charities, employers and potential employees and help to bring people into the workforce?

Mrs Drummond: We have had examples of that in Portsmouth too. It is extremely important, as with any job fair, that people know exactly what opportunities are out there.

It is equally important that others in the workplace understand the needs of disabled workers and what disabled workers do not need. There is a difference between treating someone with respect and perhaps unintentionally adopting patronising attitudes. Organisations such as the Beneficial Foundation offer in-role support to both the disabled employee and their colleagues, ensuring that everyone makes the most of the opportunity.

Kevin Foster (Torbay) (Con): I congratulate the hon. Member for Wrexham (Ian C. Lucas) on securing the debate. Does my hon. Friend agree that we need to encourage people to look not at a person’s disability but their ability, to ensure they can bring that out?

Mrs Drummond: Yes, and if more organisations did that, many more people with disabilities would be employed. That is a message we must put out.

Local organisations are able to develop strong links with businesses and respond both quickly and flexibly. We know that there is still a big challenge to ensure that the disabled are able to take advantage of opportunities. The Access to Work programme helps a large number of people to overcome their physical disabilities in the workplace, but given our focus on achieving parity of esteem for those with non-physical conditions, I am pleased to see that Access to Work is also helping a growing number of people—the number has doubled since 2007—with dyslexia, learning difficulties or mental health conditions.
Everyone will welcome the Prime Minister’s speech yesterday on opening up opportunities across society. I am pleased that the state is standing up for its responsibilities as an enabler and not just a provider.

5.23 pm

Chris Evans (Islwyn) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing this timely debate. Like him, whenever I think of Remploy, and particularly its Croespenmaen factory in my constituency, I feel anger, because I remember standing in the factory canteen on the day when it was announced that the Remploy factories were going to be closed. Some people were in tears and many were angry, begging me to save their jobs, but there was nothing I could do. That was one of my worst days as a Member of Parliament.

When that factory was under threat in 2007, the Remploy workers and the management did not sit back and protest. They went out and found business in the market. Indeed, one of the last acts of my predecessor, Lord Touhig, in 2010 was overseeing the signing of a contract between the blue chip company BAE Systems and Remploy to provide packaging.

What made me even more angry during that period was not only all the hard work that had gone to waste, but, as I mentioned in my intervention, what happened when the Welsh Assembly asked whether the Westminster Government would consider devolving the budgets so that it could provide a future for Remploy. When my right hon. Friend the Member for Cynon Valley (Ann Clwyd) raised the issue at Prime Minister’s questions, the Prime Minister gave a commitment to look at it. Unfortunately, the question was met by the Department with a big fat “no”.

The comment by the Secretary of State for Work and Pensions at the time that Remploy workers were only good to make a cup of coffee rubbed salt into the wounds and was absolutely damming. I try to hold back my anger when I think of comments like that. There was never an apology, and I am ashamed to say that that man is still in post.

I will, however, say this: there is nothing that can be done about Remploy now. It is no good looking back to the past. Those factories are gone. The workers unfortunately do not have a job, as in the case of Margaret, who my hon. Friend the Member for Wrexham spoke of. She has no future and is parked, like many of my constituents who worked in Remploy on employment and support allowance.

The worst thing is that, according to the solicitors firm Leigh Day, one in five people who have disabilities and find themselves in work still believe they are under pressure and under duress, and are fearful of announcing that they have some sort of disability. People who have short-term disabilities, such as those who have been diagnosed with Crohn’s or colitis, find themselves in disabling situations where they cannot work and find it difficult to come back to work. They rely on understanding employers, but many of them do not have that. Many of them find themselves out of work because of that.

I always want to give the Minister some suggestions, as the hon. Member for Blackpool North and Cleveleys (Paul Maynard) did; he made a very good speech and spoke from the heart, with great knowledge as a member of the Select Committee on Work and Pensions. I think the Minister knows what I am about to say, as I have said it to him on a number of occasions until I am blue in the face: the main tool for getting people back into work—Jobcentre Plus—is not fit for purpose. I am basing that not on anecdotal evidence but on the fact that 80% of people who gain a job through Jobcentre Plus are back out of work in six months. The fact is that statistical evidence shows that the most effective systems are not provided through Jobcentre Plus but based in the community. A job club or a training scheme based in a local library or supermarket is more effective.

Anybody who has ever had to walk into a jobcentre will know that it is akin to walking through Pentonville prison. There is a security guard on the doorstep. The seats are screwed into the floor. If someone is not there on time, the adviser will sanction them. They are not good places to look for jobs. What jobcentres are essentially doing when they sanction people is reaching at the most vulnerable. Those who are stuck in the system are being pushed further into it, and they are not being provided with the help and support they need. I have said over and over again that it does not matter how many schemes we have.

Richard Graham: Has the hon. Gentleman had the experience I have had of a really good Access to Work programme provider—in my case, Pluss, which has had considerable success in helping people with disabilities back into work? Does he agree that one thing we might do is put together some films of agencies and businesses that have had real success, so that we can show them in Parliament and spread the word about some of the great success stories, to encourage other employers to do more?

Chris Evans: I have come across Pluss. As the hon. Gentleman will know, I was once the unsuccessful candidate in the constituency of Cheltenham, right next door to his constituency. The work that Pluss does is absolutely fantastic, and I agree that we need to do more inside and outside Parliament to promote such training organisations.

The point I was coming to, which ties in well with the hon. Gentleman’s intervention, is that since the 1970s we have had 43 schemes in this country, introduced by Governments of all colours, and all of them have failed. Long-term unemployment is still stubbornly high, particularly for young people and those with disabilities. We now have to think outside the box. We can rebrand all our schemes—whether it is the youth training scheme, employment training, the new deal or even the Work programme—but they are not getting the outcomes we want.

I expect the Minister to defend Jobcentre Plus, which is a Government scheme; that is his right, but I want him to give people some hope that we will start thinking outside the box more.

5.29 pm

Jim Shannon (Strangford) (DUP): Mr Chope, may I ask how much time is left, so that the hon. Member for Wythenshawe and Sale East (Mike Kane) and I can divide it between us?
Mr Christopher Chope (in the Chair): There should be ample time for you and the other hon. Gentleman who is seeking to catch my eye. The latest we can start the wind-ups is 5.47 pm, but we do not have to use all the time until then.

Jim Shannon: You have inspired me to speak longer, Mr Chope, but I will not; I will divide the time clearly between us. I thank the hon. Member for Wrexham (Ian C. Lucas) for bringing this debate to Westminster Hall. It is a really good subject matter and one on which we are all keen to participate. In my short speech, I will mention some good things that we do in Northern Ireland—I know this is a devolved matter, but it is good to exchange ideas about what we do in Northern Ireland and what is done here in the mainland.

Despite the great services that exist and the Access to Work scheme, the proportion of people with a learning disability in paid employment has remained stubbornly low—we cannot ignore that fact—and according to Mencap UK, which represents people with learning difficulties, that proportion appears immune to economic factors. There are clearly issues to be dealt with. I know the Minister is totally committed to that and that he has done great things. We respect him greatly, but I think we need to look at what we can do better.

The proportion of learning-disabled people known to social services in paid employment fell from 7% in 2012-13 to 6.8% in 2013-14. Some hon. Members have spoken about the good things that have happened in their areas, and when that is the case, that is good—let us recognise those. We need to exchange such ideas and make others aware of them. However, that fall in numbers happened despite the fact that the majority of people with a learning disability can and want to work. There is an eagerness and a keenness to work, and we should encourage it. The figures are stark if we compare them with a national employment rate of 76% and an overall disability employment rate of just below 50%. As hon. Members have said, the Government pledged to halve the disability employment gap. Indeed, that pledge was spoken about the good things that have happened in Northern Ireland between 2011 and 2015, the number of jobcentres employing a full-time adviser to help disabled people fell by more than 60%, from 226 to 90, with reductions in every recorded year. We cannot ignore that issue. We all know that the Minister is a very pleasant person who is approachable and who does his job well, but that fact needs addressing. Perhaps he can tell us what steps the Government have taken to address the fall in the number of jobcentre advisers, and how we can best help people who are disabled when they come looking for assistance and help. That reduction surely contradicts the Government’s commitment to reduce the disability employment gap, and the effects of that cut in services need to be closely monitored to ensure that it is not having an adverse effect on the efforts to reduce disability unemployment.

I will give an example from Northern Ireland, because it is always good to put in the mix what we have done back home. We have an additional scheme to help reduce the disability employment gap. As well as the Access to Work scheme, there is Workable (NI), which is delivered by a range of providers contracted by the Department for Employment and Learning. Those organisations have extensive experience of meeting the vocational needs of people with disabilities, and using them is a great way of advancing social enterprise and supporting that sector.

Workable (NI) is a two-year programme that helps people out of economic gloom, gives them support and hope and prepares them for employment. It tailors support to individuals to meet their specific needs. The provision can include support such as a job coach to assist the disabled worker and their colleagues adapt to the needs of a particular job, developmental costs for the employer, and extra training, including disability awareness training. Those are all vital factors for any and all disabled people who want to work.

As I said, I am a great believer that this great country of the United Kingdom of Great Britain and Northern Ireland is better together. We know that, and many of us would subscribe to it. Let us exchange the good points and good practice that we have in every region of the United Kingdom. Lessons can clearly be learned from the approach in Northern Ireland, and we can develop additional strategies here in the mainland to help make good the Government’s comment to halve the disability employment gap.

Mike Kane (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Wrexham (Ian C. Lucas) on securing this important debate, and I pay tribute to him for the powerful personal testimony he gave about his constituent, who will feel very well represented tonight. I thank all Members who have contributed, including the hon. Member for Blackpool North and Cleveleys (Paul Maynard), who also gave powerful personal testimony—I would not want to pass by his contribution.

I grew up in a household in Wythenshawe where I saw a parent with progressive multiple sclerosis move from being in hard-working employment all her life to being on benefit. That was what really inspired me into public life. My recruiting sergeant was a certain Lord Alf Morris, who was my constituency Member of Parliament at the time. He introduced the absolutely groundbreaking Chronically Sick and Disabled Persons Act 1970, which revolutionised the way we looked at disabled people. It was about their rights, rather than what we gave them, and about how they could aspire to a better life. He also became the world’s first Minister for the disabled. I still get calls to my office asking if ‘Alf’ is the Minister for disabled people in the Government today. I follow in the footsteps of giants, but I am prepared to do my best.

I also want to mention my predecessor, Paul Goggins. I worked with him when I was a local councillor in 2007 and the first threat to the Remploy factory in Wythenshawe...
came up. We lobbied the then Member for Neath, who was the Secretary of State for Work and Pensions. Paul did amazing things. He got on board with JCB and with the Authentic Food Company in my constituency. We brought together a whole host of businesses. He really turned things around—it went from having a £200,000 turnover to having a £600,000 turnover. It did not help in the end, and unfortunately the factory was shut in 2012.

I do not want to make a particularly party political point, even though 20 people lost their jobs. The hardest thing for my predecessor and for me at the time was not just those people losing their jobs—following on from what my hon. Friend the Member for Wansbeck (Ian Lavery) said, a lot of them have not gone on to find new work—but the fact that during the time we ran the campaign, 500 people got into employment through the work that we did. It was a solid way for disabled people to build skills and confidence and get into the workplace. It was measurable, attainable, smart and specific. It was a really good campaign.

I want to press the Minister by comparing and contrasting what Remploy did with what the hon. Member for Blackpool North and Cleveleys said about Disability Confident. Because of my personal passion, I am a supporter of any scheme that helps disabled people get into employment. I was therefore pleased to be asked by the DWP to get involved with a Disability Confident event in south Manchester. I worked with my next-door neighbour, my hon. Friend the Member for Stretford and Urmston (Kate Green), who is just as passionate about the subject and who held the post of shadow Minister for disabled people in the last Parliament.

We attracted 80 employers to the event, representing nearly 100,000 people around south Manchester. It included Manchester airport, Wythenshawe hospital and British Gas, which is in my neighbour’s constituency, and we had an extraordinarily good event. It was hosted by Vodafone—I asked it to host—which also sponsored the event, and I want to place on record my thanks to it for doing so. We had Cherylee Houston from “Coronation Street”—the disabled actress—who provided extraordinarily powerful testimony about her life and how she struggled to get into employment and into the acting industry. People from ITV talked about the company as an employer and about the changes and adaptations that it had made to make sure that she could play an important role in that TV series. I pay tribute to her and to ITV for providing role models of disabled people on our TV sets day in, day out.

I want to press the Minister on Disability Confident and how I think it should be improved. The event relied extraordinarily heavily on the contacts of the local MPs. That is an important point. Really it was the MPs, with their business contacts, who brought businesses to the event. That is a good thing, but the administration had to be done in the MPs’ offices, along with all the other things. It placed an inordinate strain on my extraordinarily hard-working staff and those of my hon. Friend the Member for Stretford and Urmston, but we did it. The DWP lacked co-ordination and leadership. It wanted us to lead as MPs, but things were extraordinarily difficult on the ground. I do not want to criticise DWP officials—far from it. They were well intentioned and worked hard, but there was a lack of a joined-up approach between various parts of the DWP and the agencies that it brought in to help. That needs to be looked at.

We know from our feedback surveys that the companies found the event extraordinarily informative. Many of them went away and implemented the good practices that we had showcased there. That involved companies, chief executive officers, human resources directors and the disabled people working in those companies—we had a number of disabled people there. However, as a politician and policy maker, I like to see numbers and outcomes. It was the lack of follow-up that was so difficult to understand—I am talking about getting all those companies in and understanding how they implemented the good practice. How many disabled people did we put in touch with them for pre-employment and employment opportunities? I just do not know those figures, and I find that quite frustrating as a Member of Parliament.

There is a strong narrative about getting disabled people into work, and we are trying to show leadership as local Members, but we need some resources from the DWP so that we can accurately measure the outcomes of such events—what we have achieved—and then plan further ahead by looking at the areas and expertise that we need to develop in order to go forward. I would like to run a similar event in the next year or two, but until I get substantive data about what we were able to achieve with the first events, that will be quite difficult.

5.42 pm

Patricia Gibson (North Ayrshire and Arran) (SNP):

The reason I was so keen to speak in the debate is that 22% of my constituents in North Ayrshire and Arran aged 16 to 64 are recognised as disabled under the Equality Act 2010 or have work-limiting disabilities. It is therefore very important that I participate in the debate in order to represent my constituents.

We know that a compassionate and decent society dictates that halving the disability employment gap, which the Conservatives pledged to do and which is an extremely laudable aim, requires the correct amount of support to be provided, not the withdrawal of support, which is causing so much concern. The reduction of the ESA WRAG payment from April 2017 will force many sick and disabled people backwards and further away from getting the help that they need to get back to work or, indeed, to enter the workplace for the first time. That is despite the fact that the WRAG was created specifically to support the ill and disabled back into work, rather than simply placing them as jobseeker’s allowance claimants.

The Chancellor of the Exchequer himself acknowledged in his recent Budget statement that ESA WRAG payment recipients are usually—very often—actively seeking a sustainable place in the workforce, but there is a credible argument in the community and voluntary sector that instead of incentivising work, the Government are actually disincentivising it. Many hon. Members have touched on that today.

Many sick and disabled people find the prospect of the demands of the workplace increasingly challenging, especially in terms of how employers will react to them.

According to the Disability Benefits Consortium, one third of disabled people live below the poverty line; I also mentioned that earlier. It is the case that 3.7 million people who are disabled are living in poverty, and that
figure is increasing. We know that because the figure increased by 300,000 last year. What is needed to enable those living with a disability to enter the job market is to treat disabled benefit claimants with personalised and compassionate care, instead of implementing reforms that ignore the complexities and challenges of these people’s lives. If we want to support disabled people into work, the benefits system designed to achieve that end must reflect that.

We have all heard in our constituencies anecdotal evidence of the shocking treatment of some claimants since the introduction of the work capability assessment, with “fit to work” decisions being made that seem to defy all logic and reason. Thankfully, many of those decisions have been overturned, but the stress and trauma that they cause the claimants in the first place is simply not acceptable. Far too many disabled people continue to face barriers that deny them the chance to find fulfilling work opportunities. What a tragedy that so many of those barriers have been erected and—looking into the future—appear to be continuing to be erected by the Government themselves, marginalising a group that is already excluded in so many ways. I urge the Minister to reflect on those concerns in his response.

5.46 pm

Dr Eilidh Whiteford (Banff and Buchan) (SNP): I pay tribute to the hon. Member for Wrexham (Ian C. Lucas) for securing the debate. He spoke powerfully about his constituent who has been personally affected by the decision taken in the last Parliament to close the Remploy factories. As many of us predicted at the time, that move has had a devastating impact on the lives of those directly involved, the vast majority of whom have been unable to move into alternative employment. That has been the case for Margaret and others we have heard about today.

Few would disagree with the aspiration of the Sayce review of supporting disabled people into mainstream employment, but that has proved much easier to hypothesise than actually to deliver. Too many disabled people who are seeking work find it difficult to enter the labour market or to access the kind of support that they need to help them to sustain employment.

Let us not forget, however, that about half of disabled people of working age are in work, most of them in mainstream jobs. Obviously, there are some disabled people whom we cannot expect to work, but there are also disabled people currently not in work who could, with the right support and workplace adjustments, overcome the disadvantages that they face in the labour market, and we have heard about many of them today.

We should also remember, though, that access to employment for disabled people takes place in a wider economic context. For instance, I do not think that the closures of the Remploy factories really took account of the economic situation at the time, or the local economies in those areas where the factories were based. In most cases, there have been scant opportunities for those people since the factories closed.

Disabled people are far more likely to be in work in times and places where jobs are plentiful. It is always easier to find a job in an area where many people are chasing every vacancy. The barriers facing disabled people are sometimes related less to their disability than to prospective employers’ preconceptions about what they can and cannot do. We therefore need to acknowledge that although disabled people have certain legal protections in work, getting a job in the first place is often much more difficult, especially for those who disclose invisible or fluctuating conditions, like those alluded to by the hon. Member for Strangford (Jim Shannon), or for those whose health conditions have left them with a patchy work history. We need to be honest with ourselves in this place about the extent of the disadvantage affecting disabled people in the labour market.

It is very difficult in a short debate such as this to do justice to such a broad topic, but as the hon. Member for Blackpool North and Cleveleys (Paul Maynard) reminded us, the Government had a manifesto commitment to halve the disability employment gap and now need to bring forward a credible strategy on how they intend to do so. At present, disabled people are disproportionately employed in the public and third sectors. Many are in organisations that have active equal opportunity policies in place and monitor the recruitment and retention of disabled staff. Unfortunately, parts of the private sector have not always kept pace with that, but one way for Government to make a difference, proposed by Disability Rights UK, is to ensure that businesses above a certain size monitor and publish data on the numbers of disabled people they employ. Many good employers do that already, but it would be a proportionate and effective way to improve access to work and would possibly help to tackle the direct and indirect discrimination that too many people who are disabled experience in the workplace.

The barriers to work for disabled people mean that the support that we offer through the social security system is all the more vital, but unfortunately the record of the last few years has been pretty abysmal in that regard, as we have heard, particularly in relation to the Work programme. As my hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson) pointed out, one third of disabled people in the UK live below the poverty line. That is about 3.7 million people. At a time of improvement in the labour market, the number of disabled people living in poverty actually increased last year. The shift from disability living allowance to the personal independence payment has also meant that for many disabled people in low-paid jobs, such support enables them to stay in employment, so the clawback is counterproductive. Meanwhile, the Government’s plan to cut £30 a week from the support for Strangford (Jim Shannon), or for those whose health conditions have left them with a patchy work history. We need to be honest with ourselves in this place about the extent of the disadvantage affecting disabled people in the labour market.

This has been a timely debate, with substantial contributions on both sides. The Government are not doing enough to support disabled people’s access to employment, and I hope that Ministers will take on board the concerns raised today and bring forward the promised disability employment strategy as soon as possible.

I have a final request for the Minister. Will he reintroduce the “access to elected office” fund to enable more disabled people to enter political life? We have heard this afternoon that around one in five people in our society are disabled
5.50 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Chope. Congratulations to my hon. Friend the Member for Wrexham (Ian C. Lucas) on raising such an important issue, and on representing his constituent Margaret Foster so ably. The situation he described is, unfortunately, happening to disabled people up and down the country.

Since 2010, 3.7 million disabled people have been affected by £23.8 billion of cuts as a result of, for example, the Welfare Reform Act 2012. It does not stop there. Under the Welfare Reform and Work Bill that is passing through the House at the moment, another 500,000 disabled people will be affected by changes to ESA WRAG support—another £640 million of cuts. That does not include the cut to the universal credit work allowance, or the £3.6 billion of cuts made to social care since 2010. The hon. Member for Banff and Buchan (Dr Whiteford) was absolutely right to mention that disabled people are twice as likely as non-disabled people to live in poverty. The figure increased by 2%, or 300,000 last year; those measures will definitely impact on disabled people living in poverty.

Jessica Morden (Newport East) (Lab): My hon. Friend mentioned the cut to the work allowance in universal credit. Has she seen the research by Liverpool Economics that shows that disabled people in work could lose up to £2,000 a year, making them one of the hardest-hit groups?

Debbie Abrahams: I have seen that analysis. My hon. Friend makes a vital point. I know that that area is not the Minister’s responsibility, but we must try to get the Government to think again. That change will result in the same cuts as those that the Government reversed to tax credits; the process will just be slowed down slightly.

I want to get back to what happened with Remploy. The coalition Government closed 48 Remploy factories, and a total of 2,000 disabled people—including Margaret—were made redundant. Of those former workers, 691 were given the Government’s work-related activity support, 830 received jobseeker’s allowance, and we just do not know what happened to 470.

In addition to what has been said about Work Choice and the effectiveness of the Work programme, we must not forget Access to Work, which some people have mentioned. Of the 4 million disabled people in work, Access to Work is currently supporting only 36,800. If we are really serious about halving the disability employment gap, which is a noble target, that is totally inadequate. I know that the Government stated in the spending review that there will be a real-terms increase in spending on Access to Work, but what is the money? Nobody has said. Will it be a smaller chunk for more people? The Government need to be very clear on that.

The hon. Member for Strangford (Jim Shannon) has mentioned the specialist advice and support in Jobcentre Plus. There used to be only one adviser for 600 disabled people, but that has gone down further. I commend the Minister for what he is doing about the Disability Access to Work, but what is the money? Nobody has said. Will it be a smaller chunk for more people? The Government need to be very clear on that.

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): As your parliamentary neighbour, Mr Chope, it is a pleasure to serve under your chairmanship. I pay tribute to the hon. Member for Wrexham (Ian C. Lucas), who made a passionate speech on this incredibly important subject. I have already have some dealings with the hon. Gentleman in the course of his work on the all-party group on spinal cord injury. It was a real credit to him that he took time out of his busy schedule to come and engage on that.

I will cover the Remploy issue, and I would be happy to meet to discuss what more can be done in the specific case of Margaret and on the broader subject of disability employment. First, I want to answer some of the questions asked by various Members in what I thought was a constructive debate. As a Government, we are very much in listening mode. We are looking at ways in which we can make changes to improve the situation, and there are many ideas that we will look to take from today’s debate.

I thank my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) for his kind words, and I would be happy to continue in this role. He demonstrated a huge knowledge of the proactive work that needs to be done. It has been a real pleasure to work with him on a number of different areas of my role, and he is a real credit to his constituency.

It was a pleasure to attend the all-party group on disability, which the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) chairs so ably. We crossed paths on several occasions that day, when we went to a number of different meetings. She mentioned the work of Changing Faces. I met that organisation, which is doing a huge amount in a very important area. I am a big supporter of its “What Success Looks Like” campaign, which is an important part of the wider work that we need to do.

I echo the comments on self-employment. I had my own business for 10 years, and the careers advice that I always give to sixth-formers was, “If you are good at what you do, do it yourself. If you are not very good at what you do, be paid to be not very good.”

My hon. Friend the Member for Portsmouth South (Mrs Drummond) is doing a tremendous amount of work in her constituency. I was excited to hear about the
work of the Beneficial Foundation, and I would be interested to visit and see that at first hand. I think that there are some lessons that we can learn.

It is always a pleasure to listen to the hon. Member for Islwyn (Chris Evans), who is easily one of the best speakers in Parliament. His suggestions about Jobcentre Plus were constructive. We are bringing forward a White Paper, which gives us an opportunity to look at how we can improve the situation. What he said about thinking outside the box was crucial. Some brilliant ideas have been put forward, and I encourage him to be very proactive, because there are some lessons that we need to learn.

It is also always a pleasure to hear from the hon. Member for Strangford (Jim Shannon). I do not think that I have responded to a single debate to which he has not contributed, and I am glad that he has not had another meeting that has crashed. It is good to exchange ideas, because if there are areas of best practice anywhere, we need to look at them. As I have said, the White Paper gives us a huge opportunity to change the support we offer, and I will discuss that further.

The personal passion of the hon. Member for Wythenshawe and Sale East (Mike Kane) shone through. I am grateful for the huge amount of work that was done in the Disability Confident event. I was disappointed to hear some of the negatives but it is important to raise them. We have addressed some of them and I will talk about that a bit more later. I would appreciate an opportunity to discuss them further because it is an important part of the work we are doing.

Mr Robin Walker (Worcester) (Con): I apologise for missing some parts of the debate but I was listening closely to the feedback of the hon. Member for Wythenshawe and Sale East (Mike Kane) on his Disability Confident event as I want to ensure that we have a Disability Confident event in Worcester. I ask the Minister to engage with the issue of the follow-up to the events to ensure that we make the most of the opportunity they represent.

Justin Tomlinson: That is perfect timing because later in my speech I will highlight our drop-in event for parliamentarians. We are also producing a pack, which I will discuss later, and I would be delighted if my hon. Friend engaged with this because I know that he has done a huge amount of work engaging with employers, particularly with apprentices and at jobs fairs. We definitely need to recruit him to the campaign.

A comment was made about the role of the media and role models. I am doing a huge amount of work on that because it makes a big difference. The hon. Members for North Ayrshire and Arran (Patricia Gibson) and for Banff and Buchan (Dr Whiteford) covered relatively similar points regarding the ESA work-related activity group. Let us not forget that only 1% of people in the ESA work-related activity group were coming off that benefit each month. Rightly, it was highlighted that people want to get into work. Clearly that system was not doing that right. We can discuss in another debate how it will be done.

We will be spending an extra £60 million providing support this year, rising to £100 million by 2020. We should remember that no existing claimants will lose out on the cash. The proportion of people in relative poverty who live in a family in which someone is disabled has fallen since 2010. Without opening up a debate on disability living allowance and the personal independence payment, let us not forget that under DLA, 16% of claimants were on the highest level of benefit whereas, underPIP, the figure is 22.5%.

I turn to the issue of Remploy before moving to the broader issues. In March 2012, the Government confirmed that it accepted the Sayce review’s recommendations to focus support on individuals through services such as Access to Work, and away from specific workplaces or facilities such as Remploy in order to significantly increase the number of people who could be supported to access the labour market—it is that point about being in the mainstream. I understand that that is not what Margaret wishes to hear but I will come to more specific points.

The background to the case is that the 54 Remploy factories operated at a loss of £49.5 million, amounting to about £22,500 a year to support each disabled person working in a Remploy factory. That is in contrast to the average Access to Work award to support a disabled person in mainstream employment at £3,100. I understand that it is a lot more complicated than that. That debate took place in 2011 and 2012, and there was clearly a disagreement on what should happen. Following that, all disabled Remploy staff affected by the exit of Remploy factories had access to tailored support from an £8 million people help and support package for up to 18 months to help with the transition.

The final statistics of 21 August 2015 confirmed that just over 1,500 former disabled employees had received support through personal caseworkers, 867 were in work and a total of 1,182 jobs had been found. I accept that the point is what has happened since then. I do not know whether I can find that information but I will look into it.

In broader terms, ultimately we want as many people as possible to have the opportunity go into work. The Prime Minister personally committed the Government to halving the disability employment gap, and that was widely welcomed by all. In the past two years, there has been significant progress with 339,000 more people with disabilities going into work. A number of strands will help to make the aim a reality.

First, many Members have mentioned Access to Work. There is roughly a £100 million budget at the moment helping a near record 37,000 people. We have had four years of growth. Following the spending review, by the end of this Parliament we are looking to spend about £123 million and we would expect a further 25,000 people to be supported through that. We now have record numbers of people with learning disabilities, people with a mental health condition, and young people.

We have more specialist teams providing specific advice, including the visual impairments team, and other teams for hearing impairments, self-employment, large employers, and the hidden impairments specialists. Broader unique opportunities are also presented. We are looking at further ways to improve Access to Work, particularly raising awareness among small and medium-sized businesses, which would most benefit and could remove the most barriers. We are also looking into how we can simply provide more advice through that service. A number of speakers said that employers would be
worried about whether they had the skillset to support somebody with a disability. Access to Work could be an opportunity to provide that.

Today we had our first Disability Confident taskforce. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) has rightly asked what more we can do to push that. We had a number of the great and the good from a huge wealth of backgrounds including recruitment agencies and groups that support people with disabilities to get into work, including the Federation of Small Businesses, Clear Company, the Business Disability Forum, the Shaw Trust and a number of others. There was a collective brilliance around that table. I told them that I am very much in listening mode and I want them to challenge us and to identify ways in which we can take advantage of the Chancellor increasing the funding.

The whole point is to make more businesses aware of the huge wealth of talent out there. That is being underpinned through our Disability Confident campaign, which is there to share best practice, bust myths and signpost businesses and potential employees to the help and support that exists. Underlying all this is ensuring that people understand that it is a positive benefit. We are not asking businesses to do something that is not right, but to take advantage, often through making small changes, having greater recognition or understanding that a huge network of support is available. We will push that, with a real emphasis on small and medium-sized businesses.

**Mike Kane:** The Minister is making a good case for Disability Confident. Does he agree that we need measurable outcomes for those events?

**Justin Tomlinson:** Absolutely. I am coming to that, and we will be having that further meeting.

More than 300 organisations are signed up but that is not enough, which is why we will be doing a lot more promotion this year. The digital sign is now up and we are keeping more records of that. We will go back and challenge, particularly those larger businesses, to find out what more they can do with their supply chains and what further questions can be asked. That point was raised as well.

6.7 pm

*Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).*
Westminster Hall

Wednesday 13 January 2016

[Mr David Nuttall in the Chair]

Universal Credit: North-West

9.30 am

Marie Rimmer (St Helens South and Whiston) (Lab): I beg to move,

That this House has considered the effect of the roll-out of universal credit in the North West.

It is a pleasure to serve under your chairmanship, Mr Nuttall. This is the first Westminster Hall debate that I have secured, and I will endeavour to observe the correct procedure. I am pleased to have secured this debate on such a critical subject for my constituents in St Helens South and Whiston and for people across north-west England.

I am sure that no hon. Member would disagree that the recent debate on changes to tax credits has been one of the most important in this Session. Following pressure from Members on both sides of the Commons, the Lords and the public at large asked the Government to think again. The Chancellor announced in the autumn statement that planned changes to tax credits had been scrapped, saying:

“I have listened to the concerns. I hear and understand them. Because I have been able to announce today an improvement in the public finances, the simplest thing to do is not to phase these changes in, but to avoid them altogether. Tax credits are being phased out anyway as we introduce universal credit.”—[Official Report, 25 November 2015; Vol. 602, c. 1360.]

However, for many people in the north-west of England the change to universal credit is a reality. The huge changes to our social security system have been trialled with people in the north-west.

Simply because of where they happen to live, many people in my constituency and neighbouring constituencies face dramatic drops in income from April 2016. For 77,378 people in the north-west, or 53% of the 155,000 currently in receipt of universal credit, this is a deeply worrying time. Some 51,000 of those people are in employment, and any of them experiencing changes that warrant a fresh application are seriously concerned. That issue of reduced work allowance is at the forefront of the minds of my constituents and the constituents of many other Members. I urge the Minister to take that away and think again.

The Office for Budget Responsibility expects the universal credit case load to be 330,000 in 2016-17, and many of those claimants will be in the north-west as those who get into work go on to universal credit. If families move from tax credits as part of their managed migration, they will be eligible for transitional protection until such time as their universal credit award catches up or the family experiences significant change to their circumstances. Transitional protection will apply only to families moved over through managed migration. Details on transitional protection have not yet been announced, and I ask for transitional protection to be put on a legal footing.

We know from the House of Commons Library that there will be no transitional protection for lone parents aged 25 or over with two children and no housing costs who are working full time—35 hours a week—on the minimum wage in 2015-16 or on the Government’s national living wage in 2016-17. Such a family will lose £2,384 in 2016-17. The same family with the housing element of universal credit will lose £3,09, and a disabled family with no housing costs will lose £3,000. Many families will face drops in income of between £2,000 and £3,000. That is the effect of these cuts on those whose circumstances have changed and warrant a fresh application.

Rebecca Long Bailey (Salford and Eccles) (Lab): Does my hon. Friend agree that, with cuts to universal credit already being planned, there will be greater demand for transitional funding when current tax credit claimants are migrated on to universal credit?

Marie Rimmer: Yes, there will. How can it be right that anyone should be subject to a great injustice based on a postcode lottery determined by arbitrary decisions and the serial failings of the Department for Work and Pensions in delivering the programmes thus far? We have heard all the arguments on tax credits, and Members on both sides of the House were in agreement. Surely the change of terminology to universal credit from tax credit does not justify or warrant these cuts. It is simply indefensible that some people should be cast aside in this incompetent administrative experiment.

We have experienced other issues during the roll-out of universal credit. It would be unreasonable to assume that such a large scheme could be implemented without hiccups and a certain level of teething problems. The Government were forced to slow down the roll-out of the programme dramatically compared with their original aim. The OBR forecast in March 2013 that there would be 6.1 million claimants, but it is now expected that 330,000 people will receive universal credit during 2016-17. However, the problems that we have experienced in the north-west go well beyond what could be put down to normal problems that can be ironed out as the system beds in.

A range of administrative issues have had a terrible impact on people in receipt of universal credit. Many of the issues were highlighted in a report by Citizens Advice published in the summer of 2015. That report, “Waiting for Credit,” was drawn from 16 citizens advice bureaux, the majority of them in the north-west, including St Helens CAB. It detailed a range of issues faced by people claiming universal credit and by those trying to access it. For instance, universal credit is paid monthly in arrears. Following a new claim, the aim is for the claimant to be paid within five weeks—that is a total of nine weeks. The time lag causes claimants huge short-term financial difficulties, even when that aim is adhered to. However, the report found that 30% of claimants had to wait even longer.

Graham Evans (Weaver Vale) (Con): I am grateful to the hon. Lady for securing this important debate. She mentioned that people are paid monthly in arrears. Does that not apply to everybody who works for a living and pays taxes, which is what ultimately pays for the welfare?
Marie Rimmer: It can take five weeks for people on universal credit to be paid—that is the Government’s aim. If the hon. Gentleman listened to my point, he would know that the report found that 30% of claimants had to wait even longer than the nine-week total. Those people suffer from income deprivation, which is why they are eligible for universal credit and why they are different from those in normal, well-paid work.

The report found that many claimants faced continuing difficulties in getting the right amount, even when their claim had been processed. Basic administrative problems, such as being asked repeatedly for the same documentary evidence, were cited.

Fiona Bruce (Congleton) (Con): The hon. Lady talks about administrative problems, but was not the key problem when we had a Labour Government that many people were left languishing on welfare and given no help at all to find work, some for as long as 10 years? Is that not the key difference from what we now have under this Government? Hundreds of thousands of people are now being supported into work. Is that not better for them, their families and their communities, and for the income that their households earn?

Marie Rimmer: No, I do not agree. People knew what was coming and knew that the funds were available. There are 155,000 people on universal credit now, and I am talking about the problems that they are experiencing now. For most people, not getting paid on time will cause at least some level of difficulty. For people on universal credit, not getting paid can be a catastrophe that makes it impossible to manage everyday living and responsibilities such as heating their home, eating, or clothing their children. Increased numbers of people are in rent arrears.

In my experience, there have been other cases of people facing great hardship through the incompetence of the programme so far. Basic work with different agencies has not taken place. For example, one of my constituents was previously in receipt of jobseeker’s allowance and was subsequently moved on to universal credit. Upon going to the dentist he required treatment, which was free under the NHS. When he was filling in the usual form, he was advised to tick the box marked “income-based jobseeker’s allowance”, as there was no box for universal credit. Subsequently, he was billed and pursued by the NHS Business Services Authority and threatened with county court action for a false declaration. If that is the level of co-operation between different agencies at this stage, what hope is there for the future?

I must highlight the DWP’s use of sanctions in the case of universal credit. It has thus far been largely concentrated on those who are on jobseeker’s allowance or employment and support allowance. We have all heard of the cases of people who have had their benefits stopped, often for absurdly spurious reasons such as selling poppies or not searching hard enough for jobs on Christmas day—that is true. We have come across many tragic cases of constituents who are literally starving and unable to turn on their heating because they have no money. Sanctions are sometimes imposed for the crime of arriving only a few minutes late for a jobcentre appointment following a hospital appointment.

There is no confidence in the current sanctions regime. It is both incompetent and brutal. There needs to be a full and independent review to restore some kind of confidence in the whole system. It is therefore completely irresponsible to expand the use of sanctions under universal credit to claimants in work.

Conditionality of benefits is being trialled for some of the in-work elements of universal credit. The New Policy Institute published a report into sanctions last year, which said:

“The expansion of conditionality under Universal Credit could see a substantial increase in sanctions: if sanctioning occurred at the same rate as for JSA claimants, then the number could almost double, with an additional 600,000 sanctions.”

It is surely inconceivable that people in work could be left in such a situation because of a Government policy that is supposed to support them for doing the right thing, but that is what will happen unless the Government think again.

To say the least, there has not been a smooth transition to universal credit for people in the north-west region. I do not have enough time to outline the range of problems that we have faced as a result of being the guinea-pig region for the Secretary of State for Work and Pensions.

Mary Robinson (Cheadle) (Con): Does the hon. Lady not agree that behind the roll-out of universal credit is the desire to help working families, to get people back into work and to fulfil the aspirations that people have for their lives and their families, and that it would be much better for us to support that aspiration, support universal credit and iron out all the operational difficulties that she has highlighted?

Marie Rimmer: Universal credit was supposed to simplify the benefits system and increase incentives to work. It has not simplified the benefits system. People have to wait longer, and very often the assessments that they receive are wrong. How does it incentivise people to work if they are subjected to cuts that they would not have been subjected to previously? We have experienced neither benefits being simplified nor incentives to work being increased.

The cuts to the work allowance will destroy the basis of the new system and any incentive or encouragement to work. The Minister said that no one would lose a penny, but now the Government are saying that people should work for three to four hours more a week—200 hours more a year—to be no better off. How does anyone find three to four hours more a week for an adviser to help them when they are in full-time employment anyway?

This change will hit the people who most need help. I urge the Government to stop, think and implement something that will work. They should think again before pursuing these devastating cuts, and, importantly, they should put transitional protection on a legal footing. Until someone’s earnings reach the universal credit work allowance scheme limit, their transitional protection should be put on a legal basis. That is what I ask for.

9.44 am

Graham Evans (Weaver Vale) (Con): Thank you, Mr Nuttall, for calling me to speak in this important debate. It is a pleasure to serve under your chairmanship.

I pay tribute to the hon. Member for St Helens South and Whiston (Marie Rimmer) for bringing this important debate to this Chamber today. In the last Parliament, it was my privilege to work for three years on the Work
and Pensions Committee. We conducted an investigation and produced a report on the introduction and roll-out of universal credit, and we visited jobcentres in the Greater Manchester area. Indeed, we also conducted an investigation at about the same time into jobcentres themselves, which was overwhelmingly welcomed by the people at the sharp end—the people who work in jobcentres.

A couple of weeks ago, I visited two local jobcentres—one in Runcorn and one in Northwich—and the staff told me that universal credit made it a lot easier to help people to get into work, particularly the long-term unemployed. Together with the changes that the Government have introduced to tax, which effectively take some of the lowest-paid people out of tax altogether, universal credit helps people who have been unemployed for a long time. There is a clear incentive to work, because people can keep more of their pay. The Government intend to introduce a system whereby people can earn £12,500—just over £1,000 a month—before they start to pay income tax.

Chris Green (Bolton West) (Con): Does my hon. Friend agree that this change marks a profound shift in the welfare system? As many people would expect, the welfare system is now a mechanism to help people into work, as opposed to a catchment for people to remain unemployed.

Graham Evans: I absolutely agree with my hon. Friend; he hits the nail on the head. This change is about enabling people to stand on their own two feet and to get away from the welfare culture that grew under the 13 years of the previous Labour Administration. When Labour introduced tax credits, they were going to cost £4 billion; the figure is now £30 billion. That is simply unaffordable. As a nation, do we pay money to people for not working or do we encourage them to stand on their own two feet and get a job? And as I say, the tax incentive means that people can earn about £1,000 a month before paying tax, because Conservatives believe that people should keep more of their earnings.

Fiona Bruce: Perhaps it is also good to remember that this Government are going to double the amount of free childcare to 30 hours a week, which for working parents of three and four-year-olds is worth about £5,000 a year per child. More than that, even for those on universal credit there is help. Universal credit currently covers up to 70% of eligible childcare costs, but from April that will increase to 85%. That is a huge difference, worth £1,368 per year for every child.

Graham Evans: I am most grateful for that intervention; my hon. Friend makes a very powerful point. As I have said, jobcentre staff say that the changes that the Government have introduced to simplify welfare and benefits, and the incentive to work, enable those people who are unemployed to get into work quickly. And for long-term unemployed people who have been on benefits for many years, there are now clear incentives to get into work, because they will keep more of the money they earn; universal credit enables them to keep more of what they earn.

Nick Thomas-Symonds (Torfaen) (Lab): It has emerged clearly from this discussion that there needs to be greater awareness of the cuts to the universal credit work allowance that are coming in this April. Let me just give the example of a single parent—say, a single mother—with one or more children. That allowance will be halved from April from £8,808 to £4,764, which is a reduction of £4,044. In cash terms, that working mother will lose £2,628 from this April. How on earth is that an incentive to work?

Graham Evans: We have to look at the whole scheme. We have to look at the fairness to those in receipt of welfare and benefits, but what we never hear about from Labour Members is that the scheme has to be fair to the people who pay for it, who are the hard-working taxpayers. If we look at people who are working—[ Interruption. ] I know it is controversial to talk about the people who actually contribute and pay for welfare, but we have to look at the people who make the decisions to work hard and work full-time. The examples that people always look at are of people who work part-time, and their income is topped up. Well, we have to look at the decisions of people who work hard every day. They have to work full-time—work, work—and make those decisions and pay taxes, which go into the welfare system.

Several hon. Members rose—

Graham Evans: I will give way to the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) and then I want to make some progress.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I intend to make a speech, and I appreciate the hon. Gentleman’s courtesy in giving way. I gently say to him—that is important in a debate on universal credit—that Britain is not divided into two groups of people: those who pay taxes and those who receive welfare benefits. It is a lot more complicated than that. The point of universal credit was actually to allow a seamless transition between the two to support people. The point of this debate should be to point out that that transition is not working so far in the initial roll-out of universal credit. That is where the attention needs to lie in a discussion such as this.

Graham Evans: As always, the hon. Gentleman makes a powerful point. I am not saying that the system is perfect. Under the Labour Government, the welfare system was very complicated. In the previous Parliament, the Government tried to make it simpler and fairer for people in receipt of welfare while also making it fairer for the people who pay for it—hard-working taxpayers. Not for one minute am I saying that the system is perfect, but the people who work in Jobcentre Plus tell me that universal credit makes it a lot easier and simpler for them to help people, particularly the long-term unemployed, to get into work. That is the evidence in my constituency.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

Graham Evans: May I make a bit of progress first? I have actually got a speech here. Everyone with the ability to work should be given the support and opportunity to do so. The previous system wrote too many people off for too long, and too many people were left in a cycle of welfare. The point behind
the reforms is to break that cycle. The roll-out of universal credit will fundamentally transform the welfare benefits system in Britain and the north-west, making 3 million people better off and bringing £33 billion in economic benefits to society. Universal credit will simplify and streamline the welfare system, improve work incentives, tackle poverty among low-income families and reduce the scope for error and fraud.

The hon. Member for St Helens South and Whiston gave some powerful examples. I am not saying that errors do not happen; of course they do. Things are not perfect, but other nations around the world are looking at the welfare reforms that the previous Government introduced and are considering doing the same. Since the introduction of universal credit, unemployment in the north-west has fallen by 50,000—more than 30%. Unemployment in my constituency has more than halved in the same period. While that fall cannot be solely attributed to universal credit, its roll-out has had a part to play in that success, and it will continue to play a major part in entrenching that success as the roll-out continues.

Jim Shannon: The hon. Gentleman is making powerful points, but I am sure that he recognises the concerns of those of us on this side of the Chamber. Government Members may share those concerns, to be fair. Society is marked by its attitude to those on low incomes and the less well-off. In this House, we have a duty to them as well as to taxpayers, who provide income. Does he accept that universal credit is causing undue delays for many of my constituents and those of other Members in the Chamber? There is a knock-on effect on those receiving benefit with the changes to their income tax, tax credits and housing benefit. Some people are without money for periods of seven, eight, nine or even 10 weeks. There has to be something wrong with a system that cannot respond to the needs of those on low incomes when they need it most.

Graham Evans: I am most grateful to the hon. Gentleman. There is a lot of evidence that delays are there, and those delays are unacceptable for the individuals concerned. I will not attempt to defend that. The system is not perfect, but any individual cases should be brought to the attention of the Member of Parliament, but certainly to the attention of Jobcentre Plus and the benefits agency. Those cases should be looked into and investigated.

People claiming universal credit are 13% more likely to be in work than people claiming jobseeker’s allowance. They are earning more money and are more willing to take a job. One constituent of mine, a hairdresser, was complaining. She said, “At this time of year, I usually get a rebate on income tax, but because I now have a far better personal allowance, I do not have that problem.” She is keeping more of her hard-earned money. That is what the Government are helping the lowest-paid to do.

Employment has been the Government’s real success. A thousand jobs were created each and every day during the last Parliament. That represents 2 million jobs over that period. The Office for Budget Responsibility predicts that a further million jobs will be created over the next five years. This country is the economic powerhouse of Europe. Yorkshire is creating more jobs than France, and that is why so many people want to come here. We have good quality, well-paid jobs, and the living wage is being introduced. We have a far better working environment than many other countries in the European Union. That all indicates just how successful the Government have been at getting people off benefits and back into work. There are so many opportunities in all our communities, and it is important that we expose those opportunities to those looking for work.

Crucial to the Government’s success has been the support towards childcare costs for parents, as my hon. Friend the Member for Congleton (Fiona Bruce) pointed out. Under universal credit, there is additional cover for childcare costs for parents, with up to 70% of childcare costs covered regardless of hours worked. That will be increased to 85% this year, with a monthly limit of £646 for one child and more than £1,000 for two or more children, helping more parents into work. When my children were younger, I remember Mrs Evans saying, “It is pointless me going back to work because of the childcare costs.” I know that the cover for childcare costs is an important step forward in helping working mums to work longer and keep more of their money.

The ethos of “It pays to work” is built into the DNA of the Government’s reforms, particularly universal credit. I have no doubt that as universal credit is rolled out further, we will continue to see more and more people getting back into work. The hon. Member for St Helens South and Whiston referred to the region as a guinea pig, but I am comfortable and proud that the north-west has led the way. I was particularly pleased when universal credit started in my jobcentres in Weaver Vale, because it made a massive difference. I pay tribute to the hard-working staff at Runcorn and Northwich jobcentres for the fantastic work they do helping people back into employment. They are a great example of best practice, and their hard work was recognised by the Secretary of State for Work and Pensions when he visited the jobcentre in Northwich at the end of last year. He gave the staff an award for the number of people they had helped back into work. The staff at Northwich jobcentre have told me that the introduction of universal credit has made their job easier.

A lot of people come into Weaver Vale to work. As the MP, I am puzzled why people travel great distances to work in my constituency yet I still have unemployed people. One of my challenges is to get my constituents to take the jobs that are virtually on their doorstep. That is why, when I became the MP, I started my jobs and apprenticeship fairs. The fifth will take place next month. The first time I did it, there were a lot of unemployed people, but that number has halved over the past four or five years. It is the harder-to-reach people who are left. The companies that come to my jobs fairs are fine-tuning their job offers for people who perhaps have not been in work for a long, long time.

I was most privileged to have the John Lewis Partnership come into Northwich. I am sure Members will agree that Waitrose is a fantastic organisation. When it came, it said, “We will guarantee that 30% of interviews will be for local people.” That was only an interview, not a job, but it was so impressed with the calibre and the quality of the interviewees that it ended up with more than 50% of its employees being local people. Some of those people had been long-term employed, but Jobcentre Plus had worked with the local authority and Mid Cheshire...
College, training the people for job interviews, CV filling out and what retail employers are looking for. That was a great example of organisations working together to get the long-term unemployed working for the great company that is the John Lewis Partnership. That 50% figure is an achievement of which we can be proud. The reforms are transforming the lives of some of the poorest families in our communities and giving people the skills and the opportunity to get on in life and stand on their own two feet.

I am keen to move Weaver Vale—indeed, Great Britain—from a low-wage, high-tax, high-welfare economy to a higher-wage, lower-tax, lower-welfare country. I support the Government’s reforms in welfare and universal credit. The system is not perfect, but it is far better than that attempted by the previous Government. I believe it is working, as proved by the reduction in unemployment, the growth in wages and the quality of the jobs now available in this country.

Mr David Nuttall (in the Chair): Will people who wish to catch my eye please stand?

10 am

Yvonne Fovargue (Makerfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Nuttall. I congratulate my hon. Friend the Member for St Helens South and Whiston (Marie Rimmer) on the eloquent way in which she put the concerns of her constituents—indeed, all our constituents—about universal credit, particularly the changes to the working allowance, which will disadvantage working people. That bears saying once more. Such people are taxpayers. There are not two groups—people who pay tax and people who get benefits—because people move in and out. They pay tax and they deserve support, but they will lose money. Some 20,000 people working full time in my constituency will lose money by 2020. That is appalling.

However, as I represent a pathfinder authority, I want to move on to the difficulties caused by the universal credit roll-out and the lessons we can learn to make sure that it goes more smoothly in the rest of the country. Call me cynical, but I worked in the Citizens Advice Bureau from 1986 and I saw the change from supplementary benefit to income support. We now have universal credit. The aim was always to simplify, not to make things more complicated. The basic fact is that people’s lives are not simple. Lives are complicated and a system has to be devised that deals with the complications and issues that people have at different times of their lives. Certain problems with universal credit have been highlighted in the roll-out, such as the mismatch in budgeting periods and the six-week universal credit waiting period.

I take issue with what the hon. Member for Weaver Vale (Graham Evans) said about everyone who is in work being paid monthly. In fact, only half of low-paid workers are paid monthly. Many are paid weekly or fortnightly, so they do not have a cushion to rely on when they first claim universal credit. Anyone who is paid weekly will have one week’s money to manage on for five or six weeks.

There is some difficulty in claiming advance payments, and people are loth to do so. We have seen a rise in debt of 42% over the past six months. People go to payday lenders and suchlike to cover that period of time. There are other delays, without the additional delays in receiving payments. According to the Citizens Advice report, three in 10 have experienced a delay of more than a week beyond the standard five weeks. One in 10 wait more than nine weeks and some wait for four months, owing to administrative problems. I accept that things go wrong, but we can look at what happens when things go wrong and at how we can improve that for people.

Confusion about the council tax reduction needs to be looked at, but the major effect of delayed payments has been the increased use of food banks. My local food bank, the Brick, has reported that the majority of people visit because of sanctions and waiting for universal credit—that includes people who are in work. That is a key finding of the survey, which found that 80% have difficulty paying essential household bills such as rent and utilities during these periods. Wigan and Leigh Homes has said that rent arrears have gone up since universal credit came in. People do not realise that they are getting all their money, which is another issue. Many people have been pushed into debt simply because of universal credit.

My local citizens advice bureau reports a much greater level of debt among universal credit claimants compared with the claimants of the past legacy benefits. Some 63% of people say that they have difficulty buying food and feeding their families—a basic human need—which means that the rise in food banks is related in some way to universal credit. I do not think that that can be denied.

I remember claiming a benefit when my husband walked out on me and I had a young child. The whole situation was appalling. I went to the Benefits Agency and felt pretty bad at having to claim benefits. If I had had to go to a food bank as well to feed my family, how would that have incentivised me at that particular period in time to seek work? I was fortunate. I managed to find work within three months, but if I had had to rely on a food bank and wonder where the next meal was coming from for me and my daughter, I am not sure I would have been able to concentrate as much on finding work.

A claimant in my constituency went to my local CAB because they were sanctioned for hundreds of days—not a short period—because they were passed backwards and forwards between jobseeker’s allowance and employment and support allowance. Both teams said my constituent was not eligible for benefit. Ultimately, that person received £4,000 in backdated benefits, and universal credit was put back into regular payment. It is very nice that they got £4,000 in backdated benefits, but how on earth did they manage to feed their family during the time when they were owed £4,000 by the Government?

We need a way to resolve such problems. I would like a universal credit claimant champion, as recommended by Citizens Advice—someone who can look at difficult cases and take responsibility for them. Part of the problem is the fact that no one takes responsibility and people are passed back and to. I do not know about other hon. Members, but I have certainly seen an increase in the number of people coming to my surgeries about universal credit problems since we became a pathfinder. They have to go to their MP because we have a helpline, but advice agencies should have a dedicated helpline. I want to plead for extra funding for advice agencies. Since the changes to legal aid in 2010 when welfare benefits were no longer seen as a legally aidable necessity,
less advice has been available from such agencies. Indeed, welfare benefits specialists are having to find other work. We are losing our expertise.

We should have a review before the full roll-out to make sure that when things go wrong, they are quickly resolved and we do not get into a situation in which people are paid huge sums of money backdated, but wonder how they live in the meantime.

The helpline has an 0345 number, which is charged at a fairly high rate on prepaid mobile phones. Constituents have told me that they have run out of credit using their mobile phones to ring an 0345 number, because they have been passed back and to. As I have said before, we need a local number. There should be a freephone number. There should be more phone lines available in offices. Freephone numbers should be available so that people can use the few phone boxes that are available to ring the universal credit number.

**Mr Nigel Evans** (Ribble Valley) (Con): I fully accept what the hon. Lady says. It is absolutely right that we should have a system whereby people are not penalised for phoning to get information or assistance. Perhaps a system should be set up where the person is able to use a freephone number. If not, perhaps they could send an email and be called back free of charge. I do not believe people should be penalised.

**Yvonne Fovargue**: I agree, but, as for sending emails, the local authority did a survey to see how many people in Wigan use the internet regularly and found that 30% have never accessed or even looked at the internet. We need to think about those people. When we look at digital by default as a way of claiming, we need to provide more help for people to claim in other ways and not penalise them with a delay.

**Graham Evans**: The hon. Lady is making powerful points and I do not disagree with a lot of what she is saying. My hon. Friend the Member for Ribble Valley (Mr Evans) also just made a very good point. On digital by default, when I left school there were no computers. I have had to learn how to use computers throughout my life, so I know how difficult it is for people of a certain age to gain access to the internet. Even now, I am not perfect—my children are far better. Does the hon. Lady agree that, in the 21st century, if someone is unemployed and looking for a job but is not very good with the internet and computers, they will not find many jobs in which some form of computer use would not be required at a basic level? It may be that 30% of the hon. Lady’s constituents have never accessed the internet, but as much help as possible should be given to that 30% to enable them to apply for jobs, because I am pretty sure that computers will be involved.

**Yvonne Fovargue**: I do not disagree, but in the meantime people should not be penalised by having to seek help to claim the universal credit benefit because it is digital by default. If they want help to claim, there are agencies that can help, but there is often a delay in receiving an appointment for that. People should not be penalised because they have to wait to claim universal credit simply because they do not have access to a computer. That is another issue to look at.

When claims are refused, people are sometimes confused about why. Again, a helpline number—an 0800 number—would be extremely helpful for those people. When it gets complicated, there should be a named person to help them. I do not think anyone would disagree with the idea that we want to make the system as simple as possible. We know that people’s lives are complicated and that they move in and out of work, particularly those in low-paid work. Anything that makes the transition more simple should be looked at carefully.

**Fiona Bruce**: The hon. Lady has made a number of valid points, and I have great respect for her. We worked together as councillors on Warrington Borough Council and I know that she has in-depth knowledge of the subject, beyond that of many Members, but as I understand it, as part of universal credit a named personal contact is now being offered to help individuals to seek work, as well as to ensure that they access the right benefits.

**Yvonne Fovargue**: Although there is someone available to help them to seek work, I am looking for someone to help when things go wrong—someone with a detailed understanding of the universal credit system, not someone who perhaps has more knowledge of the work environment. People need someone to talk to about the complexities of the universal credit system and how it relates to council tax benefits and local authorities—all the major issues—rather than simply a work adviser.

Trying to make things simpler with universal credit is a laudable aim. We need to look at what has happened in the pilots and how the system can be made to work. I cannot finish without also saying that we need to look at how universal credit can incentivise people to work, which is certainly not done by cutting the work allowance and giving people less incentive to find work.

10.13 am

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): It is a pleasure to see a fellow north-west MP in the Chair for this important debate, Mr Nuttall. I congratulate my hon. Friend the Member for St Helens South and Whiston (Marie Rimmer) on securing the debate, and indeed on the impressive work she has done since being elected to Parliament. St Helens is a place with similar issues to my borough, Tameside, so it is excellent that she is raising them.

My hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) is also present. She, too, represents Tameside, which was a universal credit pathfinder area, so we were one of the first parts of the country to experience some of the problems related to it. No matter what political perspective a person has going into the debate on welfare rights and the welfare system, it is important to listen to relevant experience, where it exists, of how universal credit has functioned so far. I should say at the outset that I completely support the goal of simplifying our welfare system—I do not think anyone in this country would not want that.

Like many Members, I use the Child Poverty Action Group handbook to help constituents when they come to me with problems. The handbook is sometimes referred to as the bible of welfare rights; indeed, it is the same size and written in a similar font as the Bible. That indicates the complexity of the system, so of course people should be trying to simplify it. However, as my
hon. Friend the Member for Makerfield (Yvonne Fovargue) said, we cannot get away from the reality that many people lead complex lives and have complex needs. The system must function in a way that gives them the support they need.

A number of the issues that come up at my constituency surgery that I wanted to raise have already been mentioned, but they are so important that I want to reiterate why they are key to making the system work properly. The first one is the first payment that people get. In my experience, there are immediate problems for people when they try to access universal credit because of how the system is designed. It is not a teething problem with the roll-out, but a structural flaw in how universal credit has been created. A lot of people are immediately put into a position where they struggle to afford food and heating. That simply does not seem to tally with the goal of supporting people into and out of the workplace. Instead of giving them a professional and efficient service when they need it, it often robs them of their dignity and puts them into crisis.

Like other Members present, at times of my life I have had to access support from the welfare system, particularly the tax credit system, which is almost always the case for those who have children at quite a young age. It did not lead me into a life of welfare dependency—it arguably led me to a worse life, as I ended up here in the House of Commons. Nevertheless, that is an important point, because so much of the Government’s rhetoric is based on the assumption that there are two sets of people in the country: an underclass of welfare recipients who must be punished and whipped back into the workplace, and everyone else who suffers from having to pay for the system. If that is the Government’s mindset going into the designing of a welfare benefit, the welfare system will simply never be designed in an appropriate fashion to meet the objectives of the people who have been described in this debate.

Mr Nigel Evans: I am glad that the hon. Gentleman has brought up the question of whether that is what the Government intend, because the answer is clearly no. The greatest dignity that we can give to anyone is the dignity of work and employment. That is the main thrust of what the Government want to see. Getting people off benefits and into full-time work will provide them with dignity and give their children a role model to follow.

Jonathan Reynolds: I do not doubt the hon. Gentleman’s motivation. Before the debate we exchanged some comments about that sense of there being a group of taxpayers paying for the welfare system and a group of people in receipt of welfare benefits. That is not the way to design a welfare system. We cannot do it in a way that divides the country so simply into those arbitrary classifications. Indeed, if we do that, it is impossible to design an effective system.

I mentioned the issues relating to the first universal credit payment. People have to wait a long time, because it is designed to be paid five to six weeks in arrears. As the hon. Member for Weaver Vale (Graham Evans) said in an intervention, the assumption is that they are in the workplace and receiving a monthly salary in arrears, so they will have that support before receiving universal credit. I say this completely genuinely: that is not how the economy of my constituency works. A great many people are still paid weekly or fortnightly. A lot of people have different levels of income week by week because of zero-hours contracts. That does not seem to have been considered in the level of detail required to design how and when people will receive the support that they need.

Delays occur in any bureaucratic system, but there is an even bigger structural flaw in universal credit that I have heard about several times in my constituency surgeries. If someone applies for universal credit on the wrong day—perhaps one or two days before they really “should” apply; in other words, when they have lost their job but before they have received their final pay cheque from their former employer—the system becomes disastrous for them. We must bear in mind that a lot of people, on finding out that they are going to be made redundant, would go to the jobcentre to look at the available support. If they apply for universal credit but receive a further pay cheque from their employer, they will wait not five to six weeks but 10 to 11. That is an enormous problem that must be looked at. If that happens—if someone has to know exactly when to apply for the support to which they are entitled—it will go far beyond the current level of complexity. That would have to be sorted out before any national roll-out.

I have raised those points because we have to find a way to get a supportive system that copes with people going into and out of the workplace—regular or temporary work—in a way that does not completely reset the system and cause all kinds of problems if they then go back into work. That is what I mean when I say that we should not split the country with an arbitrary classification of those in work and those out of work and receiving welfare benefits.

Whenever problems with universal credit are raised, the Government say that advance payments can sort out all the problems, whether with housing arrears, heating or food. That is the first question I ask people who come to see me with problems with universal credit, and a lot of them tell me that they have not been told about the advance payments system. I do not know what the experience of other hon. Members is, but advance payments do not seem to be programmed into the initial assessment. If a person does not know about the advance payment system, they have an even bigger problem, because they cannot claim an advance payment if they are a number of days past their initial assessment. If people accessing unemployment benefits for the first time face a confusing system that does not give them the funding they are entitled to, given that they have paid into the system, and that prevents them from getting back into the workplace, that is not an improvement on the current system. There has been a lot of party political advertising of the employment rate, the Government’s successes, childcare and all that, but we need to look at these genuine, serious problems.

Despite the objective of simplifying the system, the roll-out would have been disastrous in my area if it were not for our welfare rights advisers. To my mind, the staff of Tameside citizens advice bureau are absolute heroes. The reality is that that kind of support is being stripped from all communities. Law centres and citizens advice bureaux are closing. If the system is to work, we have got to give people impartial, fair advice. The hon. Member for Ribble Valley (Mr Evans) made a fair comment about how people can get in touch with
universal credit across the isles, the implications of what is said this morning stretch much further than the north-west. I congratulate her on her very good speech. She rightly did not shirk the opportunity to give the Government a kicking on their record on this matter. I pay tribute to other hon. Members who contributed. In particular, the hon. Member for Makerfield (Yvonne Fovargue) delivered a very powerful speech.

There are a great many issues at play around the changes to universal credit and the roll-out in the north-west and further afield. SNP Members are fundamentally concerned about the removal of the work allowance, which underpins the potential success of universal credit and the aim to support people into work and make work pay. We are also concerned about the monthly payment regime. Support for housing benefit recipients will not go directly to landlords, and payments will be made to households, rather than individuals.

Graham Evans: Will the hon. Gentleman give way?

Neil Gray: I will make some progress; I am just starting.

Pilot projects across the country have shown that those areas of concern are problematic. That has been highlighted by a raft of third-sector organisations in reports on this subject. In principle, universal credit sounds tempting. We are told that it is a smooth, streamlined system to assist low-income families. However, as has been emphasised today, in reality it is fraught with flaws, and low-income families are the casualties of the Tories’ poor economic choices and ideologically driven cuts. The ineffective and costly roll-out of the system to date highlights the need for an urgent rethink of these draconian policies.

Universal credit was first introduced as a pathfinder in Ashton-under-Lyne in April 2013. New claims were taken from single unemployed people who satisfied the gateway conditions. The pathfinder was then extended to three other areas in the north-west—Wigan, Warrington and Oldham—in July 2013, and in the summer of 2014 universal credit was expanded to a further 29 areas in the north-west for single people and couples who satisfied the gateway conditions. After a relaxation of the constraints on single people claiming between September and December 2014, universal credit was expanded to cover all parts of the north-west of England. New claims from families with children have been accepted in some areas, and since last January new claims from families with children have been accepted throughout the north-west.

The north-west was the first area in which universal credit was rolled out to all jobcentres. Of the 155,568 claimants at mid-November 2015, 77,378 were in the north-west, and of those, 26,521 were in employment and 50,855 were not in employment.

Graham Evans: May I go back to a point that the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) made about treating people like children? The hon. Member for Airdrie and Shotts (Neil Gray) mentioned paying housing benefit directly to the landlord. Are we not treating people like children if we do not think they are able to pay their housing benefit to their landlords? Surely people in receipt of benefits are perfectly capable of paying their landlords.

Graham Evans: It is treating them like children.

Neil Gray: It is not treating people like children. I totally disagree with that. People in such circumstances often live chaotic lives. Sometimes, although not always, they do not wish to have the responsibility for managing that extra level of financial responsibility. A great many people in my constituency have told me that they would far rather know that they have a roof over their head that is secure regardless of what happens elsewhere, and that they would rather see their benefit paid directly to their landlord. People should be given the choice over that matter, and at the moment they are not. It is being paid to them, and they are being given the responsibility, which is not always welcome.

Jonathan Reynolds: I want to clarify for the record that my comment about treating people like children referred to people who have worked for 20 or 30 years and are forced to fill in a graph to show how many jobs they have applied for that day and that week. I do not think that is an appropriate way of treating people who have been in work for a long time and have lost their job; they should be treated with respect and dignity. On the point about paying housing benefit directly to landlords, I believe that there should be a choice. If people want to manage their money themselves, that is fine. There has been a huge increase in housing arrears in every area in which universal credit has been rolled out, which causes huge problems for everybody else because it has to be covered in some way. If that can be alleviated by paying housing benefit directly to landlords, I see no reason why that option should not be available to people.


The New Policy Institute's report “The rise of sanctioning in Great Britain”, which was mentioned by the hon. Member for St Helens South and Whiston, states:

“The expansion of conditionality under Universal Credit could see a substantial increase in sanctions: if sanctioning occurred at the same rate as for JSA claimants, then the number could almost double, with an additional 600,000 sanctions.”

That is very concerning. The Institute for Public Policy Research, an independent think-thank, found that low-income families in Scotland will face an £800 a year cut in their income by 2020 following the UK Government’s cuts while the richest 40% will see their incomes rise as a result of tax cuts.

A number of National Audit Office reports have come to damming conclusions about the ongoing universal credit transition, highlighting the early setbacks, missed targets and overspending. The numbers simply do not lie: 17,850 claimants were on universal credit in October 2014, but the Government had planned to have 500,000 claimants on universal credit by April this year and 7 million by December 2019. Not only does that show that the Government are completely missing their own targets, but they are spending huge budgets, wasting vital funds that could be better spent supporting poor families who are struggling to make ends meet. Indeed, the NAO published a report in May 2015 entitled “Welfare reform—lessons learned”. Speaking about the report, Amyas Morse, head of the NAO, said that the DWP, “has had to learn some hard lessons with significant financial and human costs.”

Fiona Bruce: The hon. Gentleman has reeled off reams of statistics during his speech, but the key statistic is the legacy of the previous Labour Government: nearly one in five households in our country had no one working at all. That in no way brought dignity to those households, those families or their communities. Should we not be addressing that statistic as a priority?

Neil Gray: Where people are capable of working, it is right that we should encourage them to do so. However, the problem with the changes that the Government are implementing through universal credit is that they are removing the work allowance, which is the only incentive to work in universal credit. It underpins the incentive to get into work and to remain there. Taking that away removes the premise that work should pay, which is a sad situation.

The DWP has said that universal credit will be simpler for claimants and will be treated like a wage for individuals, readying them for work. In reality, there are complex problems that will ultimately see less money in people’s pockets and more difficulties accessing adequate financial support. Analysis of the autumn statement by the IFS found that the benefit system is still much less generous in the long run, pointing out that universal credit now represents an additional cut on top of other changes, including the cut to benefit entitlement, of £3.7 billion a year in the long run. Some 4.5 million working families will be affected by the introduction of universal credit, and 2.6 million will lose an average of £1,600 a year.

This is where I must disagree with the hon. Member for Weaver Vale (Graham Evans) and where he missed the point in his contribution. People are being encouraged into work, which is right for those who can work, but removing the work allowance aspect of universal credit takes away the only incentive to work. He also made the point that the social security system needs to be fair for those who pay for it, but he perhaps forgets that those in receipt of the universal credit work allowance are in work.

Graham Evans: They are taxpayers.

Neil Gray: Absolutely. They are taxpayers.

Some 1.8 million non-working families will be affected by the introduction of universal credit, and 1.2 million families will lose an average of £1,000 a year. Over recent months, the focus of much discussion has been on tax credits, but changes to universal credit will also have profound effects. The Government’s so-called U-turn on tax credits is nothing more than a delay tactic, with the pain to be felt in the next few years under universal credit. Support for working households on low incomes getting universal credit was also reduced in the summer Budget. Ian Mulheirn of Oxford Economics said that,

“this may be a U-turn in April 2016, but it doesn’t look like a U-turn by 2020.”

In conclusion, the Scottish people voted in May 2015 for an end to austerity when they voted for the SNP. They deserve the leadership they voted for and not to face the social security storm that the Tories are brewing. The failures of the UK Government to give us full power over universal credit have left our country picking up the tab for the Tories’ poor economic choices and shoddy governance once again.
10.34 am

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Nuttall. I warmly compliment my hon. Friend the Member for St Helens South and Whiston (Marie Rimmer) both on securing the debate and on the dignified, cogent and passionate way in which she put her case this morning.

The hon. Member for Weaver Vale (Graham Evans) spoke well about the staff whom he had spoken to at a Jobcentre Plus office in his constituency, my hon. Friend the Member for Makerfield (Yvonne Fovargue) made an excellent speech, drawing on her experience at Citizens Advice in the 1980s and speaking powerfully about the sad explosion in the number of food banks in this country since 2010.

I am grateful to my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) for his speech, in which he spoke well about the complexity of the modern economy. He made a powerful point about our need to draw on experience, and any well thought out, coherent and simple policy is to be welcomed. I may even give him a shorter book to read in due course. There were also interventions from my hon. Friend the Member for Salford and Eccles (Rebecca Long Bailey) and the hon. Members for Congleton (Fiona Bruce), for Cheadle (Mary Robinson), for Bolton West (Chris Green), for Strangford (Jim Shannon) and for Ribble Valley (Mr Evans).

Much of today’s discussion has been about the language with which the debate is conducted, and I am extremely concerned about the language framework that the Government use. The Chancellor of the Exchequer said he was concerned about the language framework that the debate is conducted, and I am extremely concerned about the language framework that the debate is conducted, and I am extremely concerned about the language framework that the debate is conducted.

Mr Nigel Evans: What was appalling under the previous Labour Government was the high level of unemployment, which meant more people spending time with the blinds down. Under this Government, employment has reached record levels, unemployment has dropped, and far more people are earning more money than ever before. Is that not bringing dignity to the British people?

Nick Thomas-Symonds: I will come to people earning more than ever before in a moment. I make no apology for a Government who introduced the national minimum wage or for wage growth in the Labour years. This decade risks becoming the lost Tory decade, with wage growth lower than at any point since the 1920s.

The hon. Gentleman wants to talk about money in people’s pockets. I have already spoken about the effects of the cuts to the universal credit work allowance on single parents from this April, so shall I use some other specific examples? Take a couple, living and working together, one or both of whom has limited capacity to work as they are disabled. For them, the work allowance will be cut from £7,700 to £4,700, a loss in income of £3,000. That is for people who are actually in work. To take another example, single individuals will essentially lose everything, with a reduction of £1,332, at a net loss to income of £865.

When universal credit is damaging and attacking people in work, it is in danger of undermining the aims that it was set up to achieve. If Government Members do not want to take my word for that, let us take the word of the Social Mobility and Child Poverty Commission’s “State of the nation 2015” policy paper, published on a big date for dumping things just before Christmas, 17 December 2015. The paper is available on the Government website if any Members want to see it.

The commission stated: “The immediate priority must be taking action to ensure that the introduction of Universal Credit does not make families with children who ‘do the right thing’ (in terms of working as much as society expects them to) worse off than they would be under the current system. That means reversing the cuts to Universal Credit work allowances enacted through the Universal Credit (Work Allowance) Amendment Regulations 2015 before they are implemented in April 2016.”

That is what the commission says should be the priority from this April.

Graham Evans: The hon. Gentleman is right to point out that the Labour Government introduced the national minimum wage. I supported that outside this place, as did many of my Conservative colleagues. This Government, however, are introducing a national living wage and—that is the key thing, which is lost on the Opposition—are keen for people to keep more of their own money. That is why the personal allowance has increased, taking the lowest-paid out of income tax altogether. He might remember Gordon Brown’s fiasco with the 10p tax rate, which penalised the lowest-paid workers in the country. The system is complicated, yes, but the underlying mantra is that it always pays to work. Getting low-paid people out of tax altogether is the best way of doing things, so that they keep more of their own money.

Nick Thomas-Symonds: I am interested in history, as the hon. Gentleman might know, but I do not recall the Conservative party in the 20th century supporting a national minimum wage. His personal view might well have been different, but I do not recall his party voting for a national minimum wage—rather, at the 1997 election I remember the Conservatives saying that it would cost jobs. They seem to have changed their position significantly since, which is to be welcomed.

Alec Shelbrooke (Elmet and Rothwell) (Con): Almost 20 years ago.

Nick Thomas-Symonds: If the Parliamentary Private Secretary wishes to intervene, he is welcome to do so.
Mr David Nuttall (in the Chair): Order.

Nick Thomas-Symonds: Perhaps the hon. Gentleman has special permission—I will take it up with him another time.

Another unfortunate pattern is the Conservative party putting forward various mitigations for its Government’s cuts. The latest one was on 6 January, when the Under-Secretary of State for Justice, the hon. Member for North West Cambridgeshire (Mr Vara), tried to defend the cuts to the work element of the universal credit, saying, “let us not forget, the fact that every time we fill up our tank with petrol there is a saving of £10 because of the freezing of the fuel duty.”—[Official Report, 6 January 2016; Vol. 604, c. 342.]

Back in the 1980s the Conservatives’ answer to the unemployed was, “Get on your bike,” but in 2016 it seems to be, “Fill your car.” That is the level of debate we have reached.

Confidence in the roll-out is another enormous issue, as my hon. Friend the Member for St Helens South and Whiston indicated. Let us not forget what the Secretary of State for Work and Pensions said in a press release on 1 November 2011:

“Over one million people will be claiming Universal Credit by April 2014.”

The actual number reached by November 2015 was 155,568. The hon. Member for Weaver Vale said with delicious understatement that that was not perfect. I have to agree—less than one fifth of the target had been reached. According to the independent Office for Budget Responsibility, the number will not exceed 1 million until April 2018, four years late. Does that not show the delicious understatement that that was not perfect. I have to agree—less than one fifth of the target had been reached.

According to the independent Office for Budget Responsibility, the number will not exceed 1 million until April 2018, four years late. Does that not show the situation that we are in today? Given the cuts to the work element of universal credit and the sheer scale of incompetence with the roll-out, are we not in the worst of all worlds, where the Government lack both compassion and competence?

10.44 am

The Minister for Employment (Priti Patel): It is a pleasure to serve under your chairmanship this morning, Mr Nuttall.

I congratulate the hon. Member for St Helens South and Whiston (Marie Rimmer) on securing the debate and on her contribution. I thank all Members present for their good, strong and wide-ranging contributions, including my hon. Friend the Member for Weaver Vale (Graham Evans), for Congleton (Fiona Bruce), for Cheadle (Mary Robinson), for Bolton West (Chris Green) and for Ribble Valley (Mr Evans) and the hon. Members for Stalybridge and Hyde (Jonathan Reynolds) and for Makerfield (Yvonne Fovargue), to name but a few. I hope to cover many of the points they raised.

The debate has been interesting because of its content and the nature and variety of the issues raised. My opening remarks, however, will focus on what the hon. Member for Torfaen (Nick Thomas-Symonds) said. I, too, welcome him to his new role. He rightly highlighted language and its use, which are incredibly important when discussing people, welfare, benefits and access to welfare. However, I do not accept his assessment that the Government use divisive language. I do not see the Government’s focus of ensuring that work always pays and that Britain moves from being a low-wage, high-welfare and high-tax society to being a higher-wage, lower-welfare and lower-tax society as divisive. Nor do I see as divisive the language used by the Prime Minister this week when he announced our life chances strategy, which is to do with this very issue of welfare and transforming people’s lives.

This Government and the Conservative party are focused on helping people with multiple barriers to their life chances, or with difficulties in life, so that they can get back into work or secure their routes to employment, which the debate has touched on. Importantly, we are securing the right kind of opportunities for all individuals. That is the right thing to do and is what all hon. Members seek to do when they are elected as Members of Parliament to represent their constituents.

Fiona Bruce: I am sorry to interrupt the Minister when she is in full flow, as she often is. Will she clarify one point that arose earlier in the debate when the hon. Member for Makerfield (Yvonne Fovargue) spoke about a “named contact”? I confirmed that, under universal credit, as I understood it, a named personal contact will not only act as a work coach, but also, according to the Under-Secretary of State for Disabled People in a debate on 6 January, “help them to deal with their individual case when they are navigating complicated benefit systems.”—[Official Report, 6 January 2016; Vol. 604, c. 302.]

Will the Minister confirm that the named contact will supply the support necessary for people both to access their benefits and to get into work?

Priti Patel: My hon. Friend is absolutely right. Claimants have access to personalised and dedicated support via a named work coach. Indeed, I have been to many of our jobcentres and sat in on universal credit interviews with claimants and work coaches. There is additional support available for claimants who require help with housing and other benefits, arrears payments or even budgeting.

It is therefore worth highlighting how much our welfare system has moved on, compared with the complex and distorted system that existed previously. Many years ago we had a number of benefits but, fundamentally, universal credit has rolled six benefits into one to streamline our system and to make it less complicated. The more complex a benefits system is, as we saw in the past, the more difficult it becomes to support individuals—they spend more time navigating the system than looking for or being supported into work.

All that goes back to some of the fundamental principles of the universal credit: it can support individuals and families not only in having a job, but in their journey to employment. Once they are in work and achieve sustained employment, they get support to secure long-term employment or to work more hours, which removes the barriers that existed under the previous system.

As we have said, universal credit supports individuals to make progress into work in particular. Yes, people are supported by the wages that they earn and benefits they receive at the same time, but, unlike in previous systems, we do not have the barrier of a 16-hour work requirement that may have caused people to restrict their working in order to avoid losing benefits. That is part of the changes brought in by universal credit, which stays with the claimants when they move into work and gradually reduces as their earnings increase.

Therefore, people—in particular those on low incomes—do not lose their benefits all at once.
Nick Thomas-Symonds: Lord Freud has said that there will be an automatic movement from tax credits to universal credit in two situations: “repartnering” and a “new member joining the household”.

Will the Minister confirm that, if someone gets married or has a child, they will be moved from tax credits to universal credit?

Priti Patel: We are clear that people being moved on to universal credit from tax credits will be supported and will not lose out. A fundamental principle of universal credit is that it removes barriers that may have existed and, importantly, it gives people the support they need when they come on to it. That is different from previous systems. It is different from tax credits, for example, which did not provide support for people when they wanted to increase their hours and earnings.

The previous system was fragmented and there was little incentive for people to take up even a few more hours of employment, but under universal credit people can benefit as soon as they start to work. It is a simpler system to understand. It comes back to the point that we have support in our jobcentres to help people to extend their hours of work or, when they are moved on to universal credit, to understand the system and support them.

That is different from what existed before. Under universal credit, no one will have to worry about the Government asking for money back because the real-time information system connects the employer and Her Majesty’s Revenue and Customs on the number of hours worked. That is dramatically different from the situation when tax credits was introduced and millions of low-income families faced uncertainty about owing money back to HMRC at the end of the year. I am sure all Members have dealt with many examples of casework in that area.

I want to come on to the points raised, because I am conscious of time. There is evidence that universal credit is getting people into work and helping them stay in work. We have reviewed universal credit and, as a result of the support that people are given, we see that they spend 50% more time looking for work. We now see more universal credit claimants moving into employment compared with JSA claimants—the sample was less than 1%. Even Citizens Advice said that that was not representative of all claimants on universal credit.

We have an enhanced digital service, which makes it clear immediately that a claim has not been progressed and that further information is needed. Jobcentre Plus and work coaches speak well of the system. I have seen it in action, with the immediate way in which data are exchanged and claims are processed. We have faster electronic payments to allow the Department to make payments via BACS on the same day to minimise further delays, because of course people need to be supported.

I do not agree with the comments made about the report from Citizens Advice, because we know that the research for that was based on anecdotal evidence from a small group of current UC claimants—the sample was less than 1%. Even Citizens Advice said that that was not representative of all claimants on universal credit.

We have universal support working alongside universal credit, which offers wraparound support for those who need it. That comes back to the points raised about no two individuals being the same. Situations are different for claimers and no one can count for the life circumstances of individuals, so universal support provides that wraparound support.

Jonathan Reynolds: It sounds a little inconsistent to say that the Government did not want a big bang approach and want to learn from the roll-out, but then the Minister immediately dismissed one of the most useful and authoritative reports on the roll-out in our area. That report includes a number of cases that, based on my constituency surgeries, are spot on in the problems identified.

Priti Patel: We are clear that we have an agile test-and-learn system. That is not a big bang approach. With all due respect to Labour Members, previous Governments went for the big bang approach on welfare systems and there were consequences: I highlight again the tax credits example.

I will wrap up, because I am conscious of time. In terms of incentives and support, from April we are increasing the amount of eligible childcare cost in universal credit to 85%. That will make a remarkable difference to families. Welfare is about much more than just giving people money. It is about removing barriers for individuals, understanding circumstances and giving people the support they need to get on in life.

10.57 am

Marie Rimmer: I am deeply disappointed that the Employment Minister has not taken the debate seriously. Does she not accept that the language used by the Chancellor and indeed the Prime Minister is unacceptable?
The trouble is, their words are at odds with the outcomes of the Government’s policies experienced by people in this country. She has not accepted that significant changes will remove people from the transitional protection arrangements. She should look at the Library briefing.

I ask the Minister to stop and think again. I ask her not to implement the cuts to work allowances. She should examine and address the real problems experienced out there in the pilot areas, as outlined so eloquently today.

The cuts in the work allowances remove the incentive to work. Transitional protection is not secure, because it is removed if one person leaves the household. There is more inequality and the dividing line is widening. The experience of people in our communities is worsening. There are examples of that in the report commissioned by the Minister’s Government, produced just a couple of weeks ago. She should read that report.

I ask the Minister to take seriously what is being experienced out there in the community and not to make the mess even worse. We are trying to help to improve roll-out across the country. She must examine and address the inequality and outcomes in the pilot areas before that. She should stop and address the problems, and not cut work allowances. Otherwise, there will surely be an outcry right across the country.

Motion lapsed (Standing Order No. 10(6)).
Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for giving way, and it is good to see the Minister in his place. I look forward to a very positive response from him, because we have discussed this matter before.

The hon. Gentleman is right. Defence is very important to our economy in Northern Ireland, where it provides high-tech, skilled jobs for the workforce. It is important that defence procurement is equally shared across the whole United Kingdom of Great Britain and Northern Ireland, and that regions such as mine can receive the benefit. If that is done right, we all benefit.

Mr Carswell: The hon. Gentleman makes a powerful point. I have to say that I am a little nervous about looking at the defence budget through the prism of what it means for jobs. Clearly that is important, but the defence budget’s primary purpose is surely not to act as some sort of Keynesian demand stimulus for a regional economy, but to make sure that our armed forces have the equipment they need to defeat our enemies and keep us safe.

Jim Shannon: We already have established companies in Northern Ireland that deliver the best and give value for money. The point I am trying to make is that they could do more if defence procurement was regionally spread.

Mr Carswell: I agree. If we allocated the defence budget on the basis of value for money, I am sure companies in Northern Ireland would get an enhanced share. However, if we create a system where public money is allocated on the basis of something other than value for money, we open the door—the revolving door—to lobbying and all sorts of nefarious influences. Not only is that bad in itself, but it has negative consequences in terms of giving us value for money as part of what will, by definition, always be a finite budget.

Those in the defence establishment will claim that providing Britain’s defence protection base is a strategic industry, and of course our defence industry is a strategic industry. However, they seek to justify giving privileged contractors the privileges they get on the grounds that that maintains our defence industry and that it is critical to our national security. However, let us assess that argument a little further.

The idea that Britain is self-sufficient in defence production is a myth. We need to import defence equipment and materiel. We did so throughout the last century, and it is thanks to our ability to do so that we won wars we would not have otherwise won. In fact, during the Napoleonic wars, we imported materiel and equipment from overseas through Harwich, near my constituency, to ensure that we prevailed in that struggle. Not for centuries have we been entirely dependent for our defence on equipment produced exclusively on this island, and it would be naive to assume we ever could be.

Today, British defence manufacturers cannot produce equipment without international support. There are few systems anywhere—from mobile phones to jets to missiles—that can be built and manufactured without some sort of international trade. I would say that that is a good thing. International dependence and complex international supply chains are a good thing; apart from anything else, they help to keep the peace and to enhance international co-operation. However, many supposedly British procurement options, which are sold to politicians, civil servants and Ministers as the most British option, actually mean we end up being even more dependent on other Governments.

Let us take the example of the RAF’s new transport plane—the Airbus A400M. It is partly manufactured in the UK, and a very good thing that is too—I do not denigrate that at all. But it has a shorter range, a lower top speed and a smaller payload than the comparable Boeing C-17 Globemaster, and it is considerably more expensive to boot. However, here is the really shocking thing: if we bought the C-17, we would need the support, compliance and good will of only one Government—the United States Government. But the A400M option requires the compliance and support of the Governments of France, Spain, Belgium, Germany and Turkey, as well as that of the United States. The supply chain is even more interdependent. Far from giving us so-called sovereignty of supply, the A400M is an example of procurement that is protectionist and, at the same time, makes us more dependent and less operationally sovereign.

Defence protectionism has also created a contractor cartel. In an attempt to prop up the defence industry, successive Governments have promoted the supply side and consolidated it. That has created what economists call—this is a rather clumsy term—a monopsony, which is a monopoly of supply. That means that a limited number of suppliers, not the state, control the terms of trade. Britain is paying over the odds because a tiny group of producers sets the terms of trade.

Big business is not the only vested interest that distorts procurement, either. Perhaps inevitably there is inter-service rivalry, so that projects serve the interests of different sectors rather than the defence interest overall. We have enforcible anti-lobbying rules, which mean that former defence personnel can pursue what I would regard as inappropriate contacts on behalf of clients, without censure. Protectionist policy and those various crony corporate vested interests are undermining our national security. They are preventing our nation state from being able to turn whatever fiscal power we have into military muscle. We are simply being less efficient than we ought to be. We need a procurement policy that puts the national interest first and allows us to convert the fiscal power that we have into the maximum possible military muscle.

A few weeks ago, the UK Independence party parliamentary resource unit published an excellent paper called “Rethinking Defence Procurement”, in which we set out some ideas and suggestions—I think they are rather sensible, soft suggestions—on what we can do to get things right. First we suggest that the default—though not the exclusive—approach should be to buy a weapons system off the shelf. I grant that there are some weapons systems that we need to make in-house; we need that capability. However, if we want the best value equipment possible we need to be prepared to buy off the shelf.

It would be perfectly possible for us as a nation to build smartphones that would be manufactured exclusively in the United Kingdom. Probably, they would be the size of a brick, there would be a waiting list for them and they would run on clockwork. It makes much more sense for us to buy smartphones that are the result of international co-operation, with parts built in South Korea, design from California and software from India. International co-operation enables us to have smartphones with a higher level of technology for less cost every year.
We should apply a similar principle to defence procurement. We might think of off-the-shelf procurement as being almost like urgent operational requirements—which I know the military rather like. In other words, the military can buy what it wants, from whom it wants. We can think of it as an urgent operational requirement, but without the guddle and the rush.

Secondly, we need to start consolidating not the supply side but the demand side. By working with our allies we could initiate joint procurement projects. That is not a case of our building and manufacturing things jointly; that would be a supply solution. Rather it would be a matter of putting in procurement bids collectively with our allies, ensuring that in many areas we would have a buyers’ market, where the buyers collectively could set the terms of trade. We could do that with a number of countries—not just European countries and NATO members but countries such as Australia and India. If they and we needed a weapons system, why not put in joint procurement bids with our Anglosphere allies? That would drive down prices and ensure both we and our allies got better value for money.

Thirdly, I would like Parliament to have real oversight of the procurement process. Instead of just reviewing the annual report from the Ministry of Defence, the Select Committee on Defence should be required to oversee and authorise major projects. We should take back as a Parliament the power to scrutinise what the Executive spend on our account. Specifically in relation to defence, the Defence Committee should be required to approve and sign off on particular large projects. That sort of oversight would ensure that there was genuine accountability on procurement.

Finally, anti-lobbying guidelines need to become law. I was delighted to hear my hon. Friend and neighbour the Member for Harwich and North Essex (Mr Jenkin), as Chair of the Public Administration Committee, making some suggestions about that the other day. I think that is exactly what we need to be prepared to introduce, to make sure that, yes, the expertise that exists in Government Departments can be shared with contractors, but that there are public records of those contacts and that where there is a revolving door there is some accountability to ensure that nothing untoward happens.

Britain needs a defence strategy that aims above all to keep our country safe. In an era of growing threats and constrained budgets, misspending is no longer a luxury that we can afford. We need real reform. I know that the Minister recognises the need to improve the way we spend our defence budget, and that he is a reformer. I also happen to know, too, that in his Department reformers do not always get an entirely easy ride. I look forward to hearing what changes he has in mind to improve things, and whether he will consider going further and recommending any of the measures I have outlined.

11.14 am

The Minister for Defence Procurement (Mr Philip Dunne): It is a pleasure to serve under your chairmanship, Mr Nuttall. It is all too infrequent that we have the opportunity to debate defence matters—and particularly defence procurement—in Westminster Hall, so I am especially grateful to the hon. Member for Clacton (Mr Carswell) for securing the debate, and I congratulate him on doing so. The subject is one of great interest to me, and to him, but of somewhat less obvious interest to other Members. It is a pleasure to see the hon. Member for Strangford (Jim Shannon) here; he takes a personal interest in the subject on behalf of his constituents and Northern Ireland.

It is a good time to have such a debate, not least because it comes two months after the Government published the gratifyingly well received strategic defence and security review in November. The review was comprehensive and ambitious, and when combined with the Chancellor’s summer Budget announcement it was good news for defence. Defence procurement is central to our plans to deliver our national security objectives, and that was precisely the point on which the hon. Member for Clacton opened his remarks—that the purpose of defence procurement must be to provide the capability for our armed forces to keep us safe. That is the primary duty of Government, as has been recognised in the priority that the Government have given defence and in the reform of defence procurement processes, in which the hon. Gentleman takes such a keen interest.

By giving us an increasing budget, the SDSR will help us to protect our people with more new planes, ships and armoured vehicles over the procurement cycle. It will help promote our prosperity. An additional task for defence—an additional strategic objective—of contributing to the economic prosperity of the country has been emphasised through the SDSR in a way that has not happened before. That has a number of implications for how we go about procurement.

Promoting prosperity provides a stimulus for innovation, which is essential for maintaining technological superiority over our adversaries. It provides the opportunity for the Department to become a champion of small business, which in many respects is where innovation originates. It also allows us to encourage defence exports, which means that we can allow our defence supply chain to be competitive internationally, from which we benefit through our own procurement. All in all that is a good thing, as I am sure the hon. Gentleman will agree as we explore the issue in this debate and on future occasions. We are on the right track. We may not have gone as far as he would like or necessarily as fast as we would like, but in my view we are making great strides.

Before I look to the future and address some of the hon. Gentleman’s comments, it is worth acknowledging the enormous achievements in the previous Parliament. I want to preface my comments on the document prepared by his party, which he referred to and which he has in front of him, by saying that many of the criticisms it makes—in many respects rightly—relate to a period that we are now some way beyond. They relate to the defence industrial strategy that was authored in 2005-06 under the previous Administration, which no longer prevails. Part of the disagreement that there may be between us will be about the extent to which today’s policy has moved on beyond the defence industrial strategy, rather than being grounded in it.

In 2010 we inherited a defence procurement position that was unquestionably unfit for purpose. It was not delivering to time, performance or, above all, cost. That is why, at a time of heightened pressure on the national finances, we had to make some tough decisions. We did not shrink from cancelling overrunning and massively expensive programmes such as the Nimrod MRA4 programme, to which the hon. Gentleman referred in
his remarks. We embarked on the most radical series of defence reforms in decades, and I am pleased to say that those reforms meant that defence ended the last Parliament in a markedly better state than it began it in.

The National Audit Office’s major projects report for 2015, which was published before the end of last year and covered the most recently available material we had, recorded a fall of £247 million in the forecast cost of defence projects—the second successive year of reductions in the major projects it reviewed. That compares with a £1.2 billion in-year cost overrun reported for 2009 by the NAO in its major projects report.

The 2015 report builds on the success of the 2014 report, which reported the best cost performance since 2005 and the best time performance since 2001. That is powerful evidence of how far we were able to progress in improving performance during the previous Parliament. Indeed, Lord Levene of Portsoken said in his 2014 report on the Department as a whole that, “a leopard really can change its spots”— rare praise indeed from Lord Levene.

If I may reflect on the comments of the hon. Member for Clacton and the document to which he referred, we recognised the glaring inadequacies of the defence industrial strategy of 2005-06. That was why we determined to overturn it in a White Paper published in 2012, “National Security Through Technology”, which set out our thinking on industrial policy. It replaced outdated concepts of industrial sovereignty at any cost with a much more nuanced approach, saying that the sole aim of defence procurement was to equip our armed forces with the best capabilities we could afford at the best value for money. That meant putting an end to unaffordable gold-plated requirements and instead increasingly buying things off the shelf, from the global market where possible and appropriate.

“National Security Through Technology” highlighted the benefits of working with other countries, as the hon. Gentleman seeks to do, to open up each other’s defence markets and, where we share requirements, collaborate on international acquisition programmes. The best live example of that new way of collaborating on procurement is the F-35 programme—the largest defence procurement programme in the world ever. Eleven nations are pooling their demand signal to provide as large an order as possible to the contractor consortium—at the moment in annual buys, but in the future it will be multi-year buys. That order is for three different variants of the aircraft type, but it is essentially the same aircraft type for each customer, in order to avoid the bespaking that, as the hon. Gentleman said, becomes so expensive in defence procurement. We are already doing that, and we are doing it in a big way.

The White Paper also recognised that defence procurement is different from other procurement, so for some aspects of capability, we still need to take special measures to maintain our operational advantage and freedom of action, but we stated that those would become the exception rather than the rule.

Having pointed out some of the areas where we agree with the hon. Gentleman’s critique, I will have to disappoint him by saying that I do not see the document prepared by his party as a valid critique of today’s policy and the important work that has been done over the past five years. The White Paper that we published heralded a series of sweeping reforms to defence procurement, which went hand in hand with the much-needed reforms we made to the wider Ministry of Defence. We adopted the proposals outlined by Lord Levene to overhaul the structure and management of the Ministry of Defence. We have thereby created a much leaner, more strategic head office, devolved responsibility and accountability to the single services and, crucially, stood up a Joint Forces Command to look after cross-cutting areas such as helicopters and ISTAR—intelligence, surveillance, target acquisition and reconnaissance. Far from being dominated by single service rivalry, the Department is now more joined up than at any time in its history. That was amply demonstrated by how we handled defence’s contribution to the SDSR, with virtually no trace of the behaviours that had so coloured the exercise five years before.

Nowhere has the extent of our transformation been more ambitious than in our procurement entity, Defence Equipment and Support. DE&S provides vital support to the armed forces, without which they simply could not operate, and I pay tribute to the civilian and military staff employed in that endeavour for their dedication. Re-formed as a bespoke trading entity in April 2014, DE&S now has the freedom to make the changes needed to transform it into a world-class acquisition organisation. DE&S staff numbers have already reduced by around 18,000 since 2007 and, through transformation, we will continue to professionalise it and focus on the people and skills we need.

Mr Carswell: Of those 18,000 people, how many have been re-hired in a contractor or arm’s length capacity?

Mr Dunne: I cannot give the hon. Gentleman an exact number, but some of the activities previously held within DE&S have been outsourced. One example is the operation of the Royal Navy operating bases, which had, for some historical reason, been managed within DE&S. That has now gone back to the Navy, so those jobs by and large remain, but a large number of the 18,000 are a reduction in individual roles, to become more efficient.

Turning to how we obtain equipment, it is not as simple as making direct comparisons with other nations’ defence procurement models. Structures, roles, operational commitments and, consequently, equipment needs vary. For the past three years we have published a comprehensive and fully costed 10-year forward-looking equipment plan that takes account of our defence priorities and the capabilities needed to support them.

Our £178 billion investment in equipment over the next decade will support all three services, including committing to the F-35 joint strike fighter, which I have mentioned, and to new maritime patrol aircraft. Incidentally, we have decided that those aircraft should be procured off the shelf, to take advantage of the existing production line in the United States, to maximise interoperability with the United States and the other allies that will be procuring that capability, and to minimise bespoking, so that the cost is as plain vanilla as it can be. Through this equipment programme, we will also invest heavily in the Navy through the Type 26 frigates and in the Army through forming the new strike brigades with its equipment, which will be state-of-the-art.
Mr Dunne: That will allow us to acquire the capability we need, with minimal costly bespoking, in the timescale required. The hon. Gentleman has just indicated from a sedentary position that he supports those initiatives.

We share the hon. Gentleman’s view that protectionism is not good for defence or for the UK in the long term, not because we do not want to support British industry—we do—but because we recognise that protectionism provides no lasting solution. It does not give us the capabilities we need when we need them, at a price we can afford. Above all, it does not help industry. It stifles innovation, saps productivity and suppresses competitiveness.

That is why we focus on competitive procurement, with one of the most open defence markets in the world. It is why, for example, we decided to procure the new fleet of Royal Fleet Auxiliary tankers from South Korea, which the hon. Gentleman touched on in his remarks. The fleet will come into operation later this year and draws on key British technology, with some 25% of the supply chain for the vessels coming from the UK. There is still a strong UK component to an international procurement, demonstrating that having an open defence market helps to sustain a competitive defence industry in this country.

We recognised that we needed to reset the relationship with industry, particularly on the large single-source projects of which the hon. Gentleman is so critical. For that reason, we used the Defence Reform Act 2014 to reform single-source procurement. It established a statutory governance framework to ensure that costs are fair to us and to our suppliers. We have also set up the Single Source Regulations Office as an independent review body, and it has now been operational for 12 months. No longer will suppliers have carte blanche to set the terms of the trade. We believe that that will help to address the hon. Gentleman’s concern about defence inflation by imposing a much greater spotlight of transparency on individual single-source contractors and the bill invoices they submit, which we think will put downward pressure on inflationary pressures.

I point out gently to the hon. Gentleman that some of the cost comparisons in his party’s document confuse different things, often comparing apples with pears by not taking into account some of the additional costs that appear when we procure in the UK, other than on an off-the-shelf basis. We tend to include the cost of support, training and simulators alongside the cost of the capital equipment itself, which can often distort a like-for-like comparison with an off-the-shelf purchase.

Question put and agreed to.

11.29 am

Sitting suspended.
Peter Kyle: I am extremely grateful to my hon. Friend for raising an incredibly important point, and I know well from conversations that we have had both in the Chamber and outside it how much she advocates for her constituents who are in care homes. The fact is that the so-called bed-blocking problem is often caused not by a lack of beds, but by a lack of capacity out in communities, for various reasons. One of those involves communities and the care home sector itself. The fact that people are ending up in hospitals is indicative of the much broader problem of caring for people where they need to be cared for most, which is in their homes and communities. My hon. Friend makes that point very well.

The significant cuts to local council funding have led to a 17% reduction in real terms for local authority spending. Industry research cited by ResPublica points to a shortfall between the cost and provision of the average weekly fee paid by local authorities, which worked out as £42 per resident per week in the period between October 2014 to September 2015.

Anne Marie Morris (Newton Abbot) (Con): As the hon. Gentleman may know, I have been a great champion of care homes and the need to meet the challenges over many years. Does he at least, despite being absolutely right to raise these problems, feel some comfort from the 2% precept? I understand that many of the county councils are going to take up that precept, which has been introduced to alleviate some of the challenges that he alludes to.

Peter Kyle: I am very grateful for that intervention. I will come to the precept in a moment, when I would welcome further interventions as we talk about the detail of the precept and how it actually, while being welcome on a surface level, will be rolled out in different ways and impact on communities differently. I will keep my eyes open, as the hon. Lady might well want to come back to this when we tackle those issues.

The pressures on care providers will only be exacerbated by the increases in the minimum wage that will come in from this April. However, let me restate my position on the rising minimum wage for the avoidance of any doubt: I believe that those working in the caring professions deserve a pay rise for the fantastic jobs that they do, especially considering that it has sadly become a low-pay sector. I am glad that there is now cross-party consensus on the ambitious rise that is deserved by all those on low pay. However, we must make this work, and it will only work if we are aware of and prepare for what will happen in the areas that this will impact on hardest.

The National Care Association, for example, has estimated that the rise will add at least 3% to payrolls this year and a further 7% year on year by 2020. Without extra resources, local authorities will end up pushing independent, statutorily funded care homes closer to the brink. The excellent ResPublica report from November laid bare the startling and shocking fact that an unfunded living wage could end up with the loss of 37,000 care home places. I know that the Minister and his colleagues will point to two actions that they think will mitigate that, so let me address both of those in turn.

First, there is the social care precept. Introduced in the autumn statement, it gives local authorities the power to raise council tax by an additional 2%, the proceeds of which are ring-fenced for social care. Although all additional funds are welcome, that is a drop in the ocean compared with the additional resources needed. Following the autumn statement, the King’s Fund estimated that the funding gap for social care could be as high as £3.5 billion by the end of this Parliament.

What is more, the precept may well end up generating extra revenue where it is least needed. At present, residential care home funding is split between people who pay for their care themselves and those who have it paid for by their local authority. Self-funders pay 50% more than those funded by councils so, in effect, they subsidise those paid for by the public purse. It is not hard to work out that the homes with a smaller number of self-funders are the ones who are most at risk financially from the cut in funding rates from local authorities. The split varies across the country, but on the estimated figures put together by LaingBuisson in its “Care of Older People UK Market Report”, the number of self-funders in 2014 was only 18% in the north-east, with the majority of other regions hovering around the 40% mark. It is pretty obvious that the power to raise council tax will generate the most revenue in the areas with a higher council tax base, namely the southern regions of England, which—you guessed it—have a higher number of self-funders.

Anna Turley (Redcar) (Lab/Co-op): Does my hon. Friend share my opinion that council tax can be a regressive tax, and that for areas such as mine, which have levels of deprivation and are already hit by a tax that is not particularly fair, this precept is not a progressive tax? Those areas that have already been hit hardest by cuts in local government funding will be hit yet again by this tax.

Peter Kyle: I am very grateful to my hon. Friend for making that point. In representing Redcar, she knows better than anyone that people in residential care homes that are heavily reliant on statutory funding will be hit the most because of the cuts that are going into local authorities, and they will be hit again by the precept, which, because of the process that I have just outlined, will be front-loading resources into the areas that need it least. Her area of the country will have people who are more dependent on statutory funding for care home places. The 2% is based on a lower percentage of people paying council tax in the first place and will have to cover more people. That is why the precept is not fair and will not get to the people who need it most.

Anne Marie Morris: The hon. Gentleman is being incredibly generous with his time. He raised a point about inequality. Does he agree that we should be asking the Care Quality Commission to look at how much funding is being supplied in each county to each home? At the moment, it seems that it is a bit of a lottery, for all sorts of reasons, which may or may not be part of his argument. At the very least, we should agree the standard of care and it should be equal across the country.

Peter Kyle: I will always be generous with my time for the hon. Lady because, early in this debate, we have found common ground. Later in my speech, I will call for assessment of exactly those areas. We need to understand how the funding changes and the new mechanisms are impacting on the ground and geographically across the country. We must make sure that any revenues generated, particularly in these times of restraint, are going to the
parts of the country that need it most. My hon. Friend the Member for Redcar (Anna Turley) made the point well from the Opposition Benches. In this case, the support promised by the Government will simply not end up where it is needed most.

Secondly, on the better care fund, Ministers have belatedly recognised some of the flaws in simply relying on a precept to generate the extra funds needed for social care. There is simply not enough revenue being generated in poorer areas. The Government have said they will take that into account and use a formula for allocating extra funds for these areas taken from the better care fund. That was announced less than a month ago and we wait to see exactly how the details will operate in practice. There are murky areas and a lot of detail is coming. We must make sure we know exactly how this will impact providers in the front line.

Care England, a leading representative body for the independent care services, has already voiced its concern. It doubts whether the funding will get to the care homes that need it most. It is more likely that it will be used on other unfunded projects across the social care budget. It is worth remembering that the initial funding for the better care fund was not new money; it was funding to assist health services which was re-allocated to local authorities. I want to give the Minister the opportunity today to confirm whether the £1.5 billion is new money, or is again taken from existing health service budgets.

Local authorities will not see any of this money, whether new or recycled, until 2017-18 and even then it will be only £105 million. It could be too little, too late to prevent parts of our care home sector catering for the most vulnerable people in our society collapsing or withdrawing from the market and focusing on self-funding residents. Initial better care fund plans have been signed off by local authorities and NHS England. It would be great if an evaluation was conducted into how the funding to date has helped to support residential care homes, if at all.

I think the Minister can now see that there is cross-party support for this kind of independent evaluation into how funding mechanisms are impacting on front-line care provision. It could act as a best practice guide for authorities going forward, even when the extra resources the Government referred to become available. Will the Minister commit to this evaluation covering the impact of funding on the sector? Both Government and Opposition Members would find that helpful.

The majority of media coverage of the sector has been about the state of big providers, such as Four Seasons Health Care and HC-One, and speculation about their future viability. It is important to realise that the 10 largest providers account for about only 25% of the market, the rest being much smaller, independent providers. In my constituency there is a small family home, Wilbury rest home. Last year I sat down with the owner, Graham Dean, shortly after the Chancellor’s announcement on the living wage. Graham is the second generation of his family to run the home and, remarkably, he was born in it. Listening to him and other local independent care home managers talking with kindness, compassion and outright professionalism about the people they care for day in and day out has left a deep impression on me. They provide the kind of loving, caring environment that every human being deserves into their old age.

There are countless homes like that dotted around the country, but they are being pushed to the limit. Indeed, a survey from the National Care Association shows that almost a quarter of providers could exit the market altogether. That would be a tragedy for residents and society, and a crisis for the Government.

Another issue that is putting pressure on the sector is the national shortage of nurses, which has resulted in the increased use of agency nurses. In some cases that costs double the amount for permanent staff. To the Government’s credit, they have recognised that there is an issue and have been working with the care sector and with the Government’s skills body to develop a new training scheme to create a career ladder into caring professions. Sadly, that project was axed last December, just weeks before it was due to be launched. I understand from written answers that I have received that that was not a decision taken by the Department of Health. As a member of the Select Committee on Business, Innovation and Skills, I am happy to take up this cause with the relevant Ministers in that Department if the Minister feels that would be helpful. I would like to aid his work and I hope that his officials have already been doing much work behind the scenes to fight for its reinstatement.

As I move to my closing remarks, I would appreciate some reassurance from the Minister that the Government have a plan—dare I say it, a plan B—that is ready to be implemented should the worst-case scenario predicted by ResPublica and other respected think-tanks in the health sector come to pass. Do the Government have in place a robust contingency plan should the statutorily funded care home sector collapse, resulting in the nightmare scenario of 37,000 older people becoming homeless?

When Southern Cross Healthcare went bust in 2011, there were just enough resources from other providers in the sector to take over. Due to the current state of the industry, no private provider has the capacity to respond to a shortfall of 37,000 beds.

Mr Gregory Campbell (East Londoonderry) (DUP): I congratulate the hon. Gentleman on securing this debate. He is outlining the scenario that might lie ahead if the Government do not increase their intervention. Does he agree that, for the first time in history, the UK is reaching a stage where, in addition to senior citizens being dependent on care they receive in care homes, some of whose sons and daughters are of such an age that they, too, are senior citizens, so the level of dependence is even greater?

Peter Kyle: I am extremely grateful for that intervention. I had not considered that and I will take it on board. I am grateful to the hon. Gentleman for pointing it out and putting it on the record.

It may not be a Southern Cross that fails first. In fact, it is most likely to be the smaller, independent providers in areas that are most dependent on local authority placements. Can the Minister reassure us that his Department and local government have the capacity to respond to any piecemeal closures that are likely to occur?

The Minister for Community and Social Care (Alistair Burt) indicated assent.

Peter Kyle: The Minister is nodding and I look forward to testing the argument in his statement.
Everyone here wants to ensure dignity for all later in life. That can be assured only if there is a properly resourced residential care sector with stability and financial security. I look forward to hearing the Minister’s response and receiving reassurances that all Members, of whatever party, want to hear, and I look forward to being able to work with him and care home providers in the months and years ahead to ensure that that type of residential care sector becomes a reality.

MRS ANNE MAIN (in the Chair): I shall call the Scottish National party’s Front-Bench spokesman at 3.30 and then the Opposition Front-Bench spokesman and the Minister. Quite a few hon. Members want to catch my eye and if they divvy up the time between them that will be helpful.

2.49 pm

Huw Merriman (Bexhill and Battle) (Con): It is a pleasure to serve under your chairmanship, Mrs Main. I thank the hon. Member for Hove (Peter Kyle), one of my constituencies neighbours, for securing the debate and permitting me to consider the role that care homes play in my constituency.

Some 27,000 of my constituents are aged over 65 years. The hon. Gentleman mentioned the ResPublica article, which states that by 2050 the proportion of people in the UK aged 65-plus will have risen to 25%. In my constituency it is already at 28%, against a national and regional average of 17%. Indeed, Bexhill and Battle has the fifth highest proportion of people over 65 years old in the UK.

As a result, many of my constituents live or work in care homes. Before and since my election, I have visited many of those care homes and been hugely impressed by the levels of care and devotion afforded to that most special group of constituents. It is therefore right today to celebrate the role that care homes play in our country and to say thank you.

There is an unfortunate perception of care homes, where many people feel negatively towards hospitals, they are considered to be places where improvements in outcomes are possible. The same is not often said of care homes. The perception is of a place that people move to when their lives have deteriorated and will continue to deteriorate. That perception means that the public rarely hear about the improvements in outcomes that care homes deliver, the innovative treatment that residents are afforded and the compassionate care that owners and their staff deliver to residents. I hope that we can use this debate to celebrate what care homes do for our constituents.

However, it is right to highlight some key challenges for care home providers, and I shall list two that require the support of the House and the Government. The first, which the hon. Gentleman mentioned, is local authority funding. The gap between local authority care home fees and the cost of care home places in real terms continues to grow. That has represented a drop of almost 5% for council-funded residents over the past five years. That situation could be exacerbated by the welcome announcement of the Government’s new living wage, which will give care home staff a wage of £9 an hour by 2020. I was glad to hear the hon. Gentleman celebrate that pay rise for hard-working care home staff, who, as he mentioned, have been underpaid for many years.

Many of my local care home providers have approached me with concerns that they may have to cease operating if margins continue to be squeezed. On their behalf I have lobbied Ministers to highlight the funding gap, and I am pleased that the Government have now given local authorities the right to add a 2% council tax surcharge for adult social care. In East Sussex, local authorities and the NHS are delivering our “Better Together” integrated healthcare programme. Although I continue to lobby for lower taxes for my constituents, I hope that they will embrace that new tax levy as a means to support the funding of care for our elderly community. I therefore hope that the gap will be plugged, at least in part. It will be interesting to hear the responses of my right hon. Friend the Minister to the other questions that the hon. Gentleman asked.

I would like to touch on staff recruitment. In the care home sector, the staff turnover rate is 32%, which is incredibly high. It is clear that the sector has issues in recruiting and retaining staff. Reliance on staff recruitment from abroad is very strong. I am delighted that the Government have added care home nurses to the shortage occupation list, albeit temporarily. Those who criticise net increases in immigration to the UK need to understand that our population is getting older and needs more care, which means more carers.

I welcome the desire of the care home industry to win more contracts from our clinical commissioning funders, because I hope that that will make jobs in care homes more fulfilling, skilled and desirable. I also hope that it will allow us to rely less on staff coming from abroad—from countries that are underdeveloped and whose own residents may need care and assistance even more than people in this country do.

I will conclude, to allow other hon. Members to speak. I welcome the debate, and I celebrate the role that care homes play in this country. I have visited care homes where dementia sufferers are taken on incredible journeys back to their childhoods, where schoolchildren are invited in to go through their exercise books with residents, where residents play games and sing and where there is a great celebration of the rich lives that they have experienced and will continue to experience. I look forward to visiting more care homes and championing their owners, staff and residents in the years to come.

2.54 pm

Joan Ryan (Enfield North) (Lab): It is a pleasure to follow the hon. Member for Bexhill and Battle (Huw Merriman). I echo what he said about some of the excellent care that we see in care homes.

I congratulate my hon. Friend the Member for Hove (Peter Kyle) on securing an important and timely debate. He highlighted many of the key concerns of care providers in the UK. One is the current funding crisis in social care. Over the past five years we have seen social care budgets across the country cut by almost 11%. In Enfield, the local authority has had to deliver net savings in its adult social care budget of 16% over the past four years, and by 2019, the savings requirement that the council will need to initiate will further reduce the budget by £19.8 million, from £80.8 million this year to £61 million. That is equivalent to another 25% reduction.
in the net budget. How do the Government seriously expect local authorities such as Enfield to cope with a cut of that level?

**Andrea Jenkyns** (Morley and Outwood) (Con): I have been a councillor, so I know that budgets have been quite tight in local authorities over the years. A care home in my constituency, Siegen Manor, is possibly due to close. Does the right hon. Lady agree that we need to look at the way councils spend money? In my new city council, there is a lot of wastage. We need to look at how councils spend their money, because I could give a lot of examples of how they could—

**Mrs Anne Main (in the Chair):** Order. I call Joan Ryan.

**Joan Ryan:** It is always important that we have a weather eye on how any public authority is spending its money and that we get the best value for money; that goes without saying. However, I think—I do not believe the hon. Member for Morley and Outwood (Andrea Jenkyns) was disagreeing with me on this—that we need to hear from the Government how local authorities can be expected to cope with the size of cut that has been happening and is continuing to come their way. I thank the hon. Lady for her intervention.

Spending reductions of the size that my local authority is facing will almost inevitably result in cuts to the services that Enfield delivers to some of the most vulnerable people in the borough. Given the huge pressures on shrinking resources, I commend Enfield Council for its nationally recognised standards of best practice and the gold accreditation that it has received for its safeguarding work. Enfield has a wide range of care homes, which provide support to older and disabled people not only from the local area but from other areas. However, the deep cuts from central Government have already seen care homes close, and a significant increase in the number of people placed in the borough by other councils has meant that nursing home provision, particularly for people with dementia, is under severe strain. As a result, an ever increasing burden has been placed on our local NHS services and family carers. In those circumstances, it can be no great surprise that there is difficulty in recruiting and retaining staff to work as care providers.

Front-line care workers are all too often grossly undervalued. They offer vital support to people with ever more complex conditions, yet in return they often receive very poor wages. So although I welcome the introduction of the national living wage of £7.20 from April 2016, that figure is nowhere near the current London living wage of £9.40. Many care workers working in Enfield and elsewhere in London need that hourly rate just to get by. However, the Government have yet to explain how the care sector will be able to cope with the increased pressures on payrolls when funding has been so drastically cut. It is estimated that the introduction of the national living wage will add at least 5% to payrolls from 2016-17 and a further 7% every year until 2020. That will drive even more front-line care providers out of business and make a bad situation even worse.

I would like to draw to the Minister’s attention a letter I received from the Enfield Carers Centre in August last year. It read:

> “Dear Joan Ryan
>
> I am writing to you on behalf of Enfield Carers Centre to ask if you will support us in an urgent call that we are issuing to the Chancellor George Osborne in advance of the 2015 Spending Review.
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In the Summer Budget, the Chancellor announced that, as of 2016, there will be a new compulsory National Living Wage of £7.20 per hour. We welcome support for care workers who deserve decent pay. However since we are dependent on local authorities paying us enough to pass this on to our valued care workers this increase therefore has to be reflected in the hourly rate paid by local authorities for care and support.

A report by the UK Homecare Association (UKHCA) has found that councils are going to need an additional £733 million to ensure their local care providers can meet these new pay requirements. Without that funding, care services risk closing down entirely…Care services have been badly affected over recent years by cuts and this is a financial stretch which we cannot meet. Quite simply the home care market, is at risk of collapse.”

I do not think that the Enfield Carers Centre got the answer it was looking for from the Chancellor, and I hope that it will hear some better news today from the Minister. I agree with the National Care Association when it states:

> “UK Care Services are an irreplaceable part of the fabric of the NHS. There should be no doubt that what is under threat is a UK support service which is essential to local government and NHS care provision.”

I would like to know how the Minister will address those concerns and what steps the Government intend to put in place to provide a transparent and sustainable funding settlement for social care. The older and disabled people who rely on the service, their families and the all too often unsung heroes who work in it deserve no less.

**3.2 pm**

**Simon Danczuk** (Rochdale) (Ind): It is a pleasure, as always, to serve under your chairmanship, Mrs Main. I thank my hon. Friend the Member for Hove (Peter Kyle) for securing this important debate. Proper funding for care homes and social care can go a long way to reducing the pressures faced by our NHS. We must continue to do all we can to integrate social care and the NHS. I am worried that under this Government, it is becoming increasingly difficult to do so, and care homes are becoming increasingly underfunded and overstretched.

Last November, figures were published showing that 5,247 patients were stuck in hospital beds. They were well enough to be discharged, but doctors and nurses felt they could not discharge them because of the lack of care available to the patient. The majority of such people are elderly. They cannot leave hospital because there is no space in their local care homes, and there are not the facilities or staff to look after them in their own homes. Our adult care facilities are not adequate for many people up and down the country, and the problem will only get worse, in many places, under the Government’s proposals.

I have some concerns about the new proposal to give councils the ability to raise council tax by 2%, which they will be able to spend only on social care. It looks like a good initiative at first glance, but council leaders and healthcare professionals can see that it is simply smoke and mirrors. The social care precept, as it has been labelled, will disproportionately affect poorer councils. Councils such as Rochdale will be worse off, while richer areas will be better off. The leadership of Rochdale Borough Council have rightly raised concerns about the policy. Because much of Rochdale’s housing is in council tax bands A and B, the proposal will raise only an extra £8 million. That is why poorer councils will be worse off. Rochdale council has already faced cuts to its budget of up to £200 million since 2010. We are struggling to cope, and services are being stripped to the bare bones.
The precept is welcome, but it will barely scrape the surface of the problem. The funding gap in social care and care home provision is getting worse. The Local Government Association estimates that it is growing by £700 million a year, and the King’s Fund estimates that it will be £3.5 billion by the end of this Parliament. The 2% increase will raise the least money in the areas of greatest need, so it will only increase health inequality, and it will vastly increase funds for councils that are already wealthy.

The most vulnerable have already seen their social care provision cut. The Joseph Roundtree Foundation points out that during the last Parliament, spending on social care fell by £65 per person in the most deprived communities, compared with a rise of £28 per person in the least deprived communities. The Government must do more to help the most vulnerable.

In the autumn statement, the Government announced that from 2017, funding expected to be worth £1.5 billion in 2019-20 will be available to local government. That funding will be included in the better care fund, as my hon. Friend the Member for Hove mentioned. It will go some way to addressing the funding gap and the disparities that will be caused by the 2% rise, but it will not be enough. The director of adult care for Rochdale, Sheila Downey, has made it clear to me that she does not know how much of that money will arrive in Rochdale, or how the funding gap will be filled until 2017.

The increase in the minimum wage will also have an effect on social care services and care homes, as has been pointed out. I welcome the raising of the minimum wage, but it must be accompanied by increased funding to allow for it. Care workers are some of the most underpaid, and they deserve their pay rise, so let us fund it properly. Rochdale’s director of adult care has raised that with me, because she is concerned about how she will find that money in her budget. She is working with local providers on the fees that will be required, but she is adamant that the pressure of the wage increase on social care budgets will not be fully met by the 2% increase. The widely cited ResPublica report from November, which my hon. Friend the Member for Hove mentioned, suggests that 37,000 care home beds could be lost if we do not fund the increase properly, because care providers will simply not be able to remain open. Alarm bells should be ringing. The loss of beds will need to be made up, and it will simply be made up in the NHS.

I finish by saying that I share the vision of an integrated health and social care system. We must achieve that if we are to have a health system that is fit for the 21st century. To achieve that, however, we cannot simply plug the gap; we need to invest in our social care and care homes now. Investment in care provision and homes can take the stress off the NHS. We saw all too recently in the case of the floods what a lack of investment can do. Let us not make the same mistake when it comes to social care.

3.7 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Main. I thank my hon. Friend the Member for Hove (Peter Kyle) for securing today’s timely and important debate.

As a country, we need to give deep thought to the importance we place on social care. We have heard in this debate that constrained finances are skewing the opportunity to do that. I have always said that we can judge a country by the way it treats its older people, and I wonder how we really think we are doing against that test. Those who have served our country in so many different ways deserve the very best care, and I am not sure that our system is built on that model. In fact, the model is now built more on minimal provision as opposed to optimal provision. I wrestle with that approach, and I believe that we really need to think about the direction in which we are going.

The current black hole in state funding for care has been made more challenging as the years have gone on by local authority cuts. We have heard clearly about the impact of a 10.7% budget cut over five years, and the fact that care providers have to pay more has added further challenge. I really welcome an uplift in the pay of care staff, because they are paid a ridiculously low amount of money. They are also faced with pension uplifts, and they have had to wrestle with the rise in national insurance and steep rises in the cost of energy, food and other services. That has all happened at the same time as they face the increasing demands of a challenging and changing demographic, including people with multiple needs, and tighter budgets. What we are seeing is unrealistic: the demand is greater, but the money is less.

Joan Ryan: Will my hon. Friend add to that list the fact that the CQC rates more than 50% of nursing homes as inadequate and needing improvement? The people living in those homes are therefore living in inadequate situations. How will that change, given the circumstances she outlines?

Rachael Maskell: My right hon. Friend makes a really pertinent point. There has to be a debate about safety and about providing good, secure homes for individuals. If people are living in substandard conditions, that is simply unacceptable. If there are not the resources to put that right, we obviously fear for the future.

Another thing we know is that the pressure being put on so many care organisations will make older people far more vulnerable. As we have heard, tens of thousands of beds could be lost. If people do not have security in later life, it can have a real impact on their wellbeing.

As others right across the Chamber have said in the debate, the autumn statement has left many question marks, and one of the issues we are going to see as a result is inequality. Some of the communities with the most demand for investment in social care will get the least money from the precept the Chancellor set out. Taken with the further cuts that local authorities will experience, that will have a cumulative negative impact on the provision of social care. That is happening at the same time as the NHS is really struggling with discharges, because the provision is not there in the community. In my constituency of York Central, some of the transitional beds will be lost because of a care home closure programme, which I will return to.

Cuts to support services for the elderly, such as day care placements, are happening because of the cuts to local authorities, and they are having a detrimental impact. The little things that local authorities could provide that kept people safe in their homes and connected
in their communities are now very much part of history, as opposed to part of the solution. We keep hearing that finances are tight, but we must remember that it was not the people in our care homes who caused the financial crash—but, my, how they are paying for it.

A care provider in my constituency has highlighted the challenges of the new minimum wage rate and asked how on earth they are going to pay it. They already have staff who are engaged on zero-hours contracts. They tell me they cannot pay for staff to travel between visits. I obviously question that, and I support paying staff proper wages, but I really worry about how providers will deal with these issues in the future and how they will survive. I have written to the Government to raise those concerns.

The issues I have outlined are particularly challenging in a city such as York, which has a high cost of living and high housing costs. When those are combined with low wages, it is virtually impossible to recruit care staff, and that adds to the sector’s challenges. As a result, the care model we have does not really address people’s needs. That has had a real impact on discharges from the NHS and on being able to give individuals timely care in the community. We are now seeing the cumulative impact of these things, as the care home closure programme across York means that fewer beds are available.

The problem we have is that care is seen as a zero-hours, minimum wage, low-esteem industry, when it should be regarded as a high-skilled, professional service and the funding should match that. Those who have the means can afford to pay for what they get—only just, but they can. However, for the rest, care packages are being driven to the absolute minimum. It would therefore be appropriate for us all to agree that current provision is totally unacceptable. We need to draw a line under that and to have a real debate about what needs to be done. After all, who are we talking about? Who are we providing care for? It is our mums and dads. It is the most vulnerable in our society—those with multiple disabilities, those with learning challenges, those with mental health challenges and those whose bodies are not quite working as they once did. One day, it will be us.

Who do we expect to care for those individuals? It is highly trained professionals—the very best—who are rewarded appropriately, motivated and driven to learn more and deliver more. Like everybody else, I have met care workers right across the sector—in fact, I spent time doing care work myself—and I know the passion they have for providing the optimum care for individuals, but if they are not given the time to care, how can they deliver that service?

The Kingsmill review “Taking Care”, which Labour brought forward before the last general election, set out a clear programme for improving care standards and providing training and remuneration. It also dealt with the important issue of registration. It is really important that care workers are state-registered to ensure public safety. The steps the review set out show how we can secure the care model we have does not really address people’s needs, that finances are tight, but we must remember that it was not the people in our care homes who caused the financial crash—but, my, how they are paying for it.

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We then need to think about how and where care needs to be provided. Of course people have different needs, including physical needs. In my own clinical practice as a state-registered physiotherapist, I would often get people’s confidence up and get them back on their feet, not just for them to go home and lose the support and stimulation they had had, because support was not available continually in the community. Falls prevention work, which really puts in investment upstream and provides care, means that individuals avoid things such as a fractured neck of femur, which is so expensive to treat, putting more pressure on the health service. Little steps can make such a difference in the community and in care homes, keeping people well and addressing their physical needs.

Likewise, we know that so many people have mental health challenges in later life—two thirds of the occupants of care homes experience some form of mental health challenge. It is really important that the setting individuals are placed in appropriately addresses those needs. We need to start thinking big on these issues. The Dutch—I hope I say this right—Hogewey dementia care village is a fantastic scheme. It is about state provision. We need that kind of investment and that imaginative, big thinking around how we provide care in our country.

The issues I have mentioned are exacerbated by some of the most prevalent diseases in our country—loneliness and isolation, and the social and emotional health of the most vulnerable in our society. The tightening of budgets is having a major impact on the wellbeing of old people. Investment in the issue can mitigate the worst aspects. I am totally passionate about that. It is heart-breaking that older people are just given 15-minute appointments, often with a stranger, as opposed to a full support network and a real life. Our goal should be helping people to live, not preparing them to die.

On the challenges we face, we need to take a step back and think about what we want from care provision in future. These are political choices and are possible if somebody believes they can deliver them. I talk to carers who share the vision I have outlined and who want the very best for the people they serve. I also talk to people in residential care, who want hope in their future. Those people would give momentum to a Government who would dare to grasp the nettle to make sure that we provide appropriate care in future.

I want quickly to set out the situation we have in York. I have had many conversations with the residents of care homes, their families and the staff. We are going through a transition. That has already resulted in two care homes closing, and a further two—Oakhaven and Grove House—are set to close early this year. Residents and their families are distraught about the fragmentation that that is causing. Residents are being moved to placements across the city and away from their families. Some placements are on the other side of the city from where their families live, so family members can no longer just pop in to see mum as they do at the moment. Residents are being moved away from their friends in the care home—for some, these are the only friends they have in the world. Staff are also being moved away from their homes. Residents feel that they have not been listened to and that they have been ignored, which is unacceptable.

The council has put its plans ahead of the support that it purports to want to deliver. It is remodelling social care. I very much support the last Labour Administration’s vision for that. However, the sequencing of the changes is detrimental. It is about putting money before people’s needs. We need to hold back on the transition that is taking place, to make sure that there is
investment upstream, as opposed to making people fit the system and sacrifice some of the only bonds that they have.

We have gone badly wrong in many areas of social care, and do not currently place the value on care users and staff that we should. As I have said, this is about political choices and political priorities. I ask the Minister whether there could be any greater priority than getting this right. I urge Parliament from today to take the debate forward. I want all those who have participated in today’s debate to make sure that we prioritise social care so that it is seen as an urgent need to be addressed by the Government in this term, so that we do not have to face challenges and struggles we face at the moment of questioning the finances and the value we put on social care. The question is whether the Government are willing.

3.21 pm

Anna Turley (Redcar) (Lab/Co-op): It is a pleasure to serve again under your chairmanship, Mrs Main. I thank my hon. Friend the Member for Hove (Peter Kyle) for obtaining this important debate with his customary determination to tackle the big challenges of the day and his concern for the most vulnerable in society. As everyone on both sides of the House has agreed during the debate, older people deserve the right to live with dignity and decency; but, as has also been discussed, too often that is not the case, and I am afraid the situation seems set only to get worse.

Eighty-six per cent. of care home places are run by the private sector for profit. Local authorities are the largest single purchasers of those places across the country. Because of intense budgetary pressures, which my right hon. Friend the Member for Enfield North (Joan Ryan) and my hon. Friend the Member for York Central (Rachael Maskell) clearly explained, local authorities reduced their fees by an average of 5% between 2010-11 and 2015-16. According to the sector analysts LaingBuisson, the care home sector is closing more beds than it is opening for the first time since 2005, with a net loss of 3,000 across the UK last year. In the north-east we expect to have a substantial crisis in social care as a result of the Government’s failure to grip the issue.

As my hon. Friend the Member for Hove said, the homes most at risk are those dependent on residents paid for by local councils at rates far below those paid by self-funding residents: proprietors say rates are actually below break-even point. In the north-east, only 18% of people requiring care are self-paying, compared with 54% in the south-east. In Surrey, by contrast, only 1% of people in residential homes are paid for by the state.

The Financial Times has noticed that the care home market is highly polarised between lucrative self-pay homes, mostly in south-east England, and those with local authority residents, such as Redcar and Cleveland, which are struggling. Given that disparity between areas such as Surrey and areas such as mine, and since there is a crisis in the funding not of residential care but of state residential care, it is probable that the market will not collapse nationally, but will fall over in areas such as mine where the state is the main payer. If a major provider struggles it is likely to mean that it will close its homes in the north but not the south.

There is no capacity in local government to take over those homes. Any private sector supplier that did so would be taking an unsustainable risk, because they are currently loss-making businesses. At the moment there appears to be no plan B for the Government. I want to ask the Minister whether he accepts the scale of the impending crisis. Crisis point will be reached shortly in our region as demand continues to increase while spending is drastically cut back. The Government’s care legislation will further increase the burdens on councils in England. The only way in which providers can make any money is by cutting services and by squeezing workers’ pay and conditions.

The comprehensive spending review in December 2015 gave councils the option of adding a social care precept of up to 2% to annual council tax bills to raise extra money to pay for adult social care. However, as well as being regressive, as we have already discussed, the precept will at best raise £2 billion by 2020, against a predicted funding gap of closer to £8 billion. Indeed, the King’s Fund estimates that at best the precept will raise £800 million.

I want to use this opportunity to raise some contributory factors to the crisis, which the Government need to address, and I will begin by talking about the care workforce and national minimum wage compliance. The Resolution Foundation has estimated that care workers—both those in care homes and those providing home care—are already collectively cheated of £130 million a year because of sub national minimum wage pay. That is driven by chronic underfunding of the care sector, poor employment practices, poor commissioning practices and the ineffective enforcement of the national minimum wage by Her Majesty’s Revenue and Customs.

One employer, which will remain nameless at this stage, has put to its workforce a set of proposed changes to terms and conditions, to prepare for the introduction of the national living wage. Those changes include withdrawing all bank holiday and overtime enhancements, removing contractual sick pay, scrapping the meal allowance for workers when they are eating with clients, asking workers to pay for their own registration with the Disclosure and Barring Service, enforcing eight hours per annum of unpaid training time, introducing new duties and making changes to existing duties. In care homes non-payment of the national minimum wage is driven by a failure to pay for actual hours worked, such as when staff are not properly recompensed for overnight sleep-ins or time spent training; failure to pay for uniforms; and deduction of money for accommodation that does not form part of an employment contract.

The Financial Times has said that, “businesses that run care homes for the elderly are at risk of going bankrupt, especially those reliant on revenues from local authority funded places, from a double blow of the imminent increases in the minimum wage and tighter immigration rules, making it harder to recruit from overseas”.

That is the issue I want to discuss next. The care sector is particularly dependent on migrant labour. The latest estimates suggest that nearly a fifth of the workforce are non-British. Unison has highlighted a particular problem in the care home sector with regard to the treatment of migrant workers. In a round-table event, a group of Filipino workers reported that they were paying £300 a month each to share a flat with only one toilet and no lounge at the residential care home where they...
worked. The rate paid for the work they did was £7.02 per hour, but there were then monthly deductions. The deductions were for their uniform—they got one per year but had to pay every month—and for training; that is a breach of national minimum wage law. The cost would normally be more than £200 a month, and it transpired that the workers were not necessarily getting the uplifts in the minimum wage that they were entitled to.

The round table also heard that a working week for the staff could sometimes be as long as 60 hours, depending on staffing levels, despite the fact that they were contracted for 36 hours. They could also find themselves working a 10-hour night shift for a paltry £35, way below the national minimum wage, and with no sleeping permitted. The employer exerted £500 each from that group of workers as their initial five-year period in the job came to an end, on the basis that payments were needed to retain a licence to hire foreign workers and to protect their immigration papers. The staff were also subject to body searches before meeting the employers. To compound matters, they were then obliged to pay fees of £2,000 each for a solicitor to renew their work permits—in cash. The work permits are for work with that one employer, so if the workers lost them they would lose their visa and have to leave the country. Not only is the exploitation of immigrant workers immoral, but it drives down terms and conditions across the sector for all workers and reduces the number of job opportunities for local people.

I want to discuss some wider problems in the care home sector. The social care workforce are predominantly female, with the latest estimates suggesting that 82% of care workers are women and that the percentage is broadly similar across all types of care. Social care is a highly gender-segregated sector, with low pay and poor conditions reflecting, as my hon. Friend the Member for York Central has mentioned, the historic undervaluing of what is deemed to be women’s work. Compared with other sectors, the workforce are also particularly concentrated in the 45 to 60 age bracket. Government-backed attempts to move away from that disproportionately middle-aged demographic have foundered, largely on the basis that the quality of work, pay and conditions is simply not attractive enough to bring in younger staff.

Residential care tends to be based on shift work and there are often problems with short-staffing, with care workers being called on at short notice to cover shifts. That can be particularly problematic for night shifts, where the compensation is often insufficient. There may also be pressure from care providers to work beyond a 48-hour working week. Vacancy rates and staff turnover are high across the sector. Councils are struggling to retain social workers in the face of high caseloads, a blame culture and competition over pay. High turnover makes no business sense for providers to do that training voluntarily, because of the high turnover of staff. There is also no central quality assurance mechanism for training, which leads to a lack of faith in qualifications, and no incentive—

Mrs Anne Main (in the Chair): Order. I ask the hon. Lady to bring her remarks to a close in the next few seconds.

Anna Turley: I will. In summary, the Government’s crisis in funding for care homes has pushed the sector to the brink. Terms and conditions for the workforce are being squeezed, and the current funding structure for local authorities is simply unsustainable. The Government must get a grip.

3.30 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): I thank the hon. Member for Hove (Peter Kyle) for securing this important debate. As Members might imagine, I have listened with great interest to the debate, albeit from a Scottish perspective. However, it is in all our interests and, indeed, in the interests of a decent society that those who require care can access the care they need, and are treated with dignity and respect wherever they live in the United Kingdom. There are challenges, many of which have been debated this afternoon, as our ageing population grows in number and as needs become more complex, requiring additionally trained and supported staff, and bringing all the pressures outlined by the hon. Member for Hove. I declare an interest in the issue as my mother-in-law, Iris Gibson, is fortunate to receive wonderful care at the marvellous Haylie House, which is located in the lovely Ayrshire coastal town of Largs in my constituency of North Ayrshire and Arran. Hon. Members might be interested in the approach taken in Scotland under the Scottish National party Government, who have been working hard to ensure that as many people as possible who need care in Scotland receive care in their own homes. Indeed, the number of older people receiving personal care services in their own homes in Scotland has increased from 36,000 in 2004-05 to 47,810 in 2013-14.

Since July 2002, local authorities in Scotland can no longer charge for those personal care services. In addition, payments for free personal and nursing care have been increased in line with inflation annually by the SNP Government since April 2008, improving the lives of about 7,000 to 8,000 vulnerable older people in Scotland, but, of course, funding continues to be a challenge in Scotland and across the UK.

As for carers, Scotland’s First Minister, Nicola Sturgeon, has pledged to increase carer’s allowance to the same rate as jobseeker’s allowance, which is a clear recognition of the very important job that carers do. I want to pick up on something that has been highlighted by several Members, which is what I would call the so-called national living wage because it is, in fact, nothing of the sort. It is a minimum wage, unlike the Scottish living wage that actually relates to the cost of living. The Scottish Government are a living wage employer and continue to encourage Scots-based businesses to become living wage accredited employers.
The hon. Member for Hove is correct that the caring sector has become associated with low pay. That is a scourge on that important sector, and must be acknowledged and tackled in any discussion about the future of the whole care sector. I agree very much with the hon. Member for Rochdale (Simon Danczuk) that the provisions of the social care precept are not enough. What is needed is more investment in the care of older people from central Government. Many private care homes argue that they will struggle to pay the national living wage, as outlined by the Chancellor, of £7.20 an hour from April—never mind the living wage that the Scottish Government are encouraging employers to pay, which currently stands at £8.25 an hour.

We have heard from the hon. Member for Redcar (Anna Turley) about some shocking employment practices. The SNP is committed to improving the quality of care in Scotland and will consider carefully the impact of the living wage on the care sector. Make no mistake: any discussion about how to improve the quality of care must include a discussion about the scourge of low pay. Indeed, the Scottish Government are taking forward the recommendation of the residential care taskforce to undertake financial modelling of the costs of paying the living wage.

Mrs Anne Main (in the Chair): Order. I ask that the hon. Lady sticks as closely as possible to the subject of the debate, which is care homes in England. I have given her some latitude but she is somewhat straying off the point.

Patricia Gibson: I was simply going to ask the Minister to ensure that the scourge of low pay is tackled as far as possible under the Chancellor’s arrangements to ensure that the wage levels are at least enforced. As we have heard from the hon. Member for Redcar, that is not even currently the case.

It is clear that there are urgent concerns about care homes, which must be addressed. I look forward to the Minister’s taking the opportunity to do so. The urgency of the concerns are apparent as care home margins are squeezed by a lack of investment and a failure to deal with the funding of long-term care to an acceptable and sustainable level with local authorities facing even tighter budgets. We should recognise that care services are a vital component of the fabric of the NHS.

What happens in the care sector in England has a direct consequence for the care sector across the UK. Caring for our older population and caring for our carers is an issue of social justice. Of course there is a price tag and a cost for supporting older people, but politics is about choices and the challenges of our ageing population will only increase. We must make the choice to treat them with dignity, and to support carers and our older population as much as we can. We cannot afford not to.

3.35 pm

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to speak in a debate with you as the Chair, Mrs Main. I think it is the first time for me, although others have a different experience. I congratulate my hon. Friend the Member for Hove (Peter Kyle) on securing this important debate. As well as his speech, there have been speeches and interventions from my right hon. Friend the Member for Enfield North (Joan Ryan), my hon. Friends the Members for Dewsbury (Paula Sherriff), for Rochdale (Simon Danczuk), for York Central (Rachael Maskell) and for Redcar (Anna Turley), the hon. Members for Newton Abbot (Anne Marie Morris) and for Bexhill and Battle (Huw Merriman), and the SNP spokesman, the hon. Member for North Ayrshire and Arran (Patricia Gibson).

The care home sector in England is in crisis. A toxic combination of a chronic lack of funding plus rising demand and increased costs means that care providers are facing an extremely difficult time. I will go on to say more but we heard a great deal about that during the debate. The social care settlement announced in the autumn statement does little to provide the additional resources that the care home sector needs. As I said in Health questions last week, the Government’s funding proposals for social care are risky, uncertain and late. They are risky because the better care funding is back-loaded. It does not reach £1.5 billion until 2019. Indeed, it offers nothing this year and only £100 million next year.

Funding from the social care precept is uncertain. It can only raise £1.6 billion if every single council decides to raise council tax by the maximum amount and that is by no means certain. Only about half of councils chose to increase council tax this year. Despite social care pressures, it is unlikely that all councils will want to implement an unpopular tax increase at this time. Both sources combined are late, because they do not help this year and they only reach £3.5 billion in 2019-20. Council leaders—including, I think, a council leader in Essex—wrote to the Prime Minister asking him to move some of the funding forward.

In a joint review of the spending review undertaken by the King’s Fund, the Health Foundation and the Nuffield Trust, the total funding gap for social care is found to be between £2.8 billion and £3.5 billion by the end of this Parliament. We need to make it a goal to close that gap. The three organisations conclude:

“Public spending on social care as a proportion of GDP will fall back to around 0.9 per cent by 2019/20, despite the ageing population and rising demand for services. This will leave thousands more older and disabled people without access to services.”

I suspect that it is probably hundreds of thousands, not just thousands.

The plans for the social care precept are seen as unfair due to the wide variations in the revenue that local councils can raise from their council tax base. Deprived areas can have the highest need for publicly-funded social care, yet councils in those areas are less able to raise significant additional revenue from council tax.

Let me give the example of my local authority in Salford. The adult social care budget is now £61 million. It has had to be cut by £15 million since 2010 due to cuts in the central Government grant, and 2% of our council tax—the maximum we could raise if everyone paid and, of course, they do not—is £1.6 million a year so that does not close the gap. Ministers have failed to explain how the social care precept can be implemented in a fair way that addresses the differences in need across the country. That is important.

The care sector responded to the spending review by saying:

“We believe the package put forward for social care will not enable us to fill the current gap in funding, cover additional costs
associated with the introduction of the National Living Wage, not fully meet...growth in demand due to our ageing population...the settlement is not sufficient, not targeted at the right geographies and will not come soon enough to resolve the care funding crisis.”

That is absolutely clear, and it is the sector itself saying that.

The social care funding crisis is most apparent in the care homes sector. In his opening speech, my hon. Friend the Member for Hove gave a useful analysis of the differences between large and small providers, but I will focus on what could happen with the biggest care home operator. Four Seasons owns some 470 homes and cares for 20,000 residents, mainly older people. It has been reported that, in the third quarter of 2015, Four Seasons lost more than £25 million before tax, and the rating agency Standard & Poor’s has warned that Four Seasons could run out of money in as little as six months. Squeezed local authority fees and the cost of temporary nursing staff are cited by the company as the reason for its financial difficulty, and we know from this debate that those pressures are only going to rise.

The so-called national living wage will be introduced in April 2016, and we have just heard the views of the hon. Member for North Ayrshire and Arran, the Scottish National party spokesperson, on that. Perhaps the key thing, whatever we think of the level of the national living wage, and it probably is not enough, is that the Government have so far provided no assistance to help care home providers or local authorities to address the increasing costs caused by their own policy, welcome though it is, because increasing the pay of staff working in the care sector is vital—I think we all agree on that.

Before the spending review, a sector-wide group of charities, organisations and providers wrote to the Chancellor expressing concerns about the funding gap in social care. They said that a £2.9 billion social care funding gap would have these results:

“Up to 50% of the care home market will become financially unviable and care homes will start to close their doors. 74% of homecare providers who work with local councils, have said that they will have to reduce the amount of publicly-funded care they provide.”

Care homes are already finding it difficult to provide quality care, as we have heard. The CQC’s 2015 report recognised that, of course, adult social care providers face challenging times, but it raised concerns, as my hon. Friend the Member for Hove did, that nursing homes provide a poorer quality of care than other adult social care services. Indeed, just under half of nursing homes rated up to 31 May 2015 were rated good or outstanding, and one in 10 were rated inadequate. That trend is likely to continue unless the funding gap is addressed.

We have heard about the ResPublica report released in November, which projected a funding gap of more than £1 billion for older people’s residential care alone by 2020-21. My hon. Friend referred to that, and it could result in a loss of some 37,000 beds, which would be greater in scale than the collapse of Southern Cross. A loss of beds on that scale would have significant costs for individuals, families and the NHS. If all the residents of lost beds in care homes included in the report were to flow through to hospitals, the annual cost to the NHS is put by the report at £3 billion.

There has been excellent coverage in this debate of the postcode lottery that exists in certain regions of the UK. Of course, care homes in certain regions are much more likely to be subject to significant financial pressures. A market insight report by LaingBuisson found that the proportion of self-funders varies dramatically between regions, and we have already heard some examples. In 2014, in the north-west, only 18% of residents were self-funders, compared with 54% of residents in the south-east. That contrast has already been drawn out by my hon. Friends. Those differences have significant implications for the financial viability of care homes in regions with higher levels of local authority-funded residents.

It is no surprise that the Government’s policies have failed to attract investment in state-funded social care, and it has not happened on its own; but many providers have been forced to attract private funders to maintain their profitability, and LaingBuisson concluded:

“Prospective new care home developments for state-funded clientele...struggle to meet investment criteria because of inadequate fee levels on offer from local authorities in most areas of the country”.

That is a serious point.

The hon. Member for Bexhill and Battle raised the issue of migrants working in nursing in the care sector, but there is a further issue with recruitment to which my hon. Friend the Member for York Central referred. Independent Age and the International Longevity Centre produced a report called “Moved to Care,” which raised that issue:

“Migrants and particularly non-EU migrants play a big role in the care workforce. Nearly 1 in 5 care workers was born outside of the UK”.

The report states that one in seven care workers—more than 191,000 people—is a non-EU migrant. The care sector has a vacancy rate of nearly 5%. That is the recruitment problem that my hon. Friend the Member for Hove talked about. Given those statistics, the serious thing is that care workers do not appear on the shortage occupation list, so a fall in net migration could have a serious impact on the care sector. As the hon. Member for Bexhill and Battle asked—this is in addition to what I was going to ask today—would it be viable for skilled care workers, including senior care workers, to be included on the tier 2 shortage occupation list, as are nurses?

Good quality, affordable care in old age is a basic right, but the current pressures that care providers and local authorities face mean that there is a risk that good care will become the preserve of the wealthy. Julia Unwin, the chief executive of the Joseph Rowntree Foundation, has said that the effects of reduced home care capacity would be “devastating.” She said that, “care homes are already under financial pressure.”

We have heard ample examples of that. She continued, “if proper funding is not provided...with these additional costs, the Government risks creating a two-tier care home system where good care is only available to those who can pay for it.”

Ministers must do more to ensure that the most vulnerable people in our society start to receive the good-quality care that they need.

A sustainable financial settlement is needed, but the Government’s policies are ineffective and are failing to take account of differing needs across the country. We had an opportunity for a settlement with the Dilnot reforms, but chronic underfunding has led to long delays in implementation. Will the Minister reiterate his support for the implementation of the Dilnot reforms? After all,
page 65 of the Conservative manifesto—that was not very long ago—stated that that is what the party would do.

Whatever we do about the cap on care costs, we must first address the deepening funding crisis. A first step would be for the Government to admit that the plans announced in the spending review do not address the funding crisis that has been so amply referred to in this debate. What steps will be taken to protect services from collapse? That is the priority. Without a radical change in policy, care homes will be unable to offer the services needed to ensure what almost everybody in this room would want—that every older person has the care they need and the dignity and respect that they deserve.

3.47 pm

The Minister for Community and Social Care (Alistair Burt): It is a pleasure to serve under your chairmanship, Mrs Main. I congratulate the hon. Member for Hove (Peter Kyle) on securing the debate and thank him for introducing it courteously and knowledgeably. He is a valuable addition to the House, as indeed are a number of the new Members who have spoken. This is another example of a debate where the House’s knowledge and passion is conveyed in an entirely reasonable but challenging manner. I do not think this is the only debate we will have on this subject, so we will return to a number of issues.

I thank colleagues for their contributions. My hon. Friend the Member for Bexhill and Battle (Huw Merriman) spoke about the quality care provided in our care homes, and it is important not to lose sight of that. The right hon. Member for Enfield North (Joan Ryan) spoke about costs—we will come back to that—and workforce issues. The hon. Member for Rochdale (Simon Danczuk) spoke about the need to ensure that local authorities in poorer areas are covered, and I will speak about that. The hon. Member for York Central (Rachael Maskell) spoke about choices, and I will come back to her on that in a moment.

The hon. Member for Redcar (Anna Turley) spoke knowledgeably about workforce issues. The hon. Member for North Ayrshire and Arran (Patricia Gibson)—we wish her mother-in-law well in the home where she is situated—gave more examples of what is happening in Scotland. I am always keen to see whether we can find anything that can be extrapolated from what is done up there. The hon. Member for Worsley and Eccles South (Barbara Keeley) spoke with her usual eloquence and from her strong background in the subject. Again, we will be covering a number of these issues over quite some time, and it cannot be completed today. I thank colleagues from all parties who made interventions.

I will not be able to respond to every point in 10 minutes. I will talk about quality and care issues, the spending issue and contingency—what to do if there is a problem. I think those are the three biggest things. That does not mean that I am uninterested in integration and winter pressures, which we believe we are working through and tackling. I will not talk much about the workforce, but I entirely agree that we should value the workforce at all levels and provide a decent career path. I agree entirely with the view that everyone has to be valued in a way that has not really been the case in social care up to now.

There are a number of other issues that I will just not be able to touch on. If there were specific questions directed at me and I do not cover them, I will go through them and write to the appropriate Member.

In general, we all start from a common position on the importance of this issue and the context in which it is set: an ageing population; people living longer with multiple long-term conditions; and many of our care workers working with dedication, both in homes small and large and in domiciliary care. I praise Chris Ryan of Bedford, who does much the same job as the gentleman the hon. Member for Hove mentioned in looking after a smaller home. It is a family business with a great sense of care and compassion, and I see those things in many homes.

May I start with a few words about quality? I am conscious of time, and I will try to keep my remarks on the three main issues that I want to cover quite short. In a way, we cannot win with the inspection regime. If inspection is done thoroughly and reveals things that need to be changed and improved, I can be lambasted for things that are inadequate. On the other hand, if we do not have a regime that turns up the things that need to be changed, then we are missing things.

The tougher inspection regime and the work that the Care Quality Commission is doing are good for us all. The bulk of homes—60% of the homes inspected, and a third of all homes have been inspected—have been rated “good” or “outstanding”. The CQC started with some local knowledge and wanted to go to the most difficult homes first. When it goes back to them it sees improvement, because the job of inspecting is not just about closing people down; it is also about seeing what improvement needs to be made.

In many cases, care is not about resource per se. I will never stand here as Minister and say that money and resource do not matter, but I will always say that making sure there is good-quality care is about many other things as well. There is tremendous variability of provision. There are people who handle the same resource in very different ways, and some are poorer at it than others. Quality of management, quality of leadership and in particular the use of registered managers in homes are all important issues, and there is much that can be learned through the inspection regime.

It is important for us to set out the five key questions, so that we remember what the regime is intended to do. These questions are asked of each service that is inspected: is it safe, is it caring, is it effective, is it responsive, and is it well led? All inspections deliver a rating for the quality of leadership. It is right that we do that, and I am not afraid of the answers that have been produced.

However, I want to go slightly beyond that process. I am never content to rest on what the inspection regime is bringing forward; I listen to other voices as well. Although I do not respond to all the tweets I receive, I read them all, and I am in contact with some of those who represent families and with those who have uncovered things and who do not feel that the inspection regime is doing its job. I say to them that we can do more, and I am listening carefully. I want to use the experiences of those who have been through poor circumstances to see whether we can make any changes that will make such
circumstances less likely. There will never be nil bad circumstances, although there should be, but we must do all we can, and I am listening carefully to some less heard voices to try to ensure that that is the case.

I will speak about spending, which I know is at the heart of this debate, before I cover contingency. The hon. Member for York Central spoke about choices. I will not labour this point, but it needs to be said, because it is at the heart of all we do—yes, there are choices to be made. In a different context, I hear much talk about “mandate” from Opposition Members. The Government also have a mandate, and it is a difficult one. It is to try to ensure that our spending on public services matches the needs of the population and also looks after the future, ensuring that we are not running a continuous debt and running into more debt. It is a difficult choice, and we put it to the people and they gave their answer. We are working with that mandate.

The hon. Lady also said that how a society treats its old people is a measure of the quality of that society. That is quite true, as it is of our treatment of our children, those with mental health issues and our prisoners. It is also true of how we treat the future and what we leave for the future. That is why this Government, like every previous Government who have had to make difficult choices, including Labour Governments, have never been able to spend as much money as some would have wished. That is at the heart of this debate as well. We will do what we can with what we have got, and I will explain how we will do it, but that is the difficult choice that we have to make, and the hon. Lady does not have to do so yet. All I will say is that I will explain what we are trying to do in making that choice.

Peter Kyle: I am grateful to the Minister for giving way, and for letting us know that he reads all the tweets he receives, because that has opened up another avenue for communicating with him; he may well regret that, even by the end of today.

Part of the Minister’s mandate is to reduce spending—we understand that—and part of his mandate is to spend money better, which is an issue that has come up time and time again in this debate. There was cross-party support for an independent evaluation of the better care fund and how it applies to the care home industry. May I specifically ask him whether he will support the call for that evaluation, which came from Government Members as well as from Labour Members?

Alistair Burt: We are constantly evaluating the better care fund. We work on it with local authorities on a regular basis, and with the Association of Directors of Adult Social Services, so it is constantly being evaluated. I do not know whether something else would add to that process.

Barbara Keeley: I have made the point about choices to the Chancellor in the past. Perhaps the Minister has not got the Chancellor on side yet; I hope that he will do so. However, the inheritance tax giveaway that this Government have enacted will cost £1 billion by 2020. How far would that £1 billion go in social care? A long way.

Alistair Burt: We could all pick items of Government spending that we do not particularly fancy and say, “Oh, if only it was applied to this, it would be great.” Every single Government and every single Chancellor have faced the same argument. We are where we are. We have made choices about a whole variety of things, and we have a range of obligations to deliver to the public. In this particular instance, however, I want to talk about what we are spending and what is new. I will do so briefly, but I must cover that.

The Government are giving local authorities access to up to £3.5 billion of new support for social care in 2019-20. We believe that the precept could raise up to £2 billion a year, and with that money and the £1.5 billion that was included in the spending review, we believe that by 2019-20 there will be the opportunity for a real-terms increase in spending on social care.

Barbara Keeley: Will the Minister give way?

Alistair Burt: No. I have only three minutes. If I give way, I will not be able to cover everything now.

Barbara Keeley: I just want the Minister to say how councils such as the Essex council that wrote to the Prime Minister will manage until 2019.

Alistair Burt: I will give two responses to that and talk about the equalisation of funding. First, we are working closely with local authorities and with ADASS. I do not pretend in any way that the situation will not be tough for the next couple of years; it will be. However, we believe the resource is there. Secondly, the social care precept will come in this year, and that money will be made available more quickly. It will be difficult and it will be tight, but a lot of changes are being made and a lot of work is being done to ensure that services are more efficient. Those things are going on all the time.

I want to address the problem that was raised about the precept and explain how it will be used to ensure that local authorities do not miss out. The Department for Communities and Local Government published for consultation a provisional local government finance settlement in December. Recognising that local authorities have varying capacity to raise council tax, it is proposed that the additional funding for the better care fund that will be available from 2017 should be allocated using a methodology that provides greater funding to authorities that benefit less than others from additional council tax flexibility for social care. That will include consideration of the main resources available to local authorities, including council tax and business rates.

Peter Kyle: Will the Minister give way?

Alistair Burt: No, if the hon. Gentleman will forgive me; I have 90 seconds left.

That is how there will be some degree of equalisation, to respond to the point made by the hon. Member for Rochdale. More money is being spent, and there is an equalisation process.

I will speak about contingency plans briefly. Local authorities now have a responsibility, through the Care Act 2014, to monitor the care providers in their area for any early warning of difficulties. In total, 44 care providers were included. Local councils are also under a duty to provide contingency plans for what would happen if there was a failure of provision, and 95% of local authority areas are currently covered by such contingency plans.
plans. Of course, I am looking for answers from the other 5% to ensure that coverage is there. If there is a failure of provision, local authorities have a responsibility to step in, and we are addressing the situation to ensure that contingency provision is in place.

We believe that we have put in money that will assist the system and provide the care that is needed. With local authorities, we are constantly looking at what can be done to make things more efficient. We want to ensure that money is spent properly. That is why the social care precept is there; it can only be spent on social care. I have mentioned the position of councils that might be in particular difficulties over that issue, and over time, we will see whether that provision is sufficient. The Government and I will keep this issue under constant review, and we will talk about it again—

*Motion lapsed (Standing Order No. 10(6)).*

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**Dartford Crossing: Congestion**

[**Sir Alan Meale in the Chair**]

4 pm

Gareth Johnson (Dartford) (Con): I beg to move, That this House has considered congestion at the Dartford Crossing.

It is, as always, a pleasure to serve under your chairmanship, Sir Alan. I am pleased to have secured a debate today.

The tunnels have caused problems in the area for pretty much all my life. It is fair to say that there was a period of respite when the bridge was built, but that was back in 1991, and the problems have grown ever since. In Dartford, we believed that there would be further respite when the tollbooths were finally removed but, alas, that has not been the case. Today we have congestion like I have never known before.

Quite simply, the approach to the Dartford crossing is Britain’s worst stretch of road. I challenge the Roads Minister to name one stretch of road in the UK that is worse than the Dartford crossing approach. It will be interesting to see whether he can come up with a single road in the whole United Kingdom that can compare. The congestion has a huge impact on local residents. Children cannot be picked up from school and people cannot get to work or home from work. People say to me that often it is like being a prisoner in their own home. Businesses are also affected, particularly those on Crossways Boulevard. If the congestion continues, it will ultimately cost Dartford hundreds of jobs.

We have a growing economy. London and the south-east are envied around the world for their wealth creation. The south-east provides not just thousands but millions of new jobs. It is very much the financial engine of the country, but the whole area is held back by Britain’s worst stretch of road. It is pointless to have a financial engine if the tyres are punctured. As the Prime Minister said in response to my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson), we cannot secure inward investment for Kent unless we have a modern road system. That applies as much to the A249, which my hon. Friend asked about in Prime Minister’s questions, as it does to the Dartford crossing.

The congestion is not only a transport issue; it also leads to pollution. The pollution created at the Dartford crossing is nothing short of a national disgrace. It is both noise pollution and air pollution. According to Public Health England, a staggering 6.7% of the deaths in Dartford are at least partly attributable to long-term exposure to human-caused particle air pollution. In other words, more people die from air pollution in Dartford than anywhere else in Kent or Essex. The figure is the second highest in the whole south-east, behind only Slough, which is of course home to Heathrow
airport. The worst area in the east of the country is Thurrock, and we know where the Dartford crossing links up to. Why should the people of Dartford be subjected to such high levels of pollution? Why should the health of people in Dartford be put at risk by the road scheme?

The congestion at the Dartford crossing will be properly dealt with only when we have another crossing in the lower Thames area. In my opinion, that crossing should be located away from Dartford and east of Gravesend if it is to provide a proper alternative for the motorist. I shudder to think of the problems that will be caused if another crossing was to be built at Dartford.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I congratulate my hon. Friend on securing this important debate and echo some of his comments, particularly on air pollution in Thurrock. I am privileged to represent parts of that area. He talks about an additional crossing east of the existing crossing. Does he agree that both options A and C answer a question that was posed 10 years ago? We should broaden the debate and potentially look further east, and west into London, to resolve the issues.

Gareth Johnson: My hon. Friend makes an important point, and I pay tribute to his campaigning on behalf of his constituents on transport links in Basildon and Thurrock. As I understand it, the Mayor of London continues to assess the alternatives to the Blackwall tunnel, and that work is ongoing.

With the Dartford crossing, I argue that options D, E and F have been assessed previously and have been properly looked at. We are left with options A and C. My hon. Friend the Member for Gravesham (Mr Holloway) is a vociferous opponent of any crossing east of Gravesend. I disagree with that stance; I believe that there needs to be that alternative for the motorist, but we need a decision. We need something to be built as soon as possible, because the current situation is completely untenable.

Gordon Henderson (Sittingbourne and Sheppey) (Con): Would my hon. Friend accept that any crossing east of the Dartford crossing would have to take account of the existing problems on the M2 and the A2?

Gareth Johnson: My hon. Friend makes an important point, and I would add the M20. It has been years—I cannot remember it happening in my lifetime—since we have seen any major improvements on the M20, A20, M2 or A2. It is high time that we had some road improvements in the county of Kent. We have increasing levels of traffic coming from the port at Dover through to the east of England and round to ports such as Harwich. Kent is being used as a thoroughfare. There are too many pinch points and too many roads that simply cannot cope with the amount of traffic that we have. A garden city is being built in my constituency. We have population growth throughout the county, which in many ways is welcome, but we must have the infrastructure to match that, and a crucial part of that infrastructure is investment in our road network, because the local roads simply cannot cope with the demands of the levels of traffic.

On whether there should be a crossing at Gravesham or Dartford, my argument is that another crossing at Dartford would give us years of roadworks. As a consequence, we would have more traffic squeezed into what is already a pinch point. It would be nothing short of a disaster for the town.

Mr Adam Holloway (Gravesham) (Con): I thank my hon. Friend for securing the debate. It strikes me that we need to fix the appalling problem at Dartford—I was not aware of the awful statistics he mentioned on respiratory illnesses—but is not the answer, therefore, to fix the problem at Dartford, rather than unnecessarily create a whole range of problems for 20,000 people to the east of Gravesend?

Gareth Johnson: My hon. Friend the Member for Gravesham and I disagree on this. Understandably, he wants a crossing, but not in his constituency, and I fully understand the reasons why. My argument is that if we had another crossing east of Gravesend, we would see far less of the stationary traffic that creates the most pollution. It is estimated that 30% of the traffic currently using the Dartford crossing would move east of Gravesham, where there would be another crossing, giving not only relief to Dartford but an alternative for the motorist. If we insist on having just one crossing point at Dartford, no matter how wide we make it, it puts so much pressure on the roads in the area that they will not be able to cope. One single problem on the M25 at Dartford can cause mayhem in the area. We need an alternative. Unless we have that alternative, there will always be problems at Dartford.

Mr Holloway: Does my hon. Friend not agree that the reason for the northbound back-up is that we have a tunnel bore? According to Highways Agency staff, the problem is caused by dangerous goods vehicles backing up. It takes seven minutes to reverse one. Should he not concentrate on fixing the problems at Dartford, rather than creating problems for people living elsewhere?

Gareth Johnson: HGVs that are too high and need to turn round do cause problems with delays in that area—

Mr Holloway: It is the problem.

Gareth Johnson: It is not the only problem.

Mr Holloway: It is the main one.

Gareth Johnson: The existing tunnels were designed for roughly 140,000 vehicles a day, and anything up to 170,000 vehicles currently use them. Inevitably, according to the laws of physics, there will be congestion at certain times going through the existing Dartford tunnel. So we have two options. We either build a crossing further away from Dartford to give motorists an alternative, or we put another crossing next to the existing one, putting an increasing amount of pressure on local roads that cannot cope at the moment. If we put more traffic there, even after the roadworks are finished we will have even more problems.

Mr Holloway: That is the point. If my hon. Friend wants to protect his constituents from respiratory problems, he has to have a way of stopping those great build-ups at Dartford. Of course the multi-billion-pound answer is to build another crossing, but another bridge at Dartford going northbound will help his constituents much more quickly.
I recently held a round-table summit for all authorities with responsibility for the crossing. Both Kent County Council and Highways England know that the current situation is untenable, and that they need to find a solution. Congestion is also caused at the slip road from Bob Dunn Way, which causes huge problems for the people who live on an estate called The Bridge, which is adjacent to that road. If Kent County Council is unresponsive to requests made by Highways England, it should make that publicly known. Kent County Council must work with Highways England to find a solution to the problems that we currently face.

The new road layout was put in place to facilitate the free-flow system that saw the back of the tollbooths. I still maintain that it was right to remove the tollbooths, but the road layout simply has not worked. The Dart Charge system is riddled with administrative errors and incompetency. Hardly a day goes by—I am sure this is the case for my colleagues in Kent and in Essex—when I am not approached by a motorist who has been wrongly or unfairly given a penalty notice. I do not want any tolls on the crossings in the area, but where they exist motorists have a right to have confidence in the tolling system. The London congestion charge rarely makes a mistake, but the same cannot be said about Sanef, the company that runs the Dart Charge system. Will the Minister look again at withholding payments to Sanef until it can rectify the mistakes it frequently makes?

I anticipate that the Minister will claim, on behalf of Highways England, that journey times have improved since the new road system was put in place. I do not dispute that traffic flow has improved from Essex into Kent. However, it is hard to find anyone in Kent who thinks that journey times the other way round have improved. Highways England claims that journey times northbound have improved by five minutes. However, that calculation is obtained purely by measuring traffic flows that just 1.5 miles before the tunnel entrance, compared with 6.5 miles approaching Kent from Essex.

Why the difference between the two? It seems that the figures have been taken to obtain the most favourable outcomes. I hope that this is not simply a case of cherry-picking. Why not measure from the same distance northbound and southbound? Parliamentary answers today show that such figures are not available.

In conclusion, Highways England has accepted that it needs to do more, and I agree. The approach to the Dartford crossing is a hellish, unpredictable nightmare for motorists. The crossing strangles the town of Dartford and causes misery and anger. It damages both the economy and the health of the local area and must be improved as a priority. The road layout needs a major overhaul. Britain's worst stretch of road needs to be given priority by both Highways England and the Department for Transport. It is essential that everybody who has been stuck in jams at the crossing hears that action will be taken to improve the situation in advance of a new crossing being built.

Sir Alan Meale (in the Chair): Before you start, Minister, I apologise for the short time you have to respond. I thought it was important that the local Members had a chance to participate in the debate and get their message across.
The Dartford Crossing: Congestion

4.20 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): Thank you very much, Sir Alan. We need to ensure that local Members’ voices are heard—I have absolutely no problem with that and will rattle through what I have to say. The need to champion the constituencies in the area, recognise the problems and seek answers has come across very strongly.

I congratulate my hon. Friend the Member for Dartford (Gareth Johnson) on securing this debate on an issue that is incredibly important to him. We have discussed it on previous occasions, and he is a vigorous local champion and continues to highlight the issue. It will be no surprise for him to hear that we agree on many of the issues he has raised. He has played an important role in bringing people together locally, and I hope that, as that work continues, I will be able to offer support, and that we will be able to work together and count on each other’s mutual support as we make progress and develop solutions.

The crossing consists of two bored tunnels for northbound traffic and a bridge for southbound traffic. It was initially built as a tunnel 50 years ago to provide a link between Kent and Essex, and provides the only road-based river crossing east of London. It is a link in the M25, which is used by many to orbit or bypass the capital, as well as a connection to several strategic radial routes. As my hon. Friend said, since it was originally built, the area has seen enormous growth.

The M25 has been constructed, as have the Lakeside and Bluewater shopping centres. Traffic levels have increased, including freight, and the crossing provides connections to a host of international gateways in the south-east, including the port of London, the Medway ports, the port of Dover and the channel tunnel.

The incremental upgrades that have been made as growth has occurred have led to a layout ill-suited to the needs of today’s traffic. The crossing is now one of the busiest stretches of road in the country. I cannot say that it is the worst road in the country, because I am afraid to say I have heard that accusation from many colleagues in this place, but I can certainly agree that it is a real problem, so we have to work together to find a solution. The Dartford crossing is hugely busy, with more than 50 million vehicle crossings each year, and it has been operating well above its design capacity for years.

When incidents occur, the consequences for the road network are severe. Delays can take a long time to clear, meaning that road users have to endure unreliable journeys. There are typically more than 300 unplanned lane closures every year. When the crossing closes, users have no choice but to wait it out, use the Blackwall tunnel, or take the long way around the M25, all of which are unacceptable options. Such resilience issues will worsen until we build on the actions we have taken recently and get the planning right for future capacity.

The free-flow system has been mentioned a number of times in the debate. Until recently, the road layout on the south shore of the crossing broadened out to multiple lanes to accommodate toll booths and then merged back into two lanes in each direction. The new arrangements, known as free-flow charging, require remote payment of the Dart Charge. Drivers no longer need to stop to pay at a barrier, and there is no need for multiple lanes to merge back in. The new arrangements have reduced journey times, although I recognise the concerns that my hon. Friend has about the accuracy of the data. I will pass them on to Highways England and ask it to write back. I will then forward the reply to him. The latest data from Highways England show that journeys are now on average a third faster than before the new system was introduced. Those traveling from the north to the south are saving almost 7 minutes, which is a reduction in journey times of around 36%. Less positively, for those traveling from south of the river the journey time saving is around 3 minutes per trip, which is much smaller.

Mr Holloway: Does my hon. Friend agree that we need to be a lot more creative if we are to rescue the people of Dartford and prevent the blight on 15,000 homes? We have to think about things such as using the tunnel for local traffic and anticipating the huge future effects of driverless cars. We also need to do pretty straightforward things such as running freight trains—rather than unloading them all at Dover, we should let them run north.

Andrew Jones: I entirely agree that creative approaches are required. We will need to take a number of approaches, because there is no single, silver-bullet answer to this question. If I have time, I will discuss some of these issues shortly.

After several months of close working, in December, Highways England made proposals to both Kent County Council and Dartford Borough Council to make better use of technology, such as signalling and signs. The proposals have been with Kent County Council for a short period, and a response is due in the next few days. In addition to that partnership, I hope data sharing will help both authorities to agree strategies to help traffic moving between the local network, which is controlled by Kent County Council, and the strategic network, which is run by Highways England. I expect decisions to be made and improvements in place by February. My hon. Friend the Member for Dartford has supported the initiative through his work to bring all parties to the table, and I hope he will be pleased with the results as it develops.

Highways England is working hard to improve the traffic safety system, which meters traffic if congestion is backed up on the other side of the tunnel to prevent the dangerous build-up of traffic inside the tunnel. Nevertheless, I agree with my hon. Friend that there are still unacceptable levels of congestion at the crossing, caused by the limits to its capacity and driven by the extreme growth in traffic. More needs to be done. That “more” is the development of a lower Thames crossing. From the debate today and the conversations I have had with colleagues, I recognise that a new crossing is not going to be an easy option. There will perhaps be some difficulty in getting everyone aligned behind it, but I have no doubt that we need to get it in place.

The Dartford crossing’s capacity has been exceeded. In July and August 2015, the bridges and tunnels carried 20,000 more crossings a day than they were designed for. Dart Charge is at best a medium-term solution to the capacity challenges. The 2011 national infrastructure plan named a new lower Thames crossing as a top-40 project. Successive Governments have investigated the need for
additional crossing capacity in the lower Thames area and where to locate it. The Government are committed to delivering the investment required for a new lower Thames crossing in the next road investment period. Highways England is currently concluding its examination of routes at the two remaining location options: a further crossing near the existing Dartford-Thurrock crossing, or a new link further east to connect the A2/M2 with the A13. There would be many benefits to a new lower Thames crossing, some of which have already been articulated during the course of the debate, but the decision is very important and will affect thousands of people, so it is vital that we get it right.

On the administration of the Dart Charge scheme, Sanef’s performance is of concern to colleagues. I have called Sanef in to meet me at the Department to highlight our concerns. Complaint levels are at their lowest to date, but I will continue to monitor the situation and ensure that the feedback from colleagues present is delivered back to Highways England, Sanef and Kent County Council. Local service providers are working together, and I guarantee my support for finding solutions to make the situation better. I will do all I can to support them and local Members. The situation is very challenging. It is driven by growth and capacity constraints. We can take some short and medium-term measures to improve the situation, but a long-term measure in the form of increased capacity via a new crossing is the only answer that will make a significant difference.

Question put and agreed to.

Hand Hygiene: NHS

4.30 pm

Nigel Mills (Amber Valley) (Con): I beg to move, That this House has considered hand hygiene in the NHS.

I am grateful for the chance to raise these concerns. It is a pleasure to serve under your chairmanship, Sir Alan. I secured this debate to highlight some important issues. The germs that cause infections are spread to patients primarily on the hands of healthcare workers, so cleaning hands is the No. 1 way of reducing the spread of infection. Guidelines and rules are already in place, but they are not followed closely enough and the inspection regimes do not do their job and do not produce meaningful data about hand hygiene compliance levels. This serious issue has a dramatic effect on the health of many thousands of patients a year. For many of them, it could be avoided. There is a way of dramatically improving this issue for patients.

The data on this issue are scary. The 2011 prevalence survey showed that 6.4% of hospital patients—one in every 16—contracted an infection while in hospital. Imagine going to a restaurant where one in 16 customers was made ill by the food. No one would go back again; we would not allow it to stay open. But that is what the data showed for our hospitals five years ago. We should not be willing to accept that.

Infections contracted in hospitals affect 300,000 patients every year and cause 5,000 deaths. They have a dramatic impact on those individuals and a significant impact on the NHS, because patients who contract such infections remain in hospital on average two and a half times longer than patients who do not. They spend an average of 11, and a maximum of 25, extra days in hospital at an estimated cost of about £1 billion a year. It is estimated that 30% of such infections can be avoided simply by better applying the existing rules and practices. The NHS must improve its performance on this fundamental issue. We should not be willing to accept that level of unnecessary infection. I am not saying that such infections are caused by people deliberately not washing their hands enough. They probably do not realise what they are doing, and their behaviour is not corrected. I suspect that most people in the NHS do not realise how many times they should wash their hands when they see a patient and do not know that they are not doing all they can. I am sure most people are extremely keen to do everything they can to fix this problem and prevent such infections. We must look at what more we can do to put systems in place and enforce them. We should give people support, training, peer pressure and peer reviews to ensure it is happening, rather than blame individuals. This issue will become increasingly important as the problem of antimicrobial resistance grows. We cannot rely on antibiotics to fix such infections and tackle the problem, so it is important that we stop the infections in the first place and prevent the situation from getting worse.

I want to talk about the existing hand-washing rules, the systems for monitoring them and why they do not work. I will look at some things that can be done to improve the situation. I hope the Minister will agree that I do not intend these ideas to be controversial or costly: they are ways of enforcing the rules that are already in place and of using the existing systems.
There is a generally accepted international standard for the number of hand-washing moments when nurses and doctors treat patients. It is not controversial: all right, and doctors are taught it as part of their training. It is an accepted standard in the NHS and most hospitals around the world. I am not asking for a super gold standard for the UK. I do not want to create anything new, different or complicated. That set of moments when hand-washing is needed is accepted by everybody: it is just a question of how many of them are acted upon.

The National Institute for Health and Care Excellence put in place rules for hospitals to assess compliance with that number of hand-washing moments, so we do not need a new framework or a new duty on hospitals. Hospitals already have a duty to assess how well their staff comply with the rules for the five hand-washing moments when they deal with patients. When the Care Quality Commission audits hospitals, it checks how well those rules are enforced, so the systems are there but they are not working and we are not getting the outcomes we ought to have.

One of the problems is that hospitals check the compliance of their staff mainly through observations carried out by a member of staff on the ward or a member of the team. Normally, a nurse who happens to have half an hour spare one day is asked to review how well her colleagues are performing the five hand-washing moments. If I am doing a job and someone tells me, “Right, today you’re being observed on these criteria,” my performance goes up a bit because I know I am being observed and I do everything I can to comply—far in excess of my normal behaviour.

Another issue is that the staff members conducting the review are not trained in how to do it. They may not be entirely familiar with how many hand-washing moments there are or how many arise in the care of patients, so there is a combination of effects. If the people reviewing their colleagues, perhaps their friends, have not been trained to do so—they are not specialists—and are not fully familiar with the rules, it is not surprising that we do not end up with the most reliable data.

The vast majority of the observations show that the nurses and doctors observed are somewhere in the high 90s for compliance, which means they clean their hands more than 96% of the time, as they are meant to. The problem is that independent assessments carried out by people in a more reliable way suggest that compliance is significantly lower. Those data suggest that the actual compliance levels are somewhere between 18% and 40%. There is a set of rules and a system for checking compliance, but it is producing a dramatic false positive. It suggests that we are in the very high 90s for compliance, when we are nearer 20% compliant. It overstates the results by a factor of nearly five, with the terrible effect that there are more infections than there need to be and patients are suffering.

The NHS and other international health bodies accept that the levels of compliance with the hand-washing rules in the high 90s cannot possibly be right. Everybody knows they are false positives, but they give excessive reassurance to the boards of trusts that their staff are compliant, and further action is not taken. Everybody accepts that there has been progress in recent years in tackling infections, which have been reduced from even higher levels. The measures that were adopted to tackle infections had an effect on clostridium difficile and MRSA, but the problem is that we do not track instances of other infections, so it is hard to get data on how many are being tackled.

There have been various studies to try to assess levels of hand hygiene compliance to see what can be done to improve it. I am grateful to the Deb Group, one of the large employers in my constituency, which has an interest in this issue because it makes hand hygiene gel. It has some innovative ideas about how we can monitor hand hygiene compliance. I am grateful for the information it gave me for this debate. I should be clear that I am not advocating any one solution or product; we need a greater recognition in the NHS that this is an issue, and that there are better ways of assessing compliance. We need to encourage greater compliance.

As for recognition of the issue, Sir Mike Richards, the chief inspector of hospitals at the CQC, has highlighted the inaccuracy of local hand hygiene audits, so one would think that action is required. If we recognise that hand hygiene is important and that we recognise that we are nowhere near as compliant as we ought to be, one would think that many hospital trusts would be taking action to try to improve the situation. Sadly, that is not the case. Trusts have a lot on their plates and there are many issues, financial and others, to deal with, so they may decide that an area with compliance levels in the high 90s is not a stone that they want to turn over. They may fear that some proper audits might lead to the discovery that they are only 25% compliant and thus incur some unnecessary wrath.

However, the experience is that hospitals that take the matter seriously do get positive feedback. The CQC report on Burton Hospitals NHS Foundation Trust, which was in special measures until last year and is not too far from my constituency, highlights its use of a method to count the number of hand hygiene moments and the number of times ward staff were complying with the rules. It received some positive feedback in the letter from the chief inspector of hospitals in the report, which states that the hospital was using “innovative practice to increase hand hygiene, using the latest technology monitoring the use of alcohol in sanitising gel.” They were not marked down for having discovered an issue; they were complimented. The report states:

“We saw innovation in practice on ward 11 (male surgical ward) where the infection control nurses had worked with staff to reduce infection control risks and increase hand hygiene. The team implemented technology which counted the use of alcohol sanitising gel and compared it against the target of how often it should be used. This was in response to hand hygiene audits which needed improvement.”

On action that the trust must take to improve, the report states:

“The trust must ensure that ward assurance targets, such as hand hygiene practice and recording of patient observations, is achieved at a consistent level in the emergency department.”

We can see from that that if hospitals take the matter seriously, recognise that they are not as compliant as they ought to be and take action, that helps them in these audits.

The big ask here is what more we can do to ensure that CQC reviews identify that hospitals are perhaps fooling themselves into thinking that they are compliant when they are not. Perhaps asking, “Are you really doing accurate and competent monitoring of whether your
staff are complying with the hand hygiene rules? Do you have any independent assurance that that data is accurate or are you just relying on surveys done in an idle half an hour by a member of staff who is not really trained, which can produce false positives?” should be a regular feature of all inspections. Work done over a long period to improve levels of hand hygiene compliance in hospitals has produced data showing that when hospitals improve performance and increase the number of hand hygiene moments, infections decrease at a pretty similar rate to the increase in hand hygiene moments. Data exists in the public domain that shows that that is not just a coincidence. If a hospital can increase compliance, infection rates can come down, improving outcomes for patients and reducing costs to the NHS.

My suggestion is not particularly complicated or expensive. It would not lead to the creation of new rules or new burdens that people have not been trained for. I am simply asking that hospital trusts around the country comply with the rules that are already there and monitor whether their staff are complying with the standards that they have been trained in. The NICE guidelines could be tightened up so that hospitals must not only monitor whether staff are compliant, but do so in a competent, independent and impartial manner and not rely on the occasional untrained observation by members of the same team.

When the CQC goes around hospitals assessing cleanliness and patient safety, we should expect it to check whether competent work has been done. If it has not, it should encourage and instruct hospitals to take the matter seriously. When hospitals show higher than average instances of infections, it should check that they took this issue seriously and that the relatively simple and low-cost measures that can be taken to reduce infection were applied. When hospitals are not doing that, it should be regarded as a serious issue.

There are many things in health that we cannot control or fix or that are incredibly expensive, but what we have here is a set of rules that already exist. It is a simple thing that most people are trained in. By doing everything that we can to comply with it, we could save a lot of money and a lot of patient suffering. There is the potential for real improvement. I hope the Minister will accept that this is a serious situation, and that there is more that NICE and the CQC can do and more that hospital trusts can be expected to do, so that the prevalence of infections in the next report is at the lowest possible level.

Sir Alan Meale (in the Chair): As the debate is only an hour long and we have three quarters of an hour remaining, I want to inform Members that I intend to call Back Benchers first, then the Front-Bench Spokespeople and then the Minister. I will call the Back Benchers who stand.

4.45 pm

Mrs Madeleine Moon (Bridgend) (Lab): It is a pleasure to serve under your chairmanship, Sir Alan. I commend the hon. Member for Amber Valley (Nigel Mills) for calling the debate. It is such a simple issue. We are taught from early childhood to wash our hands, and yet somehow it seems to get lost. It seems to have disappeared out of our daily practices. We are failing on one of the easiest ways of addressing so many conditions that are afflicting this country a huge amount and causing the NHS a terrible problem.

We are told every day whether we should take vitamins or whether we should drink red wine, which is either good for us or destroying our lives, and we are told what superfoods to eat, but a simple, life-changing thing that can be added to the daily routine is washing one’s hands on a regular basis. It is one of those bizarre things that came up during a quiz. The question was, “What is the fastest thing that a human being can do?” and the answer was sneezing. Apparently, a sneeze comes out at 100 mph and can spread across a huge area. Most people catch it in their hands and do not then think to wash them. We all know about washing our hands after going to the bathroom, but we somehow cough and sneeze into our hands and pass diseases on, particularly to those who are vulnerable, in the most frightening of ways.

Globally, poor hand-washing leads to 600,000 deaths a year. Another horrible statistic is that 28% of commuters across the UK have faecal bacteria on their hands. I dread to think who found that out and how they did it, but there we are. It takes just 30 seconds of washing to stop an infection being passed on to someone else and it can make huge difference. In Europe alone, 25,000 people a year die from infections resistant to antibiotics. Resistance to antibiotics is on the global agenda and hand hygiene is a way that we can actually reduce our dependence on antibiotics and prevent common illnesses such as food poisoning.

I want to bring to the Minister’s attention today a deeply concerning condition that sadly not many people seem to know about, but hand-washing really can make a difference to it. CMV, or cytomegalovirus, is a common virus that can infect anyone. Most people will not know they carry it, but if a pregnant woman contracts the virus, she can pass it on to her unborn child with catastrophic results. Almost 1,000 children are affected by the condition every year. CMV can cause miscarriage or stillbirth. Five out of 1,000 babies will die in their first year of life, and two to three babies a day are damaged by CMV, which was identified in 1956 by the same research team that discovered polio, mumps and rubella. There is no vaccine to deal with it, but we can prevent passing it on simply by washing our hands.

CMV is responsible for 25% of childhood hearing loss, as well as for vision loss, physical impairment, ADHD—attention deficit hyperactivity disorder—behavioural and learning difficulties, and cerebral palsy. It is passed on by bodily fluids, mainly saliva and urine, often from small children. It is battled simply by washing hands in soap and water and by getting parents to understand that they must not share food, cutlery or drinks with their children. No parents, I hope, would think of changing a child’s nappy without washing their hands, but how many parents wipe a child’s nose without thinking to use a handwashing sanitiser or washing their hands? Parents should ensure that they wash their hands both before and after feeding a child. Those are simple ways to prevent dramatic changes.

Hand-washing can prevent diarrhoea, vomiting, food poisoning, the norovirus and MRSA. It is a simple way to change infection rates. We could save the NHS huge amounts of money. I am pleased that nurses are very
work done by everyone at the WHO. The difference to hand hygiene routines. I commend the hands, providing clear guidance that could make a real and identifies when medical workers should wash their antimicrobial resistance on to the global agenda. The practice in hand hygiene around the world, although the Organisation has taken a lead in establishing good with it.

Member for Amber Valley—one in 16 patients acquires an infection—is horrific. That is not something that on the whole doctors have to combat; it is something that every one of us as patients, visitors and fellow citizens should take responsibility for tackling. I am delighted that we have had the opportunity to raise the profile of the issue today.

4.51 pm

Andrea Jenkyns (Morley and Outwood) (Con): It is a pleasure to serve under your chairmanship, Sir Alan.

I thank my hon. Friend the Member for Amber Valley (Nigel Mills) for securing the debate and for his support of my campaign on hand hygiene. I also thank the hon. Member for Central Ayrshire (Dr Whitford) who, with the hon. Member for Wolverhampton North East (Emma Reynolds), worked with me on a cross-party campaign on hand hygiene. Recently, we got more than 50 MPs to sign up to it. I ask anyone present who has not signed up to join us, please. Hand hygiene is a bit of a personal crusade of mine. We simply cannot ignore the importance of hand hygiene in hospitals and the community. It is the single most effective, yet simple, way to prevent avoidable infections and so reduce the burden on the NHS.

I will talk a bit about my background and why I am such a fierce advocate of hand hygiene. My father, Clifford, was diagnosed with lung cancer in 2011; the prognosis was good, but he got fluid on his lungs and he went into hospital for a routine operation. The simple procedure should have taken about 20 minutes, but a junior doctor practised reinserting the lung drain with medical students for two hours. My father subsequently became infected with MRSA. What we saw in the hospital was shocking. One nurse walked in, put antibacterial cream on her hands, put something up my father's nose and did not wash her hands. Basic things were not happening. I constantly observed a failure to follow basic hygiene procedures, which I mentioned to nurses at the time, but I was ignored and even rebuked. A few months later, in November 2011, he died from MRSA.

Afterwards I got in touch with MRSA Action UK, the charity, and became its regional representative. In Parliament, I set up an all-party group for patient safety for the Patients Association—I commend the Minister, the Secretary of State and the shadow Minister, the hon. Member for Ellesmere Port and Neston (Justin Madders), for supporting it. From my conversations with the Secretary of State and other Ministers, I know they are taking hand hygiene seriously and have plans to deal with it.

On areas for improvement, the World Health Organisation has taken a lead in establishing good practice in hand hygiene around the world, although through Dame Sally Davies, our chief medical officer, and the Prime Minister we have put the issue of antimicrobial resistance on to the global agenda. The WHO talks about the five moments for hand hygiene and identifies when medical workers should wash their hands, providing clear guidance that could make a real difference to hand hygiene routines. I commend the work done by everyone at the WHO.

In England, hand hygiene is most frequently monitored through direct observation—a member of the ward staff will take time to observe colleagues and their adherence to the five moments of hand hygiene. Such studies often produce incredibly high rates of compliance, nudging around 80% or 90%. That is because direct observation is ineffective. Only a minimum of 10 moments have to be observed, which on a busy ward is negligible. Furthermore, staff are aware that they are being monitored and will often change their behaviour—I know that from personal experience.

The APPG had an evidence session at which a lady from the Royal College of Nursing was present. I asked her a simple question—whether she had ever disciplined anyone or taken any of her nursing staff to one side to discipline them on lack of hand hygiene. The answer was no. That was in a 20-year career. We need to ensure a place of consequence if hand-washing is not adhered to.

The hon. Member for Amber Valley and I were presented with some startling statistics at a recent meeting with the Deb Group, which kindly sponsored our cross-party Handz campaign. They included registered rates of hand hygiene compliance as low as 20% to 40% in hospitals in which Deb systems were installed. Such figures are common to other companies offering a similar service in the healthcare sector. We cannot ignore the fact that, although the hospital statistics show a high rate of compliance with the five moments, in reality it is not always the case.

We need to implement a new system for proper observation and monitoring, hand in hand—excuse the pun—with proper awareness of the risks of poor hand hygiene. The hon. Member for Central Ayrshire has told me a lot about the fantastic work being done in NHS Scotland, educating the public with a proactive campaign of posters and information.

Douglas Chapman (Dunfermline and West Fife) (SNP): As the hon. Member for Bridgend (Mrs Moon) has suggested, there are simple ways in which to improve hand hygiene. Recently, when visiting a school, I noticed that children were washing their hands to the two verses of “Happy Birthday to You”, which seemed to be going down well and was doing the trick. Does the hon. Lady accept that that is a good way of introducing children to hand hygiene at an early age? It is cost-effective, simple, memorable and starts the hand hygiene routine at a very early age.

Andrea Jenkyns: I thank the hon. Gentleman for making that point. With MRSA Action, the charity that I am involved with, I have been going into schools and we use that technique of singing “Happy Birthday” twice. The Handz campaign with the hon. Members for Central Ayrshire and for Wolverhampton North East is about education in schools and promoting hand hygiene from a young age. It is a year-long campaign running through to October and we are also going to go into care homes—there was a recent Westminster Hall debate on care homes—to emphasise the importance of good hand hygiene with the vulnerable in care homes.

Going back to what I was saying, hospitals in Scotland are covered in reminders for people to wash their hands and about the risks brought on to the ward if they do not. I am sure that the hon. Member for Central Ayrshire will mention this herself, but, in Scottish hospitals, people observe staff members when the staff members do not know they are being observed, which is a much better system than the one we use.
To sum up, we need to do a number of different things to improve hand hygiene compliance. First, we need to improve observation and reporting of hand-hygiene breaches so that we can get real and effective reports on compliance. As I said earlier, we need a place of consequence when that does not happen.

Secondly, we need to make it clearer to patients and staff when a ward is not hitting its compliance targets. NHS staff strive for brilliance and we thank them for their hard work, but we need to ensure that they are aware of areas in which they need to improve.

Thirdly, we need to ensure that people are properly aware of the risks of poor hand hygiene compliance in hospitals and elsewhere. Those achievable aims would make a real difference. The hon. Members for Wolverhampton North East, for Central Ayrshire and I are working hard to increase awareness through the Handz campaign and are planning further events.

Hand hygiene goes beyond people catching infections in hospital. More infections mean that more antibiotics are needed for treatment, which leads to antimicrobial resistance, which is a huge global threat. Dame Sally Davies, our chief medical officer, has been an advocate on that issue and supported our campaign.

Hand hygiene is incredibly important. I reiterate my thanks to my hon. Friend the Member for Amber Valley for securing the debate, which will make a valuable contribution to discussions on the subject. The UK already leads the fight and it is great to see so many colleagues from the Government and other parties with such great enthusiasm for the subject.

5 pm

Jim Shannon (Strangford) (DUP): It is always a pleasure to serve under your chairmanship, Sir Alan. It was especially nice to hear the hon. Member for Amber Valley (Nigel Mills) introduce the debate, and it is good to participate in it. I would like to give some personal knowledge and put forward some viewpoints.

I congratulate the hon. Gentleman on so succinctly setting the scene for the rest of us to follow. To add a bit of background to the debate, patients in the NHS today have a 6.4% chance of catching an infection in UK hospitals. There are 300,000 healthcare-acquired infections annually, of which 5,000 result in mortality. We cannot ignore the mortality rate—5,000 people dying in our hospitals—it is easy to say that—the true figures are between 18% and 40%.

As health is a devolved matter, I have asked the Minister responsible for health back home questions on MRSA infections in hospitals, because even though we have few infections, it is clear that something needs to be done. Back home—it is probably the same elsewhere—many would say, “If you’re ill, be careful in hospital, because you have people with open wounds and people whose immune systems are down. If you bring in your colds, flus and coughs, or whatever it may be, that can have an impact.”

Deb also argues that the data collection method is flawed and that direct observation artificially inflates compliance, as nurses observe colleagues meeting the requirements and undertake a tick-box exercise. There needs to be more than that. NICE issues guidance on hand-washing in hospitals and encourages strict hand-washing practices, but it does not include a demand that accurate data be recorded. We want to ensure that that happens. If we record the data, we are making an effort and, if we are doing that, we are washing our hands. There may be some weight to Deb’s concerns, and that should be extremely worrying for all of us.

Good hand hygiene practice in hospitals is the single most effective way to prevent the spread of infection, and we should take action to ensure that more effective records of hand-washing on NHS wards are made in future. That is a simple yet effective way of making our hospitals safer, and with the recent growth in antimicrobial resistance we need to act sooner rather than later to ensure that poor hand hygiene does not further increase the severity of HAIs.
We have had an extensive hand hygiene strategy in Northern Ireland since 2008, and although some problems persist—in all honesty, we cannot stop all infections—we have seen results from simply adopting a thorough hand hygiene regime in our hospitals, with education on the importance and effectiveness of hand hygiene being an essential part of the Department of Health, Social Services and Public Safety's regional infection control strategy. Like in Scotland and in some individual trusts, we are taking action to address the issue.

Accurate records are the starting point for addressing the problem. There are many examples across the world, but a recent three-year pilot in a hospital in South Carolina in the United States of America found that once staff were trained in how to use electronic hand monitoring systems, compliance with best practice increased and MRSA rates dropped. That saved the hospital $433,644 from April 2014 to March 2015. There was therefore also a financial advantage, and although that is not the reason to do it, it is an example of what can be done to stop infections and address costs.

As we seek to have a more streamlined and cost-effective NHS, those are the sorts of approaches we need to look into. Indeed, the introduction of such a system at Burton Hospitals NHS Foundation Trust drove up hand hygiene compliance by up to 50% in just three months. That is an example from this country, which shows what we can do if we put in the effort.

With 5,000 people dying each year as a result of HAIs, it is clear that action must be taken. With resistance to antimicrobial treatment increasing, we need to get on top of the issue before it is too late. Hand hygiene is the simplest and most effective way to do that, so let us make sure hospitals are doing that right and doing it well.

Sir Alan Meale (in the Chair): We now move to the Front-Bench Members, and we have only until 5.30 pm. I therefore ask Members to be succinct. Minister, if it is possible, could you give a minute or so at the end to the Member who moved the motion to allow him to wind up the debate?

5.8 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): Thank you for calling me, Sir Alan, in a debate that sounds simple but is important. The education centre in my hospital in Ayrshire is named after Sir Alexander Fleming, because the man who discovered penicillin was an Ayrshire lad. It may be that people have got complacent and think that the age of infections is done with. In earlier generations, children did wash their hands, but then people got too casual.

In Scotland, we began to be much more fixated on hand-washing in 2001, after some of the evidence about the impact of hospital-associated infections came out. In the early 2000s, our uniforms changed: white coats were banned, tops needed short sleeves and eventually we moved to no ties or jackets. We also began to have more audit in the system. We went through a painful experience between 2006 and 2007: a massive clostridium difficile outbreak in the Vale of Leven hospital in which 163 patients were affected and 34 died. Nicola Sturgeon, our First Minister, was the Cabinet Secretary for Health at the time, and she instantly set up an hospital-acquired infection taskforce when the problem became obvious. The whole approach accelerated.

We have several different organisations that are part of driving hand-washing, but it is about the culture. It is not a question of someone facing the threat of losing their job or being sanctioned; it is about getting people to see hand-washing as part of the rhythm of every contact. There is observation, as has been mentioned, and there are also ward champions. The observation is hidden, so no one knows it is happening. I must say, to my chagrin, that in every single audit of staff, doctors were the worst. That fact was published, to shame doctors by showing that we were the slowest to adopt the right practice. We also observe visitors, and there is alcohol gel as people come into wards. My office was on the ward, and it was easy to see physios, nurses, doctors and visitors interacting with the alcohol gel.

I pay tribute to the hon. Member for Morley and Outwood (Andrea Jenkyns) for setting up the APPG for patient safety, which I am part of, and the Handz campaign. In Scotland, we have the “Happy Birthday” hand-washing campaign, which has been running for some time. We already have that campaign in schools, but it is important to raise the issue.

To verify hand-washing, we have the Healthcare Environment Inspectorate, which turns up without anyone knowing it is coming. Its inspectors are down under the beds and poking around in the mattresses on the trolleys. They are observing staff and, believe me, if there is a dusty corner, they will find it. They also look at surfaces—is there a cracked surface or a rough bit of floor that could be difficult to clean? It is about not only hands but the cleanliness of the entire ward.

My hospital was lucky in that it never outsourced cleaning. We never had companies coming and going. We kept our ward maids. It was their patch, in which they took pride. The supervisor comes along, like your mother-in-law, wearing a white glove, to check exactly what everything looks like. They can be seen under the bed, in the frame, cleaning every pick of it while chatting to the patient. Those are simple things, but we need to do them, because we are moving into what could be a post-antibiotic era. To think that we could lose something that we started using in 1942 after 80 years is absolutely terrifying, so we need to bring that culture back.

In the NHS, every single trust publishes its infection figures every quarter. The hon. Member for Amber Valley (Nigel Mills) mentioned all infections, and as a surgeon I have to admit that infections happen for all sorts of reasons. The reason why C. diff and MRSA are so important is that their root cause is the poor use—prolonged use—of antibiotics, which causes C. diff, and poor hospital hand hygiene, which causes MRSA.

Trusts’ infection rates are published every month and pinned up on the wards, so that visitors can see them. We also put out the reports of the Healthcare Environment Inspectorate. I have shown a critical report on one of our hospitals to the hon. Member for Morley and Outwood, to show how thorough and challenging the inspection is: there are no holds barred. That is what has to be done. There are also infections out in the community. The hon. Member for Bridgend (Mrs Moon) mentioned cytomegalovirus, which, again, can simply be reduced by hand-washing.

We in this place have to realise our part in all of this. We shake hands with hundreds of people. We go and eat our lunch, and I do not see people forming a queue...
at the ladies or gents to wash their hands. We should all have a bottle of alcohol gel in our bags. I am on the House’s medical panel, and I have put on the agenda that we should have exactly the same dispensers of alcohol gel used in hospitals outside our canteens. We need to set examples, whether that is by visiting local schools or simply by showing all the people we interact with.

The NHS has a responsibility for hand hygiene. We need to change the culture in the NHS, so that if a member of staff is near a patient and touching not only them but their environment, the member of staff washes their hands or uses alcohol gel before their next contact. We in this place also have a role in getting the message out into society.

5.14 pm

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to serve under your chairmanship, Sir Alan. I congratulate the hon. Member for Amber Valley (Nigel Mills) on securing this important debate. I also pay tribute to the hon. Member for Morley and Outwood (Andrea Jenkyns), who chairs the all-party parliamentary group on patient safety and has been a passionate advocate on the issue. Indeed, infection prevention was the first subject that the APPG decided to focus on. She referred to the startling answer given by an RCN representative at our first meeting that no nurse, in her experience of some 20 years, had been disciplined for failing to wash their hands. I do not know whether that is because this system is, by its nature, self-policing, but it raises questions about whether the issue is treated with the appropriate importance that we would all agree it should be.

There have been excellent contributions today. My hon. Friend the Member for Bridgend (Mrs Moon) and the hon. Member for Strangford (Jim Shannon) rightly said that washing hands after coughing and sneezing is such a simple thing to do, yet so many of us fail to do it. My hon. Friend the Member for Bridgend mentioned the devastating effects that CMV can have, and how assessments are carried out. The trials that have been conducted in hospitals outside our canteens have highlighted today, most staff in the NHS do the right thing and do a fantastic job.

Despite the improvements in recent years, the rates of healthcare-acquired infections in England remain stubbornly high, with what can only be described as inadequate checks on compliance with hand hygiene best practice. As the hon. Member for Amber Valley highlighted today, most staff in the NHS do the right thing, with remarkable candour about which health professionals need to change the culture in the NHS, so that if a member of staff is near a patient and touching not only them but their environment, the member of staff washes their hands or uses alcohol gel before their next contact. We in this place also have a role in getting the message out into society.

As well as the devastating impact on the patients who are immediately affected, those infections have a significant financial impact on the NHS—the most recent reliable estimate derived from the PLOWMAN report puts the figure at £1 billion per year—and lengthen hospital stays.

The growing threat of antimicrobial resistance adds to the seriousness of the matter and the urgent need for the Government to act. Antimicrobial resistance-associated deaths are projected to increase 2,000-fold by 2050. A report by the World Health Organisation states that resistance is very frequent in bacteria isolated in healthcare facilities and that, at present, antibiotic-resistant bacteria are the cause of over half of all surgical site infections.

Given the clear scientific evidence that good hand hygiene by health workers reduces infections, and in particular MRSA, it is clear that hospital workers are on the frontline against this threat. We therefore need more action to bring about improved hand hygiene to avoid problems in future.

Of course, not all hospital-acquired infections are preventable, but it is believed that around 30% could be avoided by better application of existing knowledge and good practice. It is also widely accepted that good hygiene practice in hospitals is the single most effective method of preventing the spread of infections. That was recognised by NICE in early 2014 when it issued a new quality standard, which included six statements designed to reduce infection rates, with the central aim being that all patients should be looked after by healthcare workers who always clean their hands thoroughly, both before and immediately after contact or care.

While those aspirations are laudable, since the publication of NICE’s guidance, the positive progress made in recent years appears to have stalled, and in some cases possibly reversed. The most recent figures I have seen make worrying reading, with C. diff showing no reduction in the past year, the rate of MSSA increasing and the rate of MRSA increasing by a worrying 4%. For all its aspiration, the NICE guidance is seriously flawed, not least because it relies upon monitoring by direct observation by nurses, which not only takes up valuable nursing time but has been found to overstate compliance rates.

The chief inspector of hospitals for the Care Quality Commission, Mike Richards, has drawn attention to the inaccuracy of local hand hygiene audits. The high compliance rates reported by hospitals simply are not supported when we look at the levels of hospital-acquired infections. We have heard that the compliance rate is more likely to be 18% to 40%, rather than the 90% to 100% reported by hospitals. As the hon. Member for Amber Valley set out with great clarity, there are possibly a great number of reasons for such a discrepancy, and there seems to be an element of self-fulfilment about how assessments are carried out. The trials that have
been undertaken to ensure that there are more accurate data have also been shown to improve compliance with best practice.

The introduction of electronic monitoring equipment at Burton hospitals NHS foundation trust was found to improve hand hygiene compliance by 50% within three months. I would therefore welcome an expansion in the use of data and electronic monitoring, and I would be grateful if the Minister could set out in his response how he intends to address that. There is clearly a role for the Care Quality Commission. A key element of every inspection needs to be an assurance that proper checks on hand-washing are carried out. The greater use of data would also enable a new era of transparency to be ushered in. Patients should have the right to meaningful information about hand infection control and hygiene.

Another cause of the recent increase in infection rates is the chronic shortage of nurses on many hospital wards and the increased use of agency staff, caused in part by the Government’s decision to slash the number of nurse training places after taking office in 2010, as well as the worrying retention trends. Significantly, when there is a high turnover of staff, it is much more difficult for best practice to be instilled, monitored and ingrained into the culture of a hospital. I hope that when the Minister responds, he will say a little more than he was able to last week at the Dispatch Box about improving the retention rates for nursing staff.

Finally, as well as improving practices within the NHS, we need to improve hand hygiene among the public at large. Studies have shown that, despite awareness about good hand-washing practices being widespread, one in five people do not wash their hands after using the toilet. According to the Royal Society for Public Health, one of the major barriers has been an assumption by people that they do not carry any diseases. However, on average, studies have shown that hands can carry about 3,000 different bacteria, so we also need to explore what more we can do to improve good hand-washing practices among the public. The cross-party Handz campaign, which was launched by the hon. Member for Morley and Outwood, has already done very good work to raise awareness of these issues, and I hope it will provide a catalyst to drive forward improvements both inside and outside the NHS.

5.22 pm

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I thank my hon. Friend the Member for Amber Valley (Nigel Mills) for bringing this important matter to the notice of the House, and I thank hon. Members on both sides of the Chamber for their speeches and contributions.

Hand-washing is an interesting thing, is it not? For the majority of human history, from Pontius Pilate to Lady Macbeth, it was associated with a bad act. Hand-washing was what someone did after they had done something wrong. It was only through the transformation in clinical knowledge in the 19th century that the understanding of hand-washing and its criticality in reducing infection rates became commonplace, but it was a long fight. It is worth remembering that Ignaz Semmelweis, the man who showed people understanding washing their hands in obstetric and maternity settings reduced the risk of infection, was so criticised by his colleagues that it drove him to insanity, and eventually to death in an asylum. This was a hard-won victory, and I utterly endorse the wise comments made by the hon. Member for Central Ayrshire (Dr. Whitford): perhaps it is because it has become such a commonplace part of our modern understanding of hygiene that we have forgotten its central importance in reducing infection.

My hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) came to the Department of Health a few months ago and sat in on one of the Secretary of State’s Monday morning care meetings to discuss her Handz campaign and the fact that she wanted to set up an all-party parliamentary group on hand hygiene. I know that her personal testimony brought acuity to our understanding of why this is important. It is all too easy to see MRSA, E. coli and C. diff rates plotted on a chart and to forget that, actually, the result of those infections can lead to the tragic and completely unnecessary loss of life. However, even if it does not lead to that, it can often mean a very extended stay in hospital, with serious injury sometimes incurred as a result of infection.

The overall story of infection caused by poor hand-washing has been good over the last decade. Rates of MRSA, MSSA, C. diff and E. coli have all come down—very considerably in some circumstances—but, as the shadow Minister, the hon. Member for Ellesmere Port and Neston (Justin Madders), rightly noted, we have plateaued in almost all of those, and worryingly so. In fact, in the case of MRSA, there has been a worrying, albeit slight, increase in rates in hospitals. That has now been consistent enough to constitute a trend.

We have to be clear that, from the Government’s perspective, we are still not entirely sure in each case why the reductions have not continued. To some extent, it is clear that an increasing role is played by community infection and community onset, or expression, of infection. We do not yet have a full understanding of the relationship between community settings and hospitals, and the chief medical officer is working very hard to try and understand it. Therefore, this is a pressing moment, not least because of the problems of antimicrobial resistance, which the hon. Member for Central Ayrshire mentioned, and which is why we have to be particularly vigilant.

Overall, the one thing that will guarantee that we do not make more progress is if I make a central directive from Richmond House and then ensure compliance through a massive, bureaucratic reporting mechanism. The only point on which I differed from anyone in their observations was when the shadow Minister, in his generally very wise comments, talked about the relationship to staff retention. That was because, although general infection control should be part of how teams work, it should be part of the personal, professional responsibility of a clinician, no matter where they work—whether in the community or between hospitals as a bank nurse or clinician—to take infection control very seriously.

How do we improve matters? How do we make sure that, as in so much of the NHS—to copy Bevan’s words, which I do not tire of using—we are “universalising the best” and lifting poor performers, of which there are several, up to the best standards in the country, some of which can be found with our neighbours in Scotland?

Dr Philippa Whitford: I have not worked in a hospital in England, but the poster campaign that the hon. Member for Morley and Outwood (Andrea Jenkyns) referred to involved massive posters that were in the lifts
and targeted at visitors, porters, nurses and doctors. The five points of contact were above every sink and in every room. If we are trying to change a culture, I wonder whether the first thing is actually just to try to get the campaign out there among staff and visitors.

Ben Gummer: I take the hon. Lady’s point, and I agree that we have to re-educate the public that we have not won the battle and that we have to re-engage. I will take her comments to the chief medical officer and talk to her about what more we can do to re-engage the public in the debate on hospital-acquired infections.

Douglas Chapman: My hon. Friend the Member for Central Ayrshire (Dr Whitford) has outlined some of the initiatives taken by the Scottish Government and the NHS in Scotland. Despite those measures, hospital-acquired infections in Scotland still cost the NHS £183 million a year. If we managed to reduce those infections by 20%, that would give us a saving of £36 million. A 40% reduction would give us £73 million. Does the Minister agree that there is a huge financial incentive to reducing the infection figures as much as we can, especially in these times of public spending restraint?

Ben Gummer: The finances follow the far bigger win, which is the benefit to patients and the saving of lives. One further thing that I will attack quickly is compliance monitoring. It is a very interesting area, and I would encourage local trusts to look at it in detail. The CQC has it as one of its main targets and, in the new inspection round, which will come very soon, it will want to look at the area as a central part of its monitoring.

5.29 pm

Nigel Mills: I thank everyone who joined in the debate. We have raised an important issue, and I thank the Minister for his recognition of its seriousness. We were never asking him to issue a direction from Richmond House. However, we have a set of rules and instructions to trusts that they should be checking this, and I think we want to see those rules enforced—

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
Chris Heaton-Harris (Daventry) (Con): I beg to move, that this House has considered VAT evasion and internet retailers.

That is a pleasure to serve under your chairmanship, Mr Hanson. I think it is for the first time, so I hope that I will obey House procedure sufficiently not to get into trouble and be told off.

First, I thank the Backbench Business Committee for giving me time to talk about this subject with those who are interested. I only bid for the debate before the Backbench Business Committee on Tuesday at 2.30 pm, so to receive a chunk of time in Westminster Hall so quickly is a great honour and a bit of a surprise. Consequently, a number of Members who wanted to participate could not be here. For example, my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) is holding a dementia event in the House at the moment, and even though she has been in this House for 23 years she still struggles to be in two places at one time. Thus she could not be here today to talk about how one of her constituents in particular, Mr Richard Allen, has been so gravely affected by the issue I will describe.

I guess I should open by giving a snapshot—a festive one. I do not think I am a cheapskate, but before Christmas I was looking for some cheap presents for my family online. I was particularly aiming for bargains available for next-day delivery. I hope Members will be interested to hear about these bargains; some of them might be partial to online shopping themselves.

Looking around, I was able to find an Apple iPhone 6 Plus, with 16 gigabytes, in gold. It was being sold at £572.64, which was £46.36 cheaper than buying it directly from apple.com. I found that offer online from a British-based seller. If I had purchased that iPhone—I did not, as it was way too expensive and far outside my ballpark figure—I would have been saving a great deal of money, and because it was a British-based seller, I would have been supporting a British small or medium-sized enterprise. I am a Conservative and we are, after all, in this together, and supporting SMEs is part of an important long-term economic plan.

I thought that price was a tiny bit unusual, but I did not spend too long thinking about it as I was Christmas shopping. I probably would not have thought of it again until, at one of the last events before Christmas where I met constituents, I met a business-savvy constituent of mine who had contacted me because he found himself in trouble. I bought him a cup of tea, we sat down and we went through what had been going on with his business.

My constituent had 20 years of experience in e-commerce, website development and internet marketing, and had set up an online retail business in 2010 selling goods on his own website, eBay and Amazon. He told me:

“Our sales grew to £689,000 a year by 2013 and we ranked in the top 5 sellers in our market sector on eBay. In early 2014, in the space of 6 months, our sales collapsed from £57,000 to £21,000 a month. In the past 18 months, our sales have increased to £30,000 and we struggle to compete on a daily basis” with what was happening online among his competitors. He said:

“My company has now lost over £550,000 in sales and we are currently losing £25,000 in sales a month”.

He believes that is because a “VAT fraud” is taking place. He went on:

“Almost all of our UK based competitors have seen equally dramatic loss in business, with some shutting up shop completely.”

He said that many of his UK competitors had made their staff redundant and moved out of their warehouses. He himself has lost his life savings and is talking about selling his house. Some individuals are close to bankruptcy. He told me that he now lived in rented accommodation, running a business from his dining room.

He gave me an example of what is going on. He sells bicycle lights for £11.99, making a £1 profit, while other online sellers currently sell the same product for £7.99. That competition in price is a no-brainer for the consumer; the two products are identical, so which one would any consumer choose to buy? That means that his turnover and profits have halved in two years.

If someone flicks through the website for that other retailer, which might well be a UK-based company, it seems to have a legitimate VAT number. However, it might be neither legitimate nor a VAT number, and then my constituent might have a problem, because that competitor would have an unfair advantage. My constituent told me that he has been ill with the stress that he has been caused, and he estimates that he and his family can last only another six months at the current pace, at the end of which his business will collapse.

Let me go into some more detail, because Members might wonder what caused such a change of fate for my constituent and his business. He told me the precise reason for it; he believes that it is VAT evasion. Of course, that is why I asked for the debate, and I intend to explain a little further the background to the problem and its growth.

Online marketplaces such as eBay and Amazon do not make it compulsory for sellers to display verifiable business information, such as an accurate company name, a physical business address and a VAT number. It is simple to see, through the online seller information, when a company is not UK-based and displays no VAT number. Several foreign companies have now decided to have a UK-based company number and, as I have said, they have put some sort of number in the field that shows they have a British, or even German, VAT number.

For non-established taxable persons—companies from outside the UK that warehouse in the UK and dispatch goods from the UK to customers in the UK—the correct procedure is to register for VAT as soon as they have any stock in the UK. Since 1 December 2012, all NETPs supplying goods in the UK have been required to register for VAT and to apply VAT to all sales from their very first supply of goods or services onwards. There is no threshold.
Sellers on online marketplaces used to advertise their business locations as UK-based, yet they would be a foreign company. That could be spotted through delivery times. When I used to go online, the delivery time for those companies would be from 21 days to 63 days, because the product was coming from China. That no longer happens. Consumers made a choice—they could pay a bit extra for goods that would turn up in the next few days; or a bit less for goods that would turn up after quite a long time.

To combat that problem, the online retailers introduced marking systems to allow customers to rate down a seller for late delivery, causing the seller from afar some problems and prompting the growth of fulfilment centres, as some retailers tried to overcome the bad reviews that they were receiving.

If we put together those two issues, it is suggested that small overseas sellers in their thousands are now importing goods into the UK in advance of orders and not properly registering for VAT. Sellers can then arrange for the online marketplace to dispatch the stock from its UK warehouses once orders are placed. Through that route, they not only reduce delivery time but benefit from the added bonus of avoiding VAT charges. They can therefore charge lower prices than their UK-based, VAT-paying competitors.

Chinese-owned fulfilment companies in the UK provide special eBay and Amazon fulfilment services for Chinese and other non-UK businesses. Chinese sellers allegedly send their stock, pre-packed and barcoded, to fulfilment centres in China. The stock is then forwarded on in bulk to their UK fulfilment centres. How Chinese sellers move their stock into the UK is unclear, as is whether they pay any duty at the time. Indications suggest that by using the low-value consignment relief and low-value bulk import procedures, Chinese sellers are bringing in vast volumes of goods, many of which are undeclared. They appear as items already sold to the UK, but they have been pre-sold and are held in UK fulfilment centres. Presenting themselves as a UK entity enables the sellers to claim that they are under the VAT threshold as a reason for not displaying a VAT number. That is an illegal practice, and it threatens the viability of UK SMEs in online retail, since those committing VAT fraud can undercut prices and provide fast delivery from their UK-based stock. British retailers say they are being put out of business by such foreign companies, particularly from China, selling their products through e-retailers such as eBay and Amazon.

To return to my Christmas shopping trip, I decided I would buy a handful of extra cables for my Apple iPhone. When I was clicking through the system, I thought the cables were being sold by a UK-based company, with VAT charged. I just looked at the price on the screen—I did not realise that I was almost certainly buying from a company that, although registered in the UK, had a fake VAT number. I did not realise that I probably would not be paying VAT on the cables.

By failing to account for VAT, sellers are acquiring a distortive advantage over UK businesses in the marketplace. The final price paid for goods by the consumer is much lower than it would be from UK competitors. Chinese and other non-UK businesses therefore now dominate many market sectors on eBay, and there are huge numbers of them on Amazon, too.

The unbranded Android smartphone and tablet market sector on eBay.co.uk generates sales of some £80 million a year. Chinese sellers account for 40% of those sales in the UK, representing about £32 million a year. The top Chinese seller in that market sector, which lists stock located in the UK, makes annual sales of £2 million a year and is not VAT-registered.

Adding insult to injury, fraud breeds fraud. Due to built-in online algorithms, those that sell more on web marketplaces get a prime position at the top of searches and listings. Given that they are then the first listing a consumer sees when searching for an item, they sell even more, pushing their VAT-paying competitors further out of the picture and ensuring that they remain at the top. That means that the sellers can monopolise online marketplaces, leading to price distortions in UK online retail and VAT-registered companies being unable to compete. Not only does that result in the UK taxman losing money from unpaid VAT, but the knock-on effects for UK business and competition are huge.

I will give some specific examples that have been highlighted to me. Photo Direct is making sales of just under £10 million. If it is evading tax, that equates to £1.67 million in VAT evasion a year. It started trading on eBay.co.uk 12 years ago in July 2003. It is one of the largest VAT-avoiding companies found trading on eBay and it runs two eBay business seller accounts. It specialises in selling VAT-free cameras, iPhones, iPads and tablets. Its stock is housed in the UK. It is using a Hove-based PO box not displaying a VAT number or full company name. In December 2014, it made sales on eBay of £838,412. Its bestselling item was the familiar Apple iPhone 6 Plus 16GB in gold, which is the one I described slightly earlier. Photo Direct sells it for £572.64, which is £46.36 cheaper than Apple.com. That item alone accounted for £36,649.21 of sales. On contacting the seller to inquire whether a VAT receipt would be issued for a £2,000 camera, the seller confirmed that the price does not include VAT. Its PayPal account traces back to a business in Cedarhurst, New York, called Robscamerastore.

Another example: eBay seller My-elink is run by CSJ Communications Technology Ltd. It started trading on eBay.co.uk eight years ago on 14 November 2008. Its first listing on eBay was CSJ Communications Technology Ltd. It started trading on eBay.co.uk eight years ago on 14 November 2008. It runs two eBay business seller accounts, all using the same company name and VAT number. Combined sales were £5,812,308 last year, equating to an expected amount of VAT of just under a million pounds, or £968,718. A company name, an address, which is in China, and a UK VAT number—150540153—are all listed. However, the VAT number is not registered to the Chinese company CSJ Communications Technology; it is registered to Pocketdeal Ltd, a UK-registered company that was incorporated on 23 August 2012. The VAT number does not belong to CSJ Communications Technology.

Those kinds of evasion have been found to occur online on at least the two major platforms I have already mentioned: Amazon and eBay. The extent of the evasion is dramatic. If I read out a list of the sellers that have been accused of committing such fraud, Members here today might become a little bored with me, but I will not let that stop me. The founders of vatfraud.org, working alongside trading standards officers, have identified 500 VAT-evading overseas business seller accounts.

To start with, I will go through a small range of the UK eBay sellers with no VAT numbers. I have talked about Photo Direct, but the eBay sellers universal-electronix,
richmondcam, mechanic_warehouse and right89hifi all have turnovers of more than £3 million a year. Further down the list, the 37th largest seller without a VAT number is digitalbravo2014. It had a mere third of a million pounds of sales. The company is registered in the United Kingdom with UK stock, but has no VAT number.

Transferring platforms, I could talk about Amazon stores with no VAT number listed. I could direct Members to Ringke Official UK Store, which sells phone cases and accessories. It is registered in Texas and has no VAT number listed on its Amazon.co.uk page. It also offers Amazon Prime free delivery. I can buy from that seller and get my goods much quicker than from another retailer, with the advantage of possibly not having to pay VAT. Zeto UK sells portable phone chargers, games, computers, headphones, electronic accessories and so on. It has no VAT number listed anywhere on its page, and its orders are filled by Amazon. Inception sells mainly Apple products. It has a customer services address in Manchester, a business address in Hong Kong, no VAT number listed and orders fulfilled by Amazon.

I will move further down that list of case studies. They are from vatfraud.org, so they are all online for Members and others to have a look at. When the case study was done, Rearth USA LLC, an iPhone and smartcase provider, was one of the largest sellers of such items on Amazon.co.uk, Mr Hanson. You might even have looked at the goods online yourself. It also has Amazon stores in other EU countries with no VAT numbers listed. A secret shopper bought a product from this company and asked for a VAT receipt. The company stated it was in the process of applying for one, apologised and refunded the notional VAT that would have been paid by the customer for that good.

So we have companies that are listed with VAT numbers that are not correct VAT numbers. We are able to check whether a VAT number is listed to the company we might have bought from. The European Commission website has free access, so it is easy to do so. A handful of such companies are trading on Amazon at the moment: JEDirect, Ipow-Official and EasyAcc U. There are also companies with no VAT number listed and none providing a receipt. These include Herb and VEGO Accessories; Buyee, which has a UK local delivery service as well; InstaNatural EU; Ulike; Oxford Street; and Nestling Store. There are hundreds and hundreds of such companies.

Some, like GIL ENTERPRISE, state that all their prices include VAT but, again, refuse to provide a VAT receipt should someone ask for one. Companies with VAT numbers that do not match their business name populate the websites in great numbers: Avantek UK, which has the business name Claybox Ltd, and Simple Tek, which has the business name Shen Zhen Shi Futian Qu Sai Ge Dian Zi Shi Chang Qun Jian Dian Zi Shang Hang, so perhaps Simple Tek is better, it is not right.

BUTEFO has the business name Shenzhen Kuanchuang Technology Company; LERWAY Technology Company has the business name shenzhenhi leerewi keji youxian gongsi; and Bravo Tech has the business name Wuhan Value Link E-Commerce Ltd. They all have VAT numbers that do not match their business names. I have pages and pages of such companies. To be sure of myself, I checked with the Clerks about privilege before I started talking today.

There are literally hosts and hosts of such companies out there trading in the United Kingdom. Anyone in this Room could go to the website—Amazon, their eBay—and look for a good online, believing it was from a UK-based seller; it might even have a UK limited company number; and yet it is actually none of those things and is not paying VAT to HMRC.

It is alleged that the sellers are committing VAT fraud by failing to supply a VAT number, by presenting themselves as UK companies when they are not, or by fraudulently giving out a VAT number that does not belong to them. They despatch their stock in the UK on Amazon or eBay.co.uk. The combined sales on a list of more than 500 companies come to £300 million a year. If these sellers were allowed to trade for another three years, with the growth that they have at the moment, they could generate estimated sales of £1.2 billion; if they evade VAT, they would evade about £200 million between them; and eBay would earn about £110 million in seller fees from them. These are just a sample. I am afraid it is likely that there are many more non-UK sellers committing VAT fraud on eBay, Amazon and other sites.

Paul Miloseski-Reid has been the lead officer on e-commerce for UK trading standards for the past nine years. Based on an analysis of thousands of marketplace traders, he estimates that up to £2 billion of VAT is being lost to the Exchequer each year. Paul estimates that online sales adding up to £10.8 billion annually come from overseas sellers who are not paying VAT. This huge number does not tell the full story. On top of the £2 billion that is lost through unpaid VAT, there are millions lost elsewhere through the indirect effects of this fraud. There is the loss of revenue and profit for UK businesses that are undercut and beaten on price and delivery time. Then there is the loss that comes from companies closing and the loss of jobs; the loss of corporation tax; the loss of PAYE and national insurance; and the loss of import VAT and duty through low-value bulk imports. Those are all big losses to our Exchequer. If we couple those with the fines that should be owed and backdated VAT payments, the £2 billion that could be recouped would undoubtedly be much more impressive and larger.

With such a large amount of money on the table, it may seem odd to Members that the practice is allowed to continue, but the firms involved insist that responsibility for charging the correct VAT lies with the sellers using the sites, and eBay and Amazon say that they cannot be held liable in cases of evasion. However, third party liability for VAT is now an established legal principle in the European courts. It was developed to combat VAT carousel fraud where some of those involved in the fraud were not necessarily the party fraudulently claiming the VAT refunds. Axel Kittel v. the Belgian Government and the Belgian Government v. Recolta Recycling SPRL were joined cases that introduced a test in 2006 for VAT fraud, which became known as the “Kittel principle”.

As HMRC explains on its website, “The test in Kittel is simple and should not be over-refined. It embraces not only those who know of the connection but those who ‘should have known’. Thus it includes those who should have known from the circumstances which surround their transactions that they were connected to fraudulent evasion. If a trader should have known that the only reasonable explanation for the transaction in which he was involved was that it was connected with fraud and if it turns out that the transaction was connected with fraudulent evasion of VAT then he should have known of that fact. He may properly be regarded as a participant for the reasons explained in Kittel.”
The term “online marketplace” is not really a good description of what these websites actually do. In reality, rather than just offering space for retailers to operate like a marketplace would in the real world, they offer marketing, as well as payment and fulfilment services to third-party sellers. They not only advertise the goods but are handling the stock, issuing invoices and collecting payments. Some of them also offer the complete warehousing and fulfilment solution. Such websites claim, however, that they are unable to police sellers even if they were obligated to do so, which is obviously not true. It is not unknown for the websites to police sellers in relation to the products that they sell. Until the practice was banned by the EU, some of them prevented sellers from offering items on other websites at lower prices. If the websites can track something as complex as that, they can easily identify sellers who should be accounting for VAT on supplies.

Such websites regularly police sellers with regard to money laundering rules, EU directives and the like, and sellers have to provide details of their company address, passport details, copies of tax returns and other detailed information. Even to be able to start placing goods with them, the websites make their sellers sign up to terms and conditions that enable them to demand any data they require, including detailed sales figures and VAT data. It is therefore beyond doubt that these websites are able to establish the VAT status of a seller on their website. They could, and should, easily identify and exclude sellers that should be registered for VAT but are not. At the very least, they could detect and remove sellers that are using invalid VAT numbers, but they seem unwilling or unable to do even that.

The websites go far beyond what would normally be understood as the remit of a marketplace. The cost of the services provided in these so-called marketplaces is billed to the seller and included in the sale price of the item. It can, therefore, be demonstrated that the websites are effectively part of the production chain and so part of the supply chain. The websites objectively benefit from any fraudulent VAT transactions because the final sale price includes the VAT that should have been paid—fraudulently evaded VAT—from which they calculate their commission.

The websites benefit from the transactions and participate in them, they are part of the supply chain, and they are fully aware of the VAT status of the sellers on their site because they request VAT details from all sellers. They are also aware when supplies are made by sellers in the EU and in volumes that exceed the VAT registration value threshold. For all those reasons, they clearly do know, or at least they really should know, that VAT is due when sellers make such taxable supplies available for purchase in the EU. According to the Italmoda judgment, they are liable for any evaded VAT, as is any company in the supply chain upstream of the perpetrator. It is also a criminal offence for anyone to know about VAT fraud and not report it.

eBay has certainly been made aware of specific cases, and, bearing in mind the introduction of the non-established taxable persons provisions and the luxury of Amazon’s huge, lovely, wonderful legal department—which is definitely watching our proceedings—it is difficult to imagine that both companies have no idea that VAT evasion is occurring on their websites. The findings I have described and all the accompanying information has been reported to HMRC’s VAT fraud team, the Treasury and trading standards. The latter has been working with vatfraud.org to identify non-UK businesses with stock located in the UK that are not displaying VAT numbers. Trading standards submitted an initial list of 150 such non-UK sellers to eBay, asking the sellers to update their business information and provide VAT numbers in compliance with the EU electronic commerce directive 2002. eBay stated that it was the duty of HMRC to establish which sellers were VAT-registered.

The issue has been growing and left unchecked for some time, and we do not know the full extent to which it might have damaged UK small and medium-sized enterprises and how much VAT we might have collected it all been paid correctly. A former HMRC inspector tried to deal with unregistered sellers on eBay a number of years ago, and told me that HMRC came to a dead end when eBay refused to co-operate. Yet, under EU law, HMRC could have tried to establish liability on the part of eBay. VAT evasion on online market places is a problem across the internal market. If the UK initiated action in the courts, I cannot believe it would not be supported by the European Commission, other member states, and all legitimate VAT-paying businesses in the EU. Establishing VAT liability for fraud on online marketplaces would end a problem that undermines fair competition across the EU. It would also reaffirm the Chancellor of the Exchequer’s stated intention to make positive reforms to the EU’s internal market.

The problem has existed for long enough, and it is not difficult to find, as I did in my office last night, when in just a few moments of amateur detective work we found a factory in my constituency. There is a service whereby people can register their official UK company name and address. We found that more than 900 businesses had registered. By clicking through a number of them, we found that a vast number of Chinese-registered businesses had a UK company registered in my constituency. Some were trading on these online platforms, and we could find none with a VAT number. If my staffers and I, who are no experts, can find that so quickly in my constituency, I am sure HMRC can.

Yesterday, a number of Members raised this matter at a meeting of the Public Accounts Committee. It was reported quite widely in many newspapers. I was pleased to see that the head of HMRC, Dame Lin Homer, testified that HMRC is taking the issue seriously. Perhaps a little prod from my hon. Friend the Minister would be helpful to ensure that it is taking it very seriously. Today’s Financial Times, though, reported a worrying statement that was made in the Committee: will the Minister comment on the head of HMRC saying that e-retailers were not accountable for evaded VAT? I do not believe that that is the case, based on established tax and European law.

I would really like to know why something that is so easy for us all to spot and prevent has been allowed to grow to such a size. In a way, I feel a bit guilty myself for not clocking something so obvious. When I went online before Christmas, I was thinking, “That’s not a bad price. It’s probably a Chinese company, but they say they are UK-registered, and I am going to get my good in a day or two’s time, so I’m just getting a good deal, aren’t I?” I failed to clock that, if a deal looks too good to be true, it probably is. Unfortunately, in this case, not
being true is costing the tax collector, our Government, billions of pounds each year. I would like to think that the motion we are debating is the beginning of the end of that practice.

Several hon. Members rose—

Mr David Hanson (in the Chair): Order. The hon. Member for Ross, Skye and Lochaber (Ian Blackford) has indicated that he wants to participate in the wind-ups, so I call Nick Herbert.

2.8 pm

Nick Herbert (Arundel and South Downs) (Con): Thank you very much for calling me, Mr Hanson. It is a pleasure to follow my hon. Friend the Member for Daventry (Chris Heaton-Harris). I congratulate him on his excellent way in which he explained the problem. He gave a thorough introduction, so there is little need for me to repeat his explanation of how this fraud is happening.

My interest in the topic dates from last year, when my constituent, Mr Neven Juretic, came to see me at one of my surgeries to explain what had happened to his business. I believe the Minister has met Mr Juretic—I am sure he will tell us more about that—who in 2010 set up an online retail business that grew very fast. He had a turnover of several hundred thousand pounds and employed quite a few people locally. It was all going well for the business, which was one of the top five sellers in its market on eBay, when suddenly, in 2014, it underwent a catastrophic loss of revenue, such that sales are now only about 5% of their previous level.

That forced him to lay off a large number of his staff. He lost significant assets and now fears that his business faces bankruptcy.

Mr Juretic wondered what had suddenly caused the sharp loss of sales. He became aware that it was not because his competitors were selling better goods at better prices by running more efficiently and doing a better job than him, but because they were able to undercut his prices by about 20%. When he further researched the matter, he found that they were able to do that because, as my hon. Friend set out, they were evading VAT on their sales, which placed him at an immediate disadvantage. He teamed up with other retailers in the same position, and they have done an enormous amount of work. He set up vatfraud.org, to which my hon. Friend referred, which details the scale of the problem and sets out their concerns about the relative inaction in dealing with it.

There seem to be three sets of losers. First, there has been a change in retail practice as ordinary high streets and small retail businesses, which are often international businesses, are growing and employing local people, resulting in a change in employment patterns. They were successful UK businesses, and they are being clobbered.

Secondly, there has been an impact on online retailers themselves, and small businesses are going under. Those small retail businesses were at least contributing to the economy and substituting for the high street businesses that were affected by the change in the way the market operates. The change is in consumers’ interest, no doubt, but those small businesses, such as the one in my constituency, were growing and employing local people, resulting in a change in employment patterns. They were successful UK businesses, and they are being clobbered.

Thirdly, there is a potentially significant loss of revenue to the Exchequer. I am sure the Minister will be the first to tell us that he wants to ensure that more revenue flows to the Exchequer, and that he wants to prevent a haemorrhaging of funds at a time when resources are in short supply. The fraud we are discussing has multiple effects, and it appears to be taking place on a substantial scale that justifies more effective action to tackle it.

Mr Juretic and his colleagues say that they have made some progress with trading standards, which is willing to investigate the issue, but they say that there has been inadequate co-operation between trading standards and Her Majesty’s Revenue and Customs. Their complaint is that they do not think HMRC is addressing the issue sufficiently seriously. As my hon. Friend said, it is possible to do research oneself and identify companies that are not properly VAT-registered, yet are selling stock that is clearly warehoused in the UK. That is the essence of the fraud. Mr Juretic and his colleagues identified 500 such companies—why is it not possible for agencies to go after those people? I ask the Minister in the spirit of openness, why has that not happened? It is clearly in the interest of the Exchequer and our national interest to ensure that businesses are not defrauded.

Why is it not possible to go after those companies? After all, there is an audit trail, so it should be possible to identify companies that are not properly VAT-registered. They are meant to have a number, so they should be susceptible to that kind of compliance.

The situation is infuriating not only to the businesses that are affected but to the literally millions of law-abiding, tax-paying, VAT-paying small businesses that regularly treat small businesses with kid gloves when it comes to paying their VAT. The hard workers, the strivers and those who employ a lot of people all pay their VAT and are absolutely slammed if they do not, so when they see that overseas companies are able to commit this kind of fraud, they get very angry about it. I feel angry on behalf of my constituent, given what happened to him.

Can there not be a more effective compliance mechanism? Is there a reason why it is so difficult? Perhaps there is, but it is important to communicate that to Mr Juretic and his colleagues, because at the moment they feel that there is just inertia. They have had a lot of meetings with HMRC and others, but they do not feel that they are getting anywhere. Their suggestion, which we should consider seriously, is that we should set up a special unit to focus on online retail businesses, given that that new sector is a huge growth area. It would be able to demand VAT numbers and pursue non-compliant companies.

What is the proper responsibility of the fulfilment houses? My hon. Friend the Member for Daventry was not willing to let them off the hook. At the moment, companies such as Amazon and eBay say, “We don’t have responsibility for this. If you bring us evidence that there are companies that have evaded VAT, of course we will take them off our websites and won’t allow them to advertise, but it’s not our job to police them.” I think that raises a big public policy question. Given that those businesses, which are often international businesses,
make large sums of money that do not find their way to the Exchequer as tax revenue, what responsibility do they have to ensure that people who sell in their marketplaces are selling properly? At the very least they should comply with efforts to track down companies that appear to be defrauding the Exchequer and the taxpayer, but perhaps they have a bigger responsibility to undertake proper checks themselves.

How hard would it be to insist that those companies require businesses to have a verified VAT number before they are allowed to advertise? It should not be hard. Amazon, eBay or anyone else could make a simple request. If somebody who is clearly a business rather than an individual—in the case of eBay, they come through that side of the website—wants to advertise, they should have to provide a VAT number, which is checked, and they should be allowed to advertise only when it is found to be valid.

If HMRC were to make a concerted effort and the authorities were to go after those companies, it would be possible to tighten up compliance quickly. At the moment, my constituent and his colleagues feel that a concerted effort is not being made, that the authorities are not co-operating sufficiently with each other and that the fulfilment houses are passing the buck by saying, “We don’t have any responsibility for this.”

We need to take the issue seriously, for the reasons I have set out. If there are real obstacles, of course I will listen to the Minister and relay his comments to my constituents. They have asked perfectly fair questions, as I am sure they did when they met him. If we do not take stronger action on this issue, it will be a growing scandal and an embarrassment to HMRC and the Government. It is in the interests of all of us to clamp down on it, and I hope the Minister will tell us that he plans to do that.

2.19 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to serve under your chairmanship, Mr Hanson. I thank the hon. Member for Daventry (Chris Heaton-Harris) for securing this important debate. We have heard two wonderful, passionate speeches, which conveyed the anger that many people feel towards the devastation that can be caused in our constituencies as a consequence of VAT evasion. As well as anger we have had humour, wit and wisdom, for which I thank the hon. Member for Daventry and the right hon. Member for Arundel and South Downs (Nick Herbert).

Online retailers evading VAT clearly has an impact on the legitimate economy in this country. There has also been a clear impact on jobs and on individuals in both the constituencies already mentioned, where businesses have been put at risk of going under. HMRC has a responsibility to take the matter seriously given the loss to the Exchequer and the impact on the economy, and I hope that the Minister will address that in his response. Given the growth of the industry and its importance, it was a worthwhile suggestion that consideration should be given to the establishment of a special unit at HMRC. Those who operate marketplaces, the likes of Amazon and eBay, also have a responsibility. For the life of me, I cannot quite understand why they would want to walk away from the issue. They have to consider the reputational damage to their businesses. If awareness of the problem grows, UK consumers would unquestionably expect to see Amazon and eBay take things more seriously.

I am grateful to the “fight against VAT fraud” campaigners, who have done so much to highlight the matter in great detail and who have brought forward case studies and other evidence. We have to take the matter seriously, HMRC has a duty to demonstrate that it is enforcing adequate measures to protect against VAT fraud, but online retailers must also recognise their responsibilities to society.

We have heard much about the figures from the campaigners, but the National Audit Office’s report on HMRC’s 2012-13 accounts stated that the total tax gap was estimated at £32 billion, of which £9.6 billion was related to VAT, equating to 10.1% of the actual VAT that could theoretically be collected. There is a wider point here about tax evasion, and we can all imagine the impact of £32 billion on the nation’s accounts and what it would do to the deficit and to our ability to invest in our public services. The NAO estimated that missing trader intra-Community fraud constituted between £0.5 billion and £1 billion of the VAT tax gap, but that was before the growth of these largely Chinese online retailers. It would be safe to assume that the figure has increased significantly over the past two or three years.

The hon. Member for Daventry (Chris Heaton-Harris) already mentioned the fact that the “fight against VAT fraud” campaign has identified more than 500 fraudulent retailers, generating as much as £300 million in sales in 2014, and there is the potential for growth over the coming years. The figures are eye-watering and must be taken seriously. The Government have a responsibility to do that, but so do the platform operators. Corporate governance and corporate social responsibility best practices should lead to these institutions recognising their responsibilities in establishing a fair marketplace and one where they have a duty of responsibility to make sure that those using their platforms are legitimate, and are meeting their VAT obligations and their obligations in all areas of taxation.

There are also wider issues with some retailers which seek to mitigate their own responsibilities to pay tax in the UK through various mechanisms. While this country has welcomed the likes of Amazon into our marketplace and recognises the attraction of such operators in adding to consumer choice, Amazon and others must recognise their social responsibility and that paying an appropriate level of tax is the price of doing business in this country. In providing a platform for other retailers, Amazon, eBay and others have a duty to make sure that businesses established outside the UK, but who are warehousing and dispatching goods located in the UK, are paying VAT. Such ventures are classed as non-established taxable persons, often referred to as NETPs.

The “fight against VAT fraud” campaign, which was established by legitimate retailers, has made a number of recommendations. Among them is the registration of VAT numbers, as mentioned by the right hon. Member for Arundel and South Downs, which must happen and could be done quickly. The campaign also states that a failure to display a VAT number and VAT status could be seen as a breach of UK tax laws, a theory which is informed by the rules and regulations under the EU.
distance selling arrangements. The issue was the subject of a parliamentary question, answered on 16 December, when the Minister said:

"There is no requirement in tax legislation for a VAT-registered person to declare to a customer that they are registered or to provide a VAT registration number, unless they make a supply to another VAT-registered person, in which case they are obliged to issue a VAT invoice including their VAT number. However businesses are required to comply with the Electronic Commerce Regulations 2002 concerning the provision of this information."

That should be revisited. It would at the least provide some transparency. If retailers have to have a VAT number when selling to other VAT-registered persons, what is the issue in extending that to all transactions?

The matter needs to be considered in the wider context of the debate on tax evasion and avoidance. The Scottish Government’s approach to devolved taxes demonstrates that we are serious about tackling tax avoidance in Scotland. We have taken a simple, clear but robust approach to tackling artificial tax avoidance. The Scottish general anti-avoidance rule was established by the Revenue Scotland and Tax Powers Act 2014 and will allow Revenue Scotland to take counteraction against tax avoidance arrangements that are considered to be artificial, even if they otherwise operate within the letter of the law. The Scottish general anti-abuse rule is significantly wider than the corresponding UK GAAR as set out in the Finance Act 2013, which is based on a narrower test of “abuse” rather than “artificiality”. Sadly, we have only limited powers to tackle tax avoidance on the land and buildings transaction tax and the Scottish landfill tax, but I expect that is a debate for another day. Under the current powers, including the Calman income tax powers, we have no power to tackle income tax avoidance, which falls to the UK Government and HMRC. Even after Smith is implemented, because income tax will be shared, we will still not have powers to tackle avoidance, which will also remain with the UK Government and HMRC.

The UK tax system is complex and inefficient. Unnecessary complexity, through exemptions, reliefs, deductions and allowances, creates opportunities for tax avoidance. HMRC attributed a £7.1 billion tax gap to evasion and avoidance in 2013-14 out of a total tax gap of £34 billion. Isobel d’Inverno, convener of the tax law sub-committee of the Law Society of Scotland and director of corporate tax at Brodies, has said:

“The general anti-avoidance rule that we have got in the Scottish legislation is much fiercer than the UK one. It’s a very much firmer ‘keep off the grass’ sign than the UK one is. Revenue Scotland also appears very determined to collect all the tax that is due. There’s a whole series of different things that suggests they’re going to have a far more pro-active approach to stopping tax avoidance.”

In conclusion, we are dealing here with the specific issue of the VAT avoidance of many online retailers, but we are all responsible, particularly the UK Government, for making sure that we act tough on tax avoidance.

2.28 pm

Rob Marris (Wolverhampton South West) (Lab): It is a pleasure to appear before you for the first time, Mr Hanson. This has been an important and fairly short debate. The hon. Member for Daventry (Chris Heaton-Harris), whom I praise for securing the debate, indicated when seeking it that he thought an hour and a half would be enough because the issues are quite simple. The solutions are quite complex, but the issue we are ventilating today is clear. It is about fraud. It is not tax avoidance, it is tax evasion.

I thank the House of Commons Library and Retailers Against VAT Avoidance Schemes or RAVAS, which I met on 17 November last year. At the same time, I also met Neven Juretic, who is the director of Maikai Ltd and a constituent of the right hon. Member for Arundel and South Downs (Nick Herbert). Mr Juretic suffered considerable losses, as the right hon. Gentleman outlined today, I also met Paul Milosecki-Reid, the UK lead trading standards officer. I have to salute Mr Juretic for the immense amount of work he has done not only in successfully lobbying his excellent local MP, but in producing an excellent document that proposes a number of solutions, as well as outlining the scope of the problem that our country faces.

The sector is huge and growing. The House of Commons Library tells me that UK average weekly internet retail sales are £1.1 billion, or about £57 billion a year, and growing. That is more than 15% of all UK retail sales, and the figure has grown up by two thirds since 2010—it is growing massively. Many of the frauds involve small consignments, such as tablet computers or iPhones, and the number of small consignments arriving in the European Union from outside the EU has gone up from 30 million in 1999 to 115 million in 2013, the latest year for which I could get figures. No doubt the number will have gone up considerably since then.

According to HMRC’s preliminary estimate of the tax gap for 2014-15, 10.4% of it, or £13 billion, is VAT. No hon. Member is suggesting that a crackdown on internet retail sales fraud would recoup all of that amount, and not all VAT fraud in the United Kingdom is to do with internet retail sales, but it is a big and growing problem.

The European Union requirement on companies—and individuals, I think—to register is covered by the EU electronic commerce directive, which we adopted in 2002. That is going back 13 or 14 years, and given the pace of change it is likely to need revisiting. It certainly needs to be enforced. I am unclear about whether the provisions of the directive are being enforced in the United Kingdom, but that might be because of my misunderstanding of what it entails.

My understanding is that a non-EU person trading in the EU—the wording in legislation is a “non-established taxable person”—is required to register for VAT if making “taxable supplies” under the meaning of the principal VAT directive, regardless of whether trading is above the £82,000 threshold for registration required of a UK or EU company. Apparently, therefore—the Minister will correct me if I am wrong—legal persons from outside the EU are breaking that directive when goods are sold over the internet into the United Kingdom, yet there appears to be insufficient, if any, enforcement.

Mr Juretic proposed various solutions in his excellent report on billion-pound frauds. I am sure that the right hon. Member for Arundel and South Downs looked at those, and he has mentioned some of them. I am not sure that we need a specialist unit, but many of the solutions that Mr Juretic floated are worthy of discussion in some detail. I will not discuss them all today, but HMRC ought to be looking at them and at similar
things. That gentleman has considerable experience, has the bit between his teeth and has done a huge amount of work.

The National Audit Office, too, has looked at the issue in some depth—in about 2014, because it was covered in a report on HMRC’s 2012-13 accounts. I might be putting a gloss on what was said by the NAO, which can speak for itself, but my understanding of the report is that the NAO was not convinced that the steps taken by HMRC on online VAT retail fraud were sufficient. The report made some suggestions.

We need action from the Government. I have a considerable amount of time for the Minister: he is mild-mannered, clever and dogged, and he has had his brief for a long time. He can probably remember, as I do, discussing VAT carousel fraud in Finance Bill Committees about eight years ago, which was the fraud du jour. There was a huge amount of fraud, and Labour, in government, put through measures that were largely supported by the then Opposition party, which now forms the Government. The then Opposition certainly entirely supported the principle of cracking down on VAT fraud, because not only is it an attack on much-needed Government revenue, but it means that there is not a level playing field for businesses such as that of Mr Juretic.

VAT fraud puts people in the UK out of work. It is not a victimless crime that is only about money. It is about jobs, people’s lives and how we as a society trade. That is changing, so we need to make changes to trade honestly. Consumers in this country are not getting a fair deal in knowing what they are buying and from whom.

I have personal experience of the situation, with a company called LightInTheBox—not that it was fraudulent. I tried to buy a tablet computer from it. I understand that sometimes such goods come from overseas, even from outside the European Union, so I looked carefully during the transaction, but I was never told that the computer was coming from outside the European Union. I thought, “Great, a standard tablet computer,” but it took six weeks to arrive and had come from China. I also had a demand from the Post Office to pay approximately £50 in import duties—understandably, because the goods had come from outside the European Union, addressed to me. I got the money back from LightInTheBox, incidentally—an honourable company, which paid my money back and accepted the computer back.

Though I say it myself, I am an educated person and I am of average skill at using the computer, but I do not believe that I was told, when I made that purchase, that the tablet computer was coming from outside the European Union. That might have affected my purchase, because things take longer to arrive from outside the EU and there is the possibility of customs duties, which are quite properly payable on something imported into the EU. It is easy to get caught out. People who want to act honestly as consumers might quite unwittingly be aiding and abetting fraud. It is not about consumers saying, “Oh, I’ll have a bargain. I don’t care about VAT”, although I accept that some might be like that. Other consumers want to play it straight but are misled by websites.

[Rob Marris]

The Government must take some responsibility, because they have been in office for nearly six years. This fraud undoubtedly existed before, so when my party was in government we could have done something about it, but it has gone up massively since then, commensurate with the increased number of online retail sales. None of us knows for sure how much fraud there is, but we know that it is going on. Its extent is a bit unclear, which is one reason why HMRC seems not to have taken the issue as seriously as it should. Had it done so, we would know a bit more.

There has been a series of parliamentary questions, written and during debates, going back almost two years to February 2014. In what I think was a debate in Westminster Hall—the Minister will know—judging from Hansard, my hon. Friend the Member for Cardiff West (Kevin Brennan) asked questions. Subsequently, my hon. Friend the Member for Chesterfield (Toby Perkins) and my hon. Friend the Member for Salford and Eccles (Rebecca Long Bailey), now a shadow Treasury Minister, asked written questions. In the Lords, Lord Lucas has asked questions. This is an ongoing concern of Members of both Houses, and the Government should move a little more quickly on it.

When I read, as the hon. Member for Daventry did, remarks that the newspapers attributed to Dame Lin Homer in the Public Accounts Committee yesterday that the Revenue had been investigating online trading VAT evasion since the spring of 2015, my heart was not filled with joy. Dame Lin has, to say the least, a mixed track record of success in public service. To be fair to her, other people had indicated that the Government were looking at the matter, including the Minister in the debate here almost two years ago. He said:

“HMRC is working to identify and address the main risks posed by commercial online operating models for routing goods into the UK.”—[Official Report, 26 February 2014; Vol. 576, c. 409W]

It was good that HMRC was looking at it two years ago, but what has happened in the intervening period? The Minister will no doubt tell us, but for those of us not in HMRC—I suspect this is the case for the hon. Member for Daventry, though he can speak for himself—it is not entirely clear what has happened since the Minister said the risks were being investigated. That is troubling.

Lord Ashton said, I think last autumn, that this was being considered at a senior level, so the Government are aware of it and Members in both Houses have been pushing the Government, but we hear reports from Mr Juretic—Mr Miloseski-Reid also referred to this—about insufficient co-operation between HMRC and trading standards. That is taking place against a backdrop where in many parts of England, and I suspect Scotland as well, local authority income is dropping, yet trading standards comes under local authorities and for some of those authorities a strong trading standards department may appear to be a lower priority than, for example—and understandably—social care for the elderly. In that case, what gets the chop? Unless HMRC really seizes this problem, it is likely to get worse.

The Government have made a bit of movement in the draft Finance Bill 2016, which laudably has been published. I had the Government for the number of consultations they carry out on possible changes to tax-related matters—there are probably dozens outstanding at the moment. The draft Bill has 88 clauses and clause 79 touches on
this matter, though, as I understand it, it does only touch on it, because it deals only with data gathering. It is important to gather data to know who is selling what to whom and who is registered and so on, but while the Government, with all their resources, are probably more correct in their assessment of law than I am, I am not sure whether they have got it right on the law in relation to retailers such as Amazon.

It is easy to focus on Amazon. I am sure that it is not only Amazon that has questions to answer in this regard, but it is an enormous company with enormous sales in the United Kingdom, so some of us—I think the hon. Member for Daventry did to some extent—use it as a bit of shorthand for mass online retailers. That is fair enough, and he may well be right that they are watching us. Despite my reservations about reports of working conditions at Amazon, I do use it for internet purchases. I did not buy the said LightintheBox tablet through Amazon.

I, like I suspect many people, have registered my credit card details with Amazon. I have a username, password and so on with it—in fact, it is the only organisation with which I deal that I ask to remember my credit card details. When my credit card statements come, charges for purchases I have made are taken from my credit card account in the name of Amazon, through its different permutations, because Amazon has different legal entities in the European Union. It does not just say Amazon; it will also have some initials or a qualifier that shows which part of the Amazon empire it came from.

I am not a contract lawyer, but as a lawyer who knows a bit about contract law—I knock about on it—that says to me, as a consumer, that I am buying from Amazon. When I make a purchase, I do not give my credit card details to another company; I give them to Amazon. On the face of it, when I look at my credit card statement, I see the money is going to Amazon. Therefore, I have a contract with Amazon.

It is often but not always the case—Amazon also sells direct—that transparently, as part of the purchase process, that order is fulfilled by another company. I do not have a contract with that other company; I have a contract with Amazon. Amazon presumably has a contract—it certainly has an agreement—with that fulfilling company, which might be Bloggs Lighting Ltd or whatever, but my contract is with Amazon. If Amazon has a contract with me and, one surmises, with Bloggs Lighting, Her Majesty’s Government have, on VAT fraud and evasion, considerable leverage with Amazon to say, “You, as a legal entity”—or several legal entities as in Amazon’s case—“trading in the European Union are selling to UK consumers and the goods are delivered in the UK.” That is because I am buying from Amazon.

That is my understanding of contract law. The Minister may be able to dissuade me and tell me that I have misinterpreted it, but, if that is the case, we should take another look at the law. As I, as a consumer, am buying from Amazon, it should be dealing honestly with me and dealing legally with those companies from which it buys the goods that it sells on to me.

Amazon should therefore be susceptible to legislation in the United Kingdom as to how it conducts its business. That legislation should not simply be the data gathering in clause 79 of the draft Bill, although that would be helpful. The legislation should also be that Amazon must ensure that those companies from which it buys goods that it then sells on to UK consumers online are VAT registered if their turnover is above the UK threshold or if they fall under the other legal architecture for VAT registration. That is because one imagines that, often, those companies are doing quite a bit of business with Amazon—Bloggs Lighting may sell a lot of lighting stuff to consumers who go on to Amazon.co.uk. Therefore, morally or legally, I do not think Amazon can step back and say, “We are an intermediary.” The hon. Member for Daventry may know that, in the school playground in the west midlands, when the teacher says, “You did something,” they say, “It wor’ me, Miss,” which means, “I am not guilty; I did not do it.”

Chris Heaton-Harris: Is there not an incentive for Amazon and other e-retail marketplaces to sort this problem out? They earn their money from commission on the total price charged. While the market might have grown a bit, the cut that Amazon would receive from a £10 item would be better than the cut from £8 it might receive for a similar good that might have been sold in the way that I detailed in my speech.

Rob Marris: I certainly agree with the hon. Gentleman. To take that on one step, if someone were to buy an Apple iPhone through Amazon for, say, £500, which retails from Apple online at £600, and if the reason for the price difference is not a more efficient business model but VAT evasion, Amazon is at least morally complicit in that, because it gets a cut of a £500 sale that it would not have had if the consumer had gone direct to Apple. Therefore, in that example there is a moral risk to Amazon, and, I think, a legal risk, that it is benefitting financially from fraud, because it gets a cut of a sale that would not have been made had the fraud not existed. It needs to look closely at what it is doing.

The Minister said in a written answer on 26 February 2014:

“HMRC (in liaison with Trading Standards and other agencies) is undertaking intelligence driven investigations and projects to address concerns relating to the activities of online companies, including undervaluation of goods at import.”

That is very welcome, but it was two years ago that HMRC was undertaking those investigations and projects. I hope the Minister can tell us today that some of those investigations have at least made progress in the past two years. I realise that some of those investigations may have taken place and, in legal or criminal terms, led nowhere—that is the nature of investigations. We might find that there is smoke but no fire, as it were. In other cases, we might see smoke, investigate and find fire. Either way, I regard that as progress. If something looks a bit odd and we investigate it, we will sometimes find there is nothing illegal going on, and we will sometimes find there is something illegal going on. Will the Minister tell us how those investigations have proceeded and how many there have been?

The Minister also said in that written answer:

“Where the online trader is a non-EU company, HMRC has no jurisdiction.”—[Official Report, 26 February 2014; Vol. 576, c. 409W]

I understand that, but two things occur to me. First, the 2002 EU electronic commerce directive should be enforced in the United Kingdom. Secondly, if HMRC has no jurisdiction over those non-EU companies, some but
not all of which will be Chinese, HMRC should, as I have stressed, look at the companies over which it does have jurisdiction—for example, Amazon or eBay. Those are two of the major companies engaged in online retail sales in the United Kingdom, and those sales should be subject to UK jurisdiction. I understand all the difficulties of different legal jurisdictions, both within and without the European Union, but we need to get a grasp on this.

Simple data collection, as provided for in clause 79 of the draft Finance Bill 2016, is a step forward but is not sufficient. I hope the Minister will reassure us today that some of the investigations to which he referred two years ago have led somewhere and borne some fruit, and that HMRC will look seriously at the suggestions put forward by Mr Juretic in his report. If the Minister cannot enlighten us today as to which of those he thinks are worthy of a closer look, perhaps he could write to Members. I hope the Government will look closely at what legal powers it could take to address the Amazons of this world and of this jurisdiction.

2.53 pm

The Financial Secretary to the Treasury (Mr David Gauke): It is a great pleasure to serve under your chairmanship for the first time, Mr Hanson. It was not that long ago that you and I were debating tax matters in your long and distinguished period on the Labour Front Bench, as my shadow. I note that four of the five shadows I had in the previous Parliament are no longer serving on the Labour Front Bench. I hope the hon. Member for Wolverhampton South West (Rob Marris) will not see that as in any way ominous.

Rob Marris: I see Mr Hanson has had a promotion, so he should be congratulated.

Mr David Hanson (in the Chair): With due respect...

Mr Gauke: Yes, that is a very long sentence. I hope you are enjoying your new role, Mr Hanson.

I congratulate my hon. Friend the Member for Daventry (Chris Heaton-Harris) on securing this debate and setting out the case so well. I also congratulate my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) on his passionate speech. He is correct to say that I have met Mr Juretic and listened carefully to the points he raised.

I will turn to specific points, but first I want to acknowledge the important work that Her Majesty’s Revenue and Customs is doing in collaboration with other agencies, both in the UK and internationally, to tackle tax evasion, which, as the hon. Member for Wolverhampton South West pointed out, is what we are talking about today. Tackling tax evasion in all its forms is a priority for HMRC. Last year, HMRC collected and protected a record £26 billion in revenues from compliance activities and secured more than 1,200 prosecutions using intelligence, sophisticated risk systems and smart data.

The phenomenal growth in online sales in recent years, which we have heard about this afternoon, has made many people’s day-to-day lives much easier but presents significant challenges for HMRC. That is because the supply chains are often very complex and involve a number of different entities. Suppliers can be located overseas and their records are not always available alongside the goods. All those factors combined make it much more difficult to spot where tax and duty have been paid.

To make things more complicated, HMRC is looking for frauds taking place in the midst of large volumes of legitimate trade. It is far from our, or HMRC’s, intentions to get in the way of legitimate trade, so HMRC is mindful of the need to target its activities proportionately. Nevertheless, this is a significant issue that we are determined to tackle. Building on its expertise in tackling evasion, HMRC has brought together specialists from across the Department and established in spring last year a taskforce to tackle the specific customs and VAT frauds that we have been talking about. That taskforce currently has more than 75 live investigations open into businesses or entities suspected of flouting the rules, and that figure is expected to grow to 150 before the end of the 2015-16 financial year.

Retailers Against VAT Abuse Schemes has highlighted about 500 businesses that it alleges are complicit in these frauds in some way. My hon. Friend the Member for Daventry drew attention to that list, and other hon. Members have referred to it. I assure the House that HMRC has examined the RA VAS list closely. For reasons of taxpayer confidentiality, I am not in a position to know, let alone say, what conclusions HMRC has reached in respect of each of the companies listed by RA VAS. However, it would only be fair for me to say that one cannot assume every company on the list is non-compliant.

At this point, I should touch on VAT registration numbers, which a number of hon. Members raised, including the hon. Member for Ross, Skye and Lochaber (Ian Blackford). Not all sellers are required to be VAT-registered. Overseas sellers that supply goods, located outside the UK, have no requirement to be registered for UK VAT. If they are compliant, in those circumstances, they would pay import VAT at the border. Of course, that would be a sticking tax, as they would not be entitled to reclaim that VAT. There are complications in this area, and the absence of a VAT number does not, in itself, suggest that a seller is breaking VAT law.

[Philip Davies in the Chair]

The issue is if sellers are claiming to be outside the UK and selling from outside it, but are in fact storing goods in a warehouse in the UK and dispatching them from the UK to a customer here. That changes the circumstances, but I want to be clear that the absence of a VAT number does not necessarily mean that fraudulent activity is occurring.

HMRC is working jointly with other Government agencies, including carrying out joint visits with trading standards and sharing intelligence with UK Border Force, to address risks across the entire supply chain to ensure that all sellers who sell online pay all the taxes that are due. To give hon. Members a flavour of that work, in an operation just before Christmas, HMRC and trading standards seized goods worth half a million pounds. As HMRC’s programme of activity continues, and both its operational intelligence and understanding of fraud improve, it expects to make more interceptions and seizures of illicit goods.
I should stress the point about illegitimate and legitimate trade. HMRC has the powers to seize or detain all goods in a warehouse, for example, but it also has to think about the potential impact of its actions, for instance, on the end consumer. If HMRC were seizing goods that subsequently turned out to be there legitimately, I suspect many of our constituents would want to raise concerns.

We recognise the concerns that have been raised by compliant businesses. Clearly, it is very important that non-compliant businesses should not be allowed to establish any unfair advantage over compliant businesses, as that would distort competitiveness. Again, that point was rightly made by a number of hon. Members. Tackling these frauds is just as much about maintaining a level playing field for business as it is about collecting the tax and duty that should be paid.

That operational work is the first strand of HMRC’s work to tackle these frauds. The second strand is engagement with the online platforms on which goods are sold.

Rob Marris: Before the Minister moves off the first strand—perhaps he is planning to address this point later—23 months ago he talked about the investigations that were going on. He tells us today that there are 75 live investigations. What he could tell us, which would not breach taxpayer confidentiality, is whether there have been any prosecutions—which would be in the public domain—in the last five years for this sort of fraud.

Mr Gauke: I will have to write to the hon. Gentleman with details on that. I am not in a position to give any numbers this afternoon, but I understand his point.

Turning to online platforms, I can tell hon. Members that a meeting with the top online platforms took place recently, at a very senior level, to explore the role that they can play in preventing such frauds. HMRC is proactively following that up to see how it can work with the platforms to tackle the fraud and better quantify the scale of that. However, having looked at the matter, HMRC’s view is that online platforms have no liability for unpaid VAT where the operator merely provides a marketplace for businesses to sell goods.

I know that this point was raised by my hon. Friend the Member for Daventry, and although I am loth to get too much into a legal argument, he mentioned the Kittel case. It is worth bearing in mind that the Kittel case applied in the context of MTIC—missing trader intra-Community—fraud, or carousel fraud, which the hon. Member for Wolverhampton South West and I believe that Kittel applies in these circumstances in the way that my hon. Friend suggests.

It is also worth pointing out that there are many parties involved in a transaction where this type of fraud may occur—for example, fulfilment houses, payment providers, freight forwarders and agents, and online marketplaces as well as online sellers. HMRC is not limiting anti-fraud work to marketplaces only, although it recognises that they play an important role and is prioritising its engagement with them in the coming weeks.

The third and final strand to tackling this issue is putting together an effective set of policies that can make this sort of fraud harder to perpetuate in the first place. As hon. Members will recognise, unilateral action is not going to solve the problem by itself, as there is an important international dimension to these frauds. They affect the revenues of other EU member states as well as the United Kingdom, and we are in close dialogue with them about how best to combine our efforts to tackle such frauds.

Rob Marris: Welcome to the Chair, Mr Davies. Would the Minister therefore say that in this respect, it would be advantageous to the United Kingdom to remain a member state of the European Union, because of that international dimension and the international action to which he referred?

Mr Gauke: I do not know whether that intervention was for my benefit or for the arrival of our new Chairman—Mr Davies, it is a great pleasure to see you in the Chair this afternoon.

The point I would make is that whether we are inside or outside the European Union, international co-operation is very much necessary in such cases. As an example of that, the customs aspects of these frauds—it needs to be emphasised that this is a customs as well as a VAT issue—are on the agenda for the meeting of the directors general of all EU customs services on 26 March. There is some evidence that the UK has been particularly targeted for these frauds because of our much greater take-up of online shopping. That will make it all the more important that we work closely with our international counterparts, for the benefit of the UK and more widely. HMRC already works closely with the European Commission and OLAF, the EU’s anti-fraud unit.

Of course, there is a lot more to be done, not least as online retailing gets ever more popular worldwide. All taxes are kept under review, and HMRC is considering whether there need to be policy changes or other changes to the rules that apply to online sales. However, for effective longer term solutions, we will need to continue our engagement with other EU member states, the Commission and the OECD, and I would like to assure hon. Members that that dialogue is already under way.

Our goal is simple: one where the customer continues to enjoy the benefits of being able to buy goods conveniently through an online platform, but where unscrupulous businesses cannot undermine, through fraudulent activity, businesses that do the right thing. Although there is still much work to be done, I hope that hon. Members will appreciate the strong and collaborative efforts that HMRC is making to tackle this issue.

3.8 pm

Chris Heaton-Harris: It is a pleasure to serve under your chairmanship, Mr Davies, and I welcome you to the debate.

When I bid for time for this debate at the Backbench Business Committee, I was hoping to get 90 minutes sometime at the end of January so that I could secure
the support of the former Chairman of the Public Accounts Committee, the right hon. Member for Barking (Dame Margaret Hodge). I served on that Committee with her for five years, and we had plenty of conversations about online marketplaces, how much tax they pay and how much tax they should pay—she was very interested in the issue.

Given that we had just 24 hours' notice of the debate, I am pleased that we have the Minister, the shadow Minister and the SNP spokesman here. I am also pleased that my right hon. Friend the Member for Arundel and South Downs (Nick Herbert) was able to attend and talk about his constituent's experiences.

Obviously, I was pleased to hear about the investigations and goods seizures that are going on, because my constituent would like to be assured that HMRC is not reacting slowly to a situation that is developing extremely quickly. More and more of these companies are being formed, and dormant companies that have already been registered are being activated and used in the way I described.

I am pleased that there have been high-level meetings with the top online marketplaces, and I would be fascinated to find out their reaction to the inquiries that are taking place.

**Rob Marris:** I do not seek to draw the hon. Gentleman on the timing, but perhaps he could say whether he understands why some Members, certainly on the Opposition Benches, feel a little frustrated—he may or may not express a similar view—about the apparent lack of urgency with which HMRC is dealing with this growing problem.

**Chris Heaton-Harris:** I have to say that I am with my constituent on this. I am particularly frustrated that it has taken a while for HMRC to publicly gauge the level of activity, although I have no idea what might have happened behind the scenes—having been a member of the Public Accounts Committee, and having had many a private briefing from HMRC over the last five years, I know that some things are best left unseen by the public eye. However, it has been frustrating for retailers who feel they are being unfairly competed against.

As I said, I was pleased to hear about the high-level meetings between the online retailers and officials. However, I was frustrated by the quote from Dame Lin Homer—the Minister repeated it today—suggesting that the Government and the tax authorities perceive no liability on online retailers. Even a tiny hint in a different direction would change behaviour very quickly.

There will be negotiations in the coming weeks, however. There is also the meeting on 26 March about the customs elements of this fraud. Potentially, there will also be opportunities to investigate this matter further in the Finance Bill and to look at the possibilities for giving the Government a helpful nudge so that they are as engaged as the Minister has been.

I thank everybody for their attendance, and I thank you, Mr Davies, for your kind guidance over the 13 minutes you have been here.

Question put and agreed to.

Resolved.

That this House has considered VAT evasion and internet retailers.

3.13 pm

Sitting adjourned.
Donald Trump

4.30 pm

Paul Flynn (Newport West) (Lab): I beg to move,

That this House has considered e-petitions 114003 and 114097 relating to the exclusion of Donald Trump from the UK.

It is always a pleasure to serve under your chairmanship, Sir Roger. I thank the Petitions Committee, which under its inspired Chair, my hon. Friend the Member for Warrington North (Helen Jones), has allowed me to introduce the debate on these two petitions. This is a bit of an occasion, because the first petition has been signed by more people than any other in this Parliament. It has 573,971 signatures, and its title is “Block Donald J Trump from UK entry”. The second petition is titled “Don’t ban Trump from the United Kingdom”. That petition is curious. It has 42,898 signatures, but 30,000 signatures were removed because they were thought to be suspect and coming from one source. Anyone who is trying to rig the system should be aware that they will be found out.

The text of the first petition reads:

“The signatories believe Donald J Trump should be banned from UK entry. The UK has banned entry to many individuals for hate speech. The same principles should apply to everyone who wishes to enter the UK. If the United Kingdom is to continue applying the ‘unacceptable behaviour’ criteria to those who wish to enter its borders, it must be fairly applied to the rich as well as poor, and the weak as well as powerful.”

The text of the other petition states that

“we shouldn’t be banning people for their opinions on domestic actions in a US political race that doesn’t concern us. But more importantly if he does actually win the nomination, and then goes on to win the presidency. We then have to work with a man who we banned from our country in the first place…Let’s mind our own business.”

The Government’s response to both petitions, which was not entirely helpful, said that

“the Government does not routinely comment on individual immigration and exclusion decisions…Exclusion powers are very serious and are not used lightly…The Prime Minister has made clear that he completely disagrees with Donald Trump’s remarks. The Home Secretary has said that Donald Trump’s remarks in relation to Muslims are divisive, unhelpful and wrong. The Government recognises the strength of feeling against…the marginalisation amongst those we endeavour to protect.”

The Government do not directly answer questions on those who are banned, but they did publish a list of 20 people who were denied entry to the United Kingdom between 2008 and 2009. I will not mention their names—I do not want to give them extra notoriety—but I will give some idea of the sort of people who have been banned. The first was a leader of a violent gang that beat migrants and posted films of the attacks on the internet. The gang leader was considered to be engaging in unacceptable behaviour by fomenting serious criminal activity and seeking to provoke others to serious criminal acts. Another was described as a preacher considered to be engaging in unacceptable behaviour by fomenting terrorist violence in furtherance of his political beliefs.

Another was considered to be engaged in unacceptable behaviour by seeking to provoke others to serious criminal acts. A fourth was a Muslim writer and public speaker from India. He was excluded from the United Kingdom because he had made anti-Jewish statements, thus fostering hatred among others. Those examples are entirely typical of the kind of people who are excluded.

We should say that the situation with Mr Donald Trump does not correspond with those cases, which are far more serious and presented an immediate threat of violence. The petitioners claim that violent attacks have been committed in Boston and elsewhere by people who quoted Donald Trump. It is alleged that one attacked a Hispanic person and one attacked a Mexican. That is what the petitioners are basing their points on.

One case does correspond with the situation with Donald Trump. Geert Wilders is a Dutch person who was seen to be fomenting hatred against Muslims and to be guilty of homophobia. He was banned by the Home Secretary in 2009. Mr Wilders appealed to the court and won. The result was that he was allowed into the country, and the publicity and attention that he gained for his Islamophobia and his film were multiplied a hundredfold by the ban. We should bear that in mind.

Keith Vaz (Leicester East) (Lab): I congratulate my hon. Friend on securing and leading this debate. Does he share my concern about the number of cases—the cases have come to light since Mr Trump’s comments, but were not because of them—of British Muslims being refused admission to the United States of America? Does my hon. Friend agree that, whenever that happens and whether the people are Muslims or not, there should be a clear indication of why they have been refused admission?

Paul Flynn: The figures are worrying, but we are still in a position where the President of America is Barack Obama. I am sure that he would look with equal disapproval at those cases, but they need to be investigated. It is certainly of considerable concern, and Mr Wilders’ case is of great significance to us.

The creator of the main petition said:

“Freedom of any kind comes with responsibility; this includes free speech. Freedom of speech is not the freedom to engage in hate. Words can wound and can be a rallying cry to violence…The reality of hate speech’s ability to incite violent acts is why the UK’s laws have stopped some 80 individuals from entering the UK to date.”

The petitioner quotes certain violent acts that have taken place in America, which they put down to Mr Trump’s intervention.

The way in which this debate has been reported throughout the world has created an enormous amount of attention, and we want to make it clear that it is no attempt to disrespect in any way Americans or the American state. Our cultures have melded together over the years, getting ever closer. This is the country that sacrificed more of its sons and daughters in the cause of creating democracy in other countries than any other nation on Earth. This is the land of Barack Obama, Martin Luther King and Abraham Lincoln.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Does my hon. Friend not agree that the fact that it is Martin Luther King day today makes it even more
Dr Rupa Huq:
bizarre that this hate figure is preaching these ridiculous things that we should reject?

Paul Flynn: It is a significant day. Martin Luther King was a great man who left a great legacy behind. We should look at what we are doing in this case and what we are doing in pursuing a cause that would expel the—

Dr Andrew Murrison (South West Wiltshire) (Con): Will the hon. Gentleman give way?

Paul Flynn: Yes, of course.

Dr Murrison: I appreciate the balanced way in which the hon. Gentleman is presenting his argument. The election of his party leader has shown that remarkable things happen in politics. We have to be alive to the possibility that this ridiculous individual—that is, Mr Trump—may be elected as President of the United States. In that event, would such a ban be overturned? Were it not, that would be one almighty snub to the American citizens to whom the hon. Gentleman has been referring.

Paul Flynn: I am sure that is absolutely right. Our great difficulty is that showing disrespect for Mr Trump might be interpreted by his supporters and others in America as showing disrespect to the American nation, but that is not what we are doing. One individual is involved. If we attack this one man, we are in danger of fixing on him a halo of victimhood. We give him the role of martyrdom, which can seem to be an advantage among those who support him. The line will go out: “Here are these foreigners interfering and telling us what to do.” It would be a grave error if we allowed that situation to arise and if our deliberations today seemed anti-American.

Various people have said we should not discuss this issue, but it is difficult to ignore a vox pop that is so thunderous and the signatures of 500,000 people. The purpose of the Petitions Committee is to say that it is possible. Mr Trump is one individual. If we support the hon. Gentleman is coming down on one side of the argument of their religion. If the hon. Gentleman is to take the position that he seems to be taking, may I ask him: what would be an appropriate response by this country to the murder of Mr Trump the accolade of martyrdom followed by eternal bliss.” That is the kind of seduction that has been used by many cults over the years. Sadly, hundreds of our young people are falling for it. If we react to terrorist attacks by joining in wars and battles, the world will be in a very dangerous place. Although we have no right to inform Americans who they should elect as leader, we look forward with some trepidation to a future when difficult decisions have to be taken. Will they be taken by a person who is seen to be impulsive and not well informed, and who has been accused of racist views?

Tommy Sheppard (Edinburgh East) (SNP): The hon. Gentleman is coming down on one side of the argument to say that Mr Trump should not be banned from entering this country. Are we not in a unique position here? I cannot think, in my lifetime, of another senior politician in America or anywhere else wishing the Government of their country to deny our citizens in the United Kingdom free international movement because of their religion. The hon. Gentleman is to take the position that he seems to be taking, may I ask him: what would be an appropriate response by this country to the United States of America to protect the people we represent?

Sir Roger Gale (in the Chair): Order. A significant number of Members wish to contribute to the debate. I must ask at this stage that any interventions be very brief.

Paul Flynn: I think it is premature—we have had an intervention on this before—but if that was to happen, it would of course be an outrage. It would certainly be contrary to all American history—the words written on the Statue of Liberty—and a denial of the best in America’s history and its hospitality to those who wish to live in her country.

I would urge the alternative of inviting Mr Trump here. I would be delighted if he could show us where the so-called no-go areas for police are in this country—I have never been able to find one. It would be a pleasure to take him down to Brixton and show him the rich...
mixture of races and creeds that are living happily together there. Perhaps it would be interesting to have a chat about why in America there are more people killed by shotguns every day than are killed every year in this country. The Leader of the Opposition has suggested a trip to Islington around the mosques and possibly a meeting with his wife, who I understand is from Mexico. I am sure they would have a very interesting conversation. I believe we should greet the extreme things that Mr Trump says with our own reasonableness and hospitality. We should greet him with courtesy if he comes here, but we should not build him up by our attacks.

In conclusion, another great Republican said in 1990:

“Democrats and Republicans...I salute you. And on your behalf, as well as the behalf of this entire country, I now lift my pen to sign this Americans with Disabilities Act and say: Let the shameful wall of exclusion finally come tumbling down.”

Those are the words of President Bush. It was absolutely right that that Act, for those who are disabled, led to similar Acts in nations throughout the world. We should look to what we are seeing from Donald Trump at the moment and confront his words of prejudice, his lack of knowledge and intolerance. We should greet him with a welcoming hand of friendship, knowledge and truth, and then perhaps more shameful walls of prejudice will come tumbling down.

Several hon. Members rose—

Sir Roger Gale (in the Chair): Order. Given how many hon. Members rose to speak, I am proposing to impose immediately a time limit of six minutes. If hon. Members are willing to adhere to that, we may be able to get most if not all Members who wish to speak into the debate.

I do not normally do this from the Chair, but given the number of Members who are seeking to catch my eye it might be helpful for me to read out who indicated before the debate that they wish to be called to speak. From the Opposition Benches I have on the list Tulip Siddiq, Gavin Robinson, Naz Shah, Tasmina Ahmed-Sheikh, Keith Vaz, Corri Wilson, Jack Dromey and Gavin Newlands. From the Government Benches I have Paul Scully, Sir Edward Leigh, Tom Tugendhat, Victoria Atkins, Steve Double, Lucy Frazer, Philip Davies, Simon Hoare and Kwasi Kwarteng. Those who are not on my list at this point—in other words those who did not indicate in writing that they wished to speak—may choose to seek to intervene rather than to be called. I call Paul Scully.

4.50 pm

Paul Scully (Sutton and Cheam) (Con): Thank you, Sir Roger. I congratulate the hon. Member for Newport West (Paul Flynn), a fellow member of the Petitions Committee, on leading the debate. I was keen to participate not only because of the substance of the debate, but to echo the sentiments he expressed about why the Committee decided to hold it. The issue has caught the media’s eye, and some people have been concerned about our discussions. For any petition of more than 100,000 signatures, the mechanism is in place for us at least to seek to allow the public to have a voice in this place, whether through a Select Committee, in a wider debate that is already ongoing, or in the research that we carry out—for example, the Committee is looking at research into brain tumours.

In this instance, as has been the case on several other occasions, it is appropriate for us to give members of the public a voice in Westminster Hall. Donald Trump’s favourite UK columnist, Katie Hopkins, was on John Pienaar’s radio programme on Sunday and asked why we were not debating other matters, such as the immigration petition that has received a number of signatures. She claimed that it was down to us being politically correct. It was nothing of the sort. We held a debate on immigration, which I led, back in October, as a result of a petition that was worded in a very similar manner. It was more appropriate to push on with this debate. Wherever possible, we do not want to duplicate work. The hon. Member for Newport West forgot to mention one petition that we should roll up with the others. As of this morning, 75 people had signed a petition inviting Donald Trump to address Parliament. Perhaps we might want to consider that.

It is important that members of the public who are watching the debate understand that it is not going to result in a vote. It is not for us to decide whether Donald Trump should or should not be allowed into the country. It is for my right hon. Friend the Home Secretary to decide whether any visit that he might make is conducive to the public good. Nevertheless, the debate allows us to have our say, and I am sure that the Home Secretary will be listening. There are examples of when people have been excluded from this country. I have heard of a number of cases in which people have been excluded for incitement or for hatred; I have never heard of someone being excluded for stupidity, and I am not sure that we should start now.

I totally agree that we should not be focusing on one man. Over the course of the debate, I would like us to look at the wider issues surrounding this matter and how they affect the UK: immigration, global security, and the positive contributions made to this country by people with Muslim faith, whether they were born in this country or have come here and added to our economy, culture and community.

James Berry (Kingston and Surbiton) (Con): Is my hon. Friend aware that the second most popular petition on the website, with 457,000 signatures, is one with the title “Stop all immigration and close the UK borders until ISIS is defeated”? Does not that motion show why it is important to challenge views such as Donald Trump’s in a robust, evidence-based and democratic way?

Paul Scully: Absolutely. My hon. Friend makes a really important point. That wording is very similar to the one for the debate I led in October. There are a lot of petitions out there with quite incisive and clumsily worded approaches. There is a fear of immigration and for global security. I suspect that Donald Trump’s words were borne out of his own fears, although as an aspirant leader he should be leading the way towards a clearer understanding of this issue. It is not acceptable for him to say, “We need to stop immigration of this sort until we understand what is going on.” That is not acceptable for an aspirant world leader.

We know the benefits of controlled immigration in this country. As the son of someone who was born in Burma—I am half Anglo-Indian—I have seen the benefits of good immigration, when people contribute to this country, make no claims on social services and have
incredible aspirations for education and hard work. But mass, uncontrolled immigration puts a lot of pressure on services and infrastructure and puts a lot of concern into people’s minds. I suspect that, like America, the UK feels that, hence the number of signatories to the petition, but we need to tackle it in a very different way.

We need to speak about the positive contributions made to business investment, to science and medical procedures, and to culture. Many Members will know that I do quite a lot of work with the British curry industry in my role as chair of the all-party group on the curry catering industry. That one industry alone is worth £3.5 billion to £4 billion to this country’s economy, depending on who one speaks to. It employs 100,000 people and affects a number more. We all enjoy a curry, and it would be bad for the UK economy if the industry continued to struggle. That is just one small industry. Let us look at the medical industry and business as a whole and at immigrants’ input to this country.

On global security, we need to look at the Government’s counter-extremism and counter-terrorism strategies. Those are far more clever, positive and practical ways to approach the issues than the impractical suggestion simply to close the country to people from one faith. How would someone determine people of one faith? Would they put a badge on them? Would they record them on a database? Although he has not gone quite as far as suggesting putting a badge on people, Donald Trump has not excluded keeping people on a database, which is an extraordinary route to go down.

We have very limited time, so I will bring my remarks to a close. I hope that over the course of the debate we will be able to concentrate on practical ways that this country can tackle immigration and community cohesion, rather than worrying about the ego of one man.

4.57 pm

Tulip Siddiq (Hampstead and Kilburn) (Lab): The arguments over why we are having this debate have already been articulated by the speakers who came before me—my hon. Friend the Member for Newport West (Paul Flynn) and the hon. Member for Sutton and Cheam (Paul Scully). I want to discuss why this online petition, which has been signed by 3,000 of my constituents in Hampstead and Kilburn, has evoked such emotion. Is it because Donald Trump’s comments have tarnished the entire Muslim community with the views of a small group of extremists whose views ordinary Muslims absolutely condemn? Is it because the world’s largest economy might be excluding the world’s second largest religious community—more than 1.6 billion people? Or is it because people in this country are proud of the long history we have of welcoming immigrants, refugees and asylum seekers?

People often say that the public are apathetic about politics. This petition, signed by nearly 600,000 people, shows that when people feel a sense of justice—when they feel that we need to stop a poisonous, corrosive man from entering our country—they will act in good conscience. We are not talking about just any man. This is a man with an extremely high profile who has been involved in the American show-business industry for years—a man who is now interviewing for the most important job in the world. His words are not comical. His words are not funny. His words are poisonous and risk inflaming tensions between vulnerable communities. Let me make one thing clear: we have legislation in our country to ensure that we do not let people who are not conducive to the public good enter. My hon. Friend outlined some of the people the Home Office has banned from entering this country.

Mr Adam Holloway (Gravesham) (Con): You are talking about a candidate for the presidency of the United States. It is up to the American people to decide whether his views are objectionable, not you guys.

Sir Roger Gale (in the Chair): Order. The hon. Gentleman has been in the House long enough to know that he has to address the Chamber through the Chair. I have no view on this matter whatever, as he will appreciate.

Tulip Siddiq: I think the question has been answered for the hon. Gentleman.

I looked at the cases of the 84 hate preachers who have not been allowed into the country. I want to highlight the case of a female blogger—I will not name her, but hon. Members are welcome to look her up—who was banned from entering our country. I looked at the rhetoric she used. Her crime was to equate the views of the entire Muslim population with those of a handful of extremists. The Home Office spokesperson said that she was not allowed into the country because:

“We condemn all those whose behaviours and views run counter to our shared values and will not stand for extremism in any form.”

Her views and those of Donald Trump, who thinks that Muslims are all the same, are strikingly similar. They use very similar words. Will we apply our legislation equally to everyone or will we make exceptions for billionaire politicians, even when their words clearly fall short of the Home Office guidance?

Philip Davies (Shipley) (Con): The hon. Lady said that she does not want any exceptions, but I have heard large numbers of my constituents make similar remarks to those of Donald Trump. She may disagree with them, but lots of my constituents agree with what Donald Trump said, whether I like it or not. Does she think that they should be expelled from the country as a result of their views? If not, what is the difference?

Tulip Siddiq: The hon. Gentleman should think carefully about what he just said. That is not the same as our deciding not to let into the country someone whose views fall short of the Home Office guidance.

My hon. Friend the Member for Newport West outlined Donald Trump’s views about Mexicans and black people. Do not forget that Donald Trump ran a dog-whistle campaign to see Barack Obama’s birth certificate to find out whether the President of America is really American. Imagine what would happen if, in the mother of Parliaments, my colleagues decided to question ethnic minority MPs about whether they are really British.

Dr Huq: Is my hon. Friend aware that people find that individual repellent because he is not only racist but homophobic and misogynistic?
Tulip Siddiq: I thank my hon. Friend for her intervention. When Megyn Kelly asked Donald Trump on Fox News to explain why he called some women “fat pigs’, ‘dogs’, ‘slobs’ and ‘disgusting animals’”, he replied, “What I say is what I say.” Is that the kind of man we want in our country?

I thoroughly anticipate the rebuttal that we cannot exclude people merely because they offend us or because we do not like them, but as politicians we have to make difficult decisions. We have to decide when freedom of speech compromises public safety. We are worried about our constituents’ safety. The Centre for the Study of Hate and Extremism pointed out that anti-Muslim crime has increased in line with the rhetoric that Donald Trump used in the last three months of 2015. My hon. Friend the Member for Newport West mentioned the homeless Hispanic man who was beaten up by two brothers from south Boston. When they beat him up, they broke his nose and urinated on him. The police report said that one of them justified the act by saying: “Donald Trump was right—all these illegals need to be deported.” Donald Trump’s words stoke and inflame hate crime.

Steve Double (St Austell and Newquay) (Con): I am interested in the point that the hon. Lady seems to be making. To make sure I understand her correctly, is she laying all the responsibility for the increase in hate crime against Muslims at Donald Trump’s door? Does she not believe that acts of terrorism, such as those in Paris, contributed to it?

Tulip Siddiq: Of course, I do not lay all the blame for the increase in hate crime at Donald Trump’s door, but there is a correlation between the words he uses and the increase in hate crime. The point is that his words lead to real crime and violence. That is where I draw the line on freedom of speech.

Richard Drax: I do not mean to undermine the hon. Lady’s argument, but many things incite violence. For example, parliamentary regulations can incite violence: policemen have been attacked, and one had his head chopped off. That is not to say that we should shut down debate. All kinds of things incite violence—always by totally irresponsible people.

Tulip Siddiq: I do not have much time, so I will wrap up by saying that I draw the line on freedom of speech when it leads to violent ideology being imported, which is what I feel is happening. We have legislation in place to protect the people of Britain from such individuals. It has been used previously to prevent other people from coming into the country, and the same rules should apply to Donald Trump, which is why I feel he should not be given a visa to visit the multicultural country that we are so proud of.

5.6 pm

Sir Edward Leigh (Gainsborough) (Con): The hon. Member for Hampstead and Kilburn (Tulip Siddiq) was quoted this morning—I think in The Daily Telegraph—as saying she was going to “trash” Donald Trump this afternoon. I am not sure he is going to be terribly worried about this debate.

I respect the hon. Member for Newport West (Paul Flynn) for the measured way in which he introduced the debate. It will be of no surprise that I oppose the ban. First, it just gives Donald Trump publicity. Actually, this debate is the only item about British politics in the US press at the moment. They are not talking about Corbynmania, Brexit or anything else; they are talking about this debate. Why feed the machine? We saw what happened with Geert Wilders. Did that do any good? I do not think so. The hon. Gentleman made that point in his measured speech.

Secondly, a ban would offend free speech. In a free country, people have a right to offend others. I introduced an amendment to section 5 of the Public Order Act 1986 to make that clear. I offend people in this House all the time; it is my right to do so.

Thirdly, the United States is a friendly country that came to our rescue twice in two world wars. This man may conceivably become President of our most important ally. Fourthly, we cannot translate American politics to UK politics, which is completely different. I was in a debate earlier this year on full fiscal autonomy for Scotland, and the Labour spokesman described me as an extreme right winger—God forbid. My amendment was supported by the shadow Chancellor when he was a Back Bencher; whether he is an extreme right winger, I do not know. As it happens, I am strongly in favour of gun control; I voted consistently against bombing Syria and invading Iraq; I am strongly in favour of the NHS, which I use exclusively; and I oppose capital punishment—would I survive in the Republican party? Nevertheless, I am told that I am an extreme right winger. US and UK politics are completely different, and it would be a great mistake to try to translate them.

Petitions such as this are a bit of good fun, but if the Government were to act on this one—God forbid—they would be playing into Mr Trump’s hands. His style of politics is to stoke controversy by saying outrageous things. Lavishing him with attention, even if our intent is to condemn or deride, is falling into the trap he set for us. His continuing popularity among voters—we may not like it, but he is popular—is evidence of that. We must be wary of lowering ourselves to demagoguery in fighting demagogues.

We all lament the divisiveness of politics, which seem particularly divisive in the United States when viewed from afar, from our side of the pond. Does a debate such as this really help? Would banning Mr Trump, which would be even worse, really help? Most of us in this room oppose Mr Trump for demonising his opponents. If we ban him from the country, are we not in danger of doing the same?

Like it or not, Mr Trump is also a contender to be the Head of State of arguably the most powerful country on the planet, a country which is a vital ally of ours. We have welcomed to this country Saudi and Chinese leaders, not to mention Mr Ceausescu, whose crimes are far worse than anything Mr Trump can dream up. These people do not just talk about violence; they practise violence on an extreme scale, but we have welcomed them to our country. I am a firm believer in free speech, which is a cause I have supported with such unlikely bedfellows as the National Secular Society and the Christian Institute. If we allow free speech only for those with whom we already agree, is that free speech at all? The solution is dialogue, not deeper division.
[Sir Edward Leigh]

Let me end by saying that this is also an attempt to shut down an honest debate about immigration. As soon as one mentions immigration, one is labelled a right winger or a racist. That is not the way to solve the problem of integration. The Prime Minister wrote a fantastic article in *The Times* today, making the worthwhile and good point that our Muslim friends must learn from previous waves of immigrants, particularly the Jews of the 19th century, who have chosen to integrate fully in our society. Here are some of the prominent immigrants and children of immigrants, all intensely and identifiable British, all of whom arrived long before Britain's post-war immigration waves: Hans Holbein, George Frederick Handel, Frederick William Herschel, Isaac and Benjamin Disraeli, Christina Rossetti, Gustav Holst, Augustus Pugin, Louis of Battenberg and his son Louis Mountbatten, Hilaire Belloc, Joseph Conrad, George Louis du Maurier, Winston Churchill, Leo Amery, T.S. Eliot, Lewis Namier, Learie Constantine, Alexander Korda, Emeric Pressburger, Nikolaus Pevsner, Isaiah Berlin, Geoffrey Elton, the two Michael Howards, and Solly Zuckerman. The list illustrates a fundamental point: although those figures immensely enhanced British life, they did not make their adopted nation cosmopolitan; their adopted nation made these cosmopolitans British, and we should be proud of them.

5.12 pm

Gavin Robinson (Belfast East) (DUP): I appreciate the opportunity to contribute so early, Sir Roger. When considering my remarks for this debate, I thought that I would be in conflict with the hon. Member for Newport West (Paul Flynn), but I am pleased to say that that is not the case. However, I want to make one point about exclusion to him, the hon. Member for Sutton and Cheam (Paul Scully) and the Petitions Committee. When I log on as a Northern Ireland Member and try to access the Committee’s online map, Northern Ireland does not exist. If there is an issue of exclusion, I hope that that can be addressed when the licensing is sorted out with Ordnance Survey.

I am also concerned and apprehensive that the right hon. Member for Chelmsford (Sir Simon Burns) is present. He is the chief parliamentary proponent of Hillary Clinton. I wonder whether an intervention will provide that this country’s legislation should be applied equally to everyone?

Tulip Siddiq: Does the hon. Gentleman think that this country’s legislation should be applied equally to everyone?

Gavin Robinson: I think that it does. However, I am setting clear blue water between the support given by the hon. Lady in years gone by for terrorists who have destroyed, maimed and killed, and somebody who is a ridiculous xenophobe, but who we do not need to promote any further. That is my point.

Some might take a hypocritical stance, such as those north of the border from where we now sit, who are still very much part of our United Kingdom. They lauded the Chancellor gave succour to terrorists in our United Kingdom over the past 30 years. They supported the IRA murdering citizens in Northern Ireland and murdering our countrymen. To put into context what the hon. Member for Hampstead and Kilburn would have us believe, she thinks it would be appropriate to ban somebody who has erred politically, but who is not a terrorist. For what should we open back channels with Daesh? To negotiate reasonably with somebody who would consider that negotiation in the context of whether to murder someone’s wife or rape her first before cutting off her head?

The same Leader of the Opposition and the shadow Chancellor gave succour to terrorists in our United Kingdom over the past 30 years. They supported the IRA murdering citizens in Northern Ireland and murdering our countrymen. To put into context what the hon. Member for Hampstead and Kilburn would have us believe, she thinks it would be appropriate to ban somebody who has erred politically, but who is not a terrorist. For what should we open back channels with Daesh? To negotiate reasonably with somebody who would consider that negotiation in the context of whether to murder someone’s wife or rape her first before cutting off her head?

Tulip Siddiq: Does the hon. Gentleman think that this country’s legislation should be applied equally to everyone?

Gavin Robinson: I think that it does. However, I am setting clear blue water between the support given by the hon. Lady in years gone by for terrorists who have destroyed, maimed and killed, and somebody who is a ridiculous xenophobe, but who we do not need to promote any further. That is my point.

Some might take a hypocritical stance, such as those north of the border from where we now sit, who are still very much part of our United Kingdom. They lauded and applauded Donald Trump. They invited him to their country, appointed him as an ambassador and regaled him with civic support and adoration because of his political ideology, but who has not erred in law. This person has not promoted terrorism or extremism to the extent that lives have been lost and communities have been damaged or destroyed.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I am obliged to the hon. Gentleman for giving way. Is he suggesting that somebody had a crystal ball and could predict that this individual would conceivably make comments condemning an entire religion?
Gavin Robinson: I am grateful for the hon. Lady’s intervention. If I ever criticise someone, some party or something in this place, I will always allow the right to respond, but a crystal ball was unnecessary. Donald Trump’s involvement in the “birther” scandal around Barack Obama’s lineage—was he born in Hawaii or in Kenya? Is he a Christian or is he a Muslim?—was ridiculous and happened not nine months ago, but in 2008 or 2009. They did not need a crystal ball. They just needed to know who they were working with. When his wife divorced him some 25 years ago, she took the opportunity to say that her much-loved former husband used to lie in bed at night and read the works of Adolf Hitler. We do not need a crystal ball to recognise that the person we are dealing with is not only a successful businessman, but a buffoon, and he has the dangerous capability of saying the most obscene or insensitive things to attract attention. None of that should be news, but we will not avoid the hypocrisy around it.

You have given me an additional minute, it seems, Sir Roger, because of the interventions, and I am grateful. However, my party and I as an individual cannot support the exclusion of Donald Trump from this country—bring him here, let us have the opportunity to challenge him and let him go home with his tail between his legs, recognising that the principles that he espouses no longer reflect this country, the United States of America or the aspirations that we should all seek to promote internationally.

5.20 pm

Tom Tugendhat (Tonbridge and Malling) (Con): It is a great pleasure to serve under your chairmanship, Sir Roger. I find myself standing here and, for the first time ever, agreeing wholeheartedly with the hon. Member for Newport West (Paul Flynn). None of us can be as surprised about that as I am, but I was even more surprised to hear him warmly quoting the words of President Bush—admittedly, President Bush the father and not the son.

Today is one of the times this year when we will mark the 500th anniversary of a book called “Utopia”, by Saint Thomas More, who was tried and executed not so far from this place. In it he envisaged a new future and a new ideal, writing from his heart about the liberties of thought and faith that he hoped what he called Englishmen—those whom Mr Hannan refers to as the “Anglosphere”—would express across the globe. Yet today a report has come out showing that the liberties Thomas More hoped for and desired are in trouble.

An online journal called “Spiked” has gone around various universities and found that freedom of speech is being challenged. In our colleges, so-called “safe spaces”, which might also be known as “spaces of censorship”, now cover some 39% of universities. That is a threat to freedom of thought not only in those universities. We can see that this debate is being covered by many of our friends from the fourth estate, and it is worth remembering that they, too, are part of the democratic process. Although we who stand here and speak in the Chamber might sometimes not like it, their role in holding us to account is equally as important as our role to speak the truth.

With that cry for freedom and liberty, I speak in favour of considering the motion, but rejecting exclusion, because liberty is not something that we can take in portion or in part. It comes as one and as a whole. As the first amendment to the US constitution makes clear, freedom of expression is essential for a free people. That is why, although I may not like what has been said and although I am absolutely sure that I would not support it, it is no place for me or this House to criticise a man running for elected office in a foreign country. We might not wish him here, we might not like him here, but we should not vote against his ability to speak or his right to travel when we, too, value the same rights of liberty.

Anne McLaughlin (Glasgow North East) (SNP) rose—

Tom Tugendhat: Are you looking to intervene?

Sir Roger Gale (in the Chair): No, I am not. I call Anne McLaughlin.

Anne McLaughlin: To be clear, did the hon. Gentleman say that it was not our place to criticise? Surely that would be a curtailment of freedom of speech for those of us who are opposed to what Donald Trump said. I am pretty sure that the hon. Gentleman said that we do not have the right to criticise.

Tom Tugendhat: The hon. Lady is quite right: we have the right to criticise. However, I do not think that we should exercise that right on people who are running for elected office in foreign countries. It is for the American people to judge Donald Trump and to hold him to account. It is bad politics and bad judgment to intervene in the electoral processes of other countries and I would wish to do it as little as possible.

Tulip Siddiq: The London mayoral candidate from the Labour party, my right hon. Friend the Member for Tooting (Sadiq Khan), is of Muslim origin. Under Donald Trump, he would not be allowed to travel to America. Will the hon. Gentleman comment on that?

Tom Tugendhat: I am delighted to comment on that, on the grounds that the United States makes wonderful provision for the balance of powers. The hon. Lady’s failure to understand that the President of the United States is neither a sovereign nor a despot, but is balanced by Congress and the courts, is a failure to understand the United States. Despite—let’s face it—having had one or two incumbents of the White House who might not have been Mensa candidates, the country has yet succeeded all the way through to today as a bastion of liberty and of economic success.

Today is also Martin Luther King Jr Day and it is worth remembering that he, too, relied on those rights and freedoms. He, too, relied on those rights while he was campaigning to desegregate the University of Alabama. When those students bravely marched in on 11 June 1963, the prevailing opinion was that they should shut up and that their right to freedom of speech should be curtailed. I think that Donald Trump is crazy and has no valid points to make, but I will not be the one to silence his voice.

When I think about what more we should do, I say that we should stand aside and wait for an American to come forward as the great Joseph Welch, the chief counsel for the US army, did. In the 1954 trials, he looked at Senator McCarthy and asked, “Have you no
shame, sir? At long last, have you left no sense of decency?”
For someone to say that to Trump is surely better than for us to legislate on the freedom of expression or of travel of a citizen of that great country, the United States.

5.26 pm

Naz Shah (Bradford West) (Lab): I congratulate my hon. Friend the Member for Newport West (Paul Flynn) on leading the debate.
I will start by quoting Martin Luther King, because he deserves much more recognition today than does Donald Trump:
“Our lives begin to end the day we become silent about things that matter.”
Therefore, I welcome this discussion and I am grateful to the petitioners, who wanted us to raise our voices and to have the debate.
I want to share two things with the Chamber. I had an interesting lunch earlier with a number of people, including Rick Stengel, the US Under Secretary for Public Diplomacy and Public Affairs. In our conversation—I said that I had to get back for this Donald Trump debate—we agreed that Donald Trump was no more than a demagogue, who panders to people’s fears, rather than their strengths. I should know, because the people of Bradford West helped me to get rid of one in the general election — so it is not the first time that I have dealt with a demagogue.
I want to point out several things. I really value this debate and accept that the subject is emotive. I understand and respect the views of my colleagues who say that we should ban this person for inciting hatred—I agree. However, as the Member of Parliament for Bradford West, I would give an open invitation to Donald Trump to visit my constituency. I would take him to the synagogue, the church and the mosque and I would invite him for a curry—we are the curry capital of Britain. I would welcome him, then have a conversation with him and challenge him about his views.

Kwasi Kwarteng (Spelthorne) (Con): Will the hon. Lady give way?

Naz Shah: I will make my point first. I would invite Donald Trump to join us in feeding the homeless at the InTouch Foundation, a Muslim charity that feeds homeless people in the city of Bradford. I would invite him to meet the Muslim volunteers who help at Human Appeal (International), a foundation based in a colleague’s constituency, and all those people who work together on issues that affect us as a country and as people, regardless of our race, gender, ethnicity or religion. That is what I would show to him.

Kwasi Kwarteng: I am a little confused. The hon. Lady said that she agreed with the ban, but at the same time she wants to invite him to her constituency. I do not see how that would work.

Naz Shah: I respect the views of my colleagues, but I do not agree with an overall ban. I would invite Donald Trump to Bradford West. I also think that the curries are better in Bradford West, but there we go.

There is an issue for me about challenging that narrative. In the name of democracy, it is important for us to challenge the hatred speech that comes out of Donald Trump’s mouth. By the same token, I stand here as a proud British Muslim woman, and I would like him to be banned from America. I would not get a visa but my Islam and, as I understand it, Surah 41, verse 34 teach me — this is not word for word, but what I take from my Koran—that goodness is better than evil. If someone does bad, you do good in return. I will not allow the rhetoric of badness into my life and my heart or those of my constituents. I will challenge that with goodness, because hatred breeds hate and that is not something that I will tolerate.

Given that it is Martin Luther King day, I leave everyone with his words:
“\[I have decided to stick with love. Hate is too great a burden to bear.\]”

5.30 pm

Victoria Atkins (Louth and Horncastle) (Con): It is a pleasure to serve under your chairmanship, Sir Roger. I must make a declaration: I am the only Member of Parliament who can claim to represent the good people of New York—New York in Lincolnshire. When those seeking religious sanctuary in the 1600s reached the shores of what we now know as the United States of America, that tiny hamlet in my constituency lent its name to a patch of land that grew to be one of the greatest cities on the planet. The good people of the original New York—all 150 or so of them—wear that honour lightly.

Sir Edward Leigh: Ted Cruz has launched a vicious attack on the people of New York, saying they are cosmopolitan—\[Laughter\]—so I hope my hon. Friend will stand up for the people of New York. Will she note, as I have, having looked at the map, that not a single person from Lincolnshire has signed the petition to ban Donald Trump?

Victoria Atkins: My hon. Friend reaches my point before me. I promise to deal with New York values at the end of my speech.
I turn, as I must, to Mr Trump. His comments about Muslims are wrong. His policy to close borders, if he is elected as President, is bonkers. If he met one or two of my constituents in one of the many excellent pubs in my constituency, they may well tell him that he is a wazzock for dealing with the issue in that way. I sense that my constituents, whether in New York or Tetney, in Minting or Mablethorpe, feel that their values are more than robust enough to survive anything that Mr Trump may say. We in Lincolnshire—in fact, we in the United Kingdom—should have enough confidence in our values to allow him to say whatever he wants in New York, New York, or in New York, Lincolnshire, or anywhere else in the world, because our British values are stronger than some among us here today appear to fear.

Anne McLaughlin: Does the hon. Lady understand that it is all very well for us to say, “We feel strong and we can withstand this, so you can criticise and offend and we will stand up to you,” but she and I are not Muslims living in a country where Islamophobia is already rising? Comments such as his, from someone who has such influence over so many people and is getting so much media exposure, can only harm not
people like us, but those on the streets who feel vulnerable. They do not feel as strong as she and her constituents claim to feel.

**Victoria Atkins:** I can only give the hon. Lady reassurance. As someone who used to prosecute criminals for a living before I came to this place, any defendant who tried that on in court would get very short shrift from me and, I am sure, from the jury. We must not allow people who behave in such a disgraceful way—criminals who beat up other people on the basis of their religion or beliefs—to remove themselves from that by blaming someone on a different continent. If they beat up a Muslim on the streets of Britain, that is their responsibility and no one else’s.

One of the values that best sums up our country is the freedom to exchange thoughts and ideas within the law—the freedom to persuade or rebut; the freedom to inspire or evince argument; the freedom to speak; and the freedom to listen. That freedom is not always comfortable. Indeed, my hon. Friends the Members for South Dorset (Richard Drax) and for Tonbridge and Malling (Tom Tugendhat) referred to the rising problem in some of our universities about allowing free speech and providing safe spaces for it, for fear that people may be offended, but the freedom of speech must mean that we will sometimes be offended. It means allowing those whose views we hold to be unedifying to speak their minds. Crucially, it also means the freedom to reply—to say, “No, Donald Trump, you are wrong, and you are wrong for the following reasons.” That freedom was hard won over centuries and it must be defended jealously, because it goes to the essence of democracy and the rule of law.

Opposition Members may rely on the argument of consistency—indeed, one Member said, “So—and-so has been excluded, so Mr Trump must be excluded.” Let us remind ourselves of the threshold that must be met for that to happen. The Home Secretary must conclude that the person’s presence in the United Kingdom is not conducive to the public good.

The House of Commons Library helpfully provided a briefing paper for the debate, which gives 14 examples of people who had been excluded by Labour Home Secretaries by May 2009. Of those, 10 were considered to be engaging in “unacceptable behaviour” by seeking to foment, justify or glorify terrorist violence. Nine were considered to be engaging in “unacceptable behaviour” in order to provoke others to commit terrorist acts or serious crimes. Five were considered to be fostering hatred that might lead to inter-community violence in the UK and one had spent 30 years in prison for killing four soldiers and a four-year-old girl.

I ask a simple question of those who would ban Donald Trump: are they really saying that his conduct, no matter how offensive it may be, meets those criteria? If Donald Trump poses any question for us as a country, the answer is not to fuel his publicity by talking about banning him—incidentally, this debate is doing that nicely—but to rebut his arguments. The answer is to challenge him in a robust, democratic argument on why he is wrong about the contribution of American and British Muslims to this country.

**Tulip Siddiq:** The hon. Lady cites 14 cases of people who have been banned. Has she considered the 84 hate preachers who are banned? If so, she will see that there is a striking resemblance between what was said by Donald Trump and by two bloggers who were banned two years ago by the Conservative Home Secretary. Will she comment on whether the same should apply to Donald Trump?

**Victoria Atkins:** Forgive me, but I have already answered that. The House of Commons Library paper, as I think most people would accept, is a neutral document and those were its examples. I used every single one of the 14 examples given, and they are in a very different category from what Donald Trump has said on this issue and many others.

Finally, I will deal with the point raised by my neighbour, my hon. Friend the Member for Gainsborough (Sir Edward Leigh). In a recent Republican debate, Ted Cruz accused Donald Trump of having New York values. Both of them would be enriched by the values of my constituents in New York and beyond, who are hard-working, generous and welcoming. They may be rather bemused that we are fuelling that man’s publicity machine by having the debate at all.

5.39 pm

**Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP):** It is indeed a pleasure to serve under your chairmanship, Sir Roger. Donald Trump’s comments that he would ban Muslim men, women and children from the USA, if he were to be elected as President, were almost universally condemned as racist and offensive. I welcome the condemnation that his statement received from all parts of the House and, indeed, in this debate. I also welcome the fact that Members of the public have decided that this issue is serious and merits parliamentary scrutiny, which is why we are having this debate.

In making his announcement and subsequent remarks, Mr Trump condemns a whole religion because of the actions of a terrorist death cult. He also speaks in derogatory terms about women, people with disabilities and Mexicans—the list is never-ending. He is not just wrong; his comments are dangerous, and his views must be tackled seriously.

**Mr David Nuttall (Bury North) (Con):** Does the hon. Lady not think that Mr Trump might well be making these comments because he not only thinks they are true, but wants lots of publicity to help his election campaign?

**Ms Ahmed-Sheikh:** It is not for us to try to get into Donald Trump’s mind. However, it is important for Members here to understand what it is like for Muslims in this country when people take comments made by those such as Mr Trump as expressing genuine concerns about those of us who practise the Muslim faith. That is a very uncomfortable place to be in, and I hope the hon. Gentleman accepts my personal experience in that respect.

Mr Trump condemns my family. In a similar vein, in the ridiculous situation he has created, he condemns the political editor of Sky News, the chief executive of Tate and Lyle, and some of our greatest Olympians. He condemns the leaders of Bahrain, the United Arab Emirates and Jordan for the actions of the very terrorists they are working together to overcome in Iraq and Syria. He does that because we are all Muslims—that, for him, is the one and only common denominator.
Rather than combatting the serious issue of international terrorism, Trump’s statements have bolstered the twisted narrative promoted by the terrorist cult Daesh and others, which pits the west against the Muslim faith. He has fuelled racial tensions across the world, while undermining the national security of the US and the UK. Indeed, in the words of Pentagon spokesman Peter Cook at the time Mr Trump made his statement: “anything that bolsters ISIL’s narrative and pits the United States against the Muslim faith is certainly not only contrary to our values but contrary to our national security”.

Donald Trump threatens not only the national security of our friends in the USA, but our security. Since her appointment in 2010, the Home Secretary has banned hundreds of individuals from the UK. Quite correctly, her job is to protect public safety and to promote our security. She has already explicitly excluded 84 people for hate speech, and she should make Donald Trump No. 85. Using the powers vested in her, she has excluded serious criminals, far-right extremists and homophobic extremists, and the same rules should be applied consistently and equally to all—if we agree they should exist, they should exist for that very reason. We have a responsibility to ensure peace and security, and we should ensure that whoever enters or leaves our country is treated in the same way.

I am proud that the Scottish Government have taken a lead by removing Trump’s status as a GlobalScot ambassador. As for questions about hypocrisy, it is important for me to confirm that that status was bestowed on him by a former Labour Administration, so let any myth about that be dispelled now. However, the same point applies: no genuine person could possibly have envisaged that this man would make such horrendous comments.

The UK Government now need to demonstrate their commitment to promoting religious harmony by applying their own rules consistently in this case. I understand the argument made by some that we should educate Mr Trump and that we should invite him here to see for himself how to build bridges with the Muslim community, rather than putting up barriers. This is a man who seeks to be President of the United States of America, and we think we need to educate him. We should be very worried if a man lacking such education seeks to lead a nation.

Alex Chalk (Cheltenham) (Con): The hon. Lady is making a powerful speech, but may I suggest that this is actually about buffoonery? Ultimately, buffoonery should be met not with the blunt instrument of a ban, but with the classic British response of ridicule.

Ms Ahmed-Sheikh: It is within the gift of the British state to deal with Mr Trump in the same manner it has dealt with other people. The hon. Gentleman referred to Mr Trump’s buffoonery, but his remarks condemn an entire religion—one that I practise. It may be difficult to understand how that affects people, but it does—Mr Trump is talking about me, my family and my children.

It is worthy of note, however, that Mr Trump’s policy would make it impossible for me or other Muslim friends of America to travel to his country to make the same case that we are making here. Parliament can be extremely proud of the improving record of strong Muslim MPs being elected to both sides of the House to represent their constituents’ interests. However, Mr Trump would ban new Members such as the hon. Members for Ealing Central and Acton (Dr Huq), for Hampstead and Kilburn (Tulip Siddiq), for Wealden (Nusrat Ghani), for Bradford West (Nas Shah) and for Bradford East (Imran Hussein) from entering the USA and making their case there.

I have heard others say that applying the rules consistently in Mr Trump’s case would only add to his notoriety and raise his profile. Anyone who has followed the race for the Republican nomination for President will know that lack of profile is not an issue for Mr Trump. The American people have an important decision to make this year about who they want to lead their country. I am sure they will make the right choice, and it is their choice to make.

Last week, Mr Trump added insult to injury by stating that he will withdraw his investment in two Scottish golf courses if he is subject to the same travel restrictions he advocates for others. However, contrary to his own assertions, he is bad for business. It is already clear that the Royal and Ancient will not include Turnberry on the Open rota while it is still owned by Trump, costing the local economy dearly. Furthermore, Mr Trump’s work actively to undermine a vital offshore renewables investment in the North sea may have serious repercussions for Scotland’s development as a world leader in that emerging technology.

Donald Trump has provided succour to terrorists and promoted racial hatred on both sides of the Atlantic. Of course, he has a right to be wrong, but his statements are dangerous, and they threaten our public safety and national security. We cannot have laws that are applied differently, depending on people’s income, public profile, religion or colour. What does that say about us? Our rules and laws must be applied consistently to all. I call on the Home Secretary to apply her judgment consistently in this case, and I look forward to hearing the Minister’s response. For her to do anything else would be unprincipled and quite simply wrong.

5.47 pm

Steve Double (St Austell and Newquay) (Con): It is a pleasure to serve under your chairmanship, Sir Roger, and to participate in the debate. I, too, am a member of the Petitions Committee, and I am delighted that we brought the debate to the House today. That is not because the Committee held a particular view, but because we felt that it was right, given the number of people who signed the petition, to air these important issues.

Like the hundreds of thousands of people who signed the petition, and no doubt millions of others across the country, I condemn wholeheartedly the comments Mr Trump made about not only Muslims, but Mexicans, women, people with disabilities and other minority groups. However, the question whether we should ban him from this country is interesting and important, and we need to address it head on.

This country has a long and strong tradition of free speech. Although, sadly, that principle and some of those freedoms have been eroded recently, we are still a country that welcomes debate and embraces a variety of views. If we were to go down the road of banning Mr Trump because we find his views objectionable or
even offensive, where would we draw the line? There are many people with equally intolerant views—some come to this country and some, as we have heard, already live here. Are we to ban them because we do not like the things they say or we disagree with them?

The issue at stake is how our society handles people with different views from us when we find those views strongly objectionable or offensive—the issue of free speech. I believe it is about when someone crosses a line to incite others to acts of violence—to criminal acts. That is the line that I believe must be drawn, and at which we differentiate. I do not believe that Donald Trump has crossed that line. He may do it another time, and then we might need to reconsider, but I do not believe he has done it yet. It is perfectly right that the Home Secretary bans extremist preachers when they tell their followers to commit acts of terrorism and to cause harm and pain to individuals and communities—and, ultimately, to kill. However, I do not believe that Mr Trump has done that.

I wonder how long the list would be if our country began to ban people because they said things we did not like. Ignorant and unpleasant as Donald Trump’s comments are, he is not alone in saying such things. For starters, we would have to ban the Prime Minister of Hungary who has, I believe, said equally offensive things about Muslims. The way we deal with bigotry and prejudice is by confronting it head on, not trying to avoid it. Banning someone like Donald Trump risks making him a martyr. We would only fuel his cause and he would see himself as a martyr: I believe many of his supporters would feel the same.

What would banning Donald Trump achieve? We live in a global village. We will not stop his views reaching our shores purely because we ban him. In fact, I would argue the opposite. The promotion that would come from a ban would mean his views would be heard louder and stronger than they are now. Banning him would only play into his hands. Instead of wanting to ban Mr Trump, I am with those who say, “Let’s invite him to this country. Let’s bring him here and confront his views head on. Let’s take him and show him what a great nation we are, based on those values of tolerance and freedom of speech. Let’s take him to the places that he has spoken about and show him what life in Britain is really like.”

My final point is that I have been surprised at the amount of support Mr Trump has received from the Republican party. In my view, the greatest Republican President that the United States has had in my lifetime was Ronald Reagan, who, far from proposing building walls, was all about tearing them down. He said to President Gorbachev of Russia, “if you seek liberalization, come here to this gate. Mr. Gorbachev, open this gate. Mr. Gorbachev, tear down this wall!”

Therefore, I am surprised that Donald Trump is getting the support he is. It seems to cut against the heritage and values that I understand the Republican party to be about.

Sir Edward Leigh: I am not surprised at all. The fact is that in America and Britain there is widespread disillusion with mainstream establishment politicians, who do not seem to give an honest answer to people’s concerns about immigration and many issues. Therefore, there is no point in just bad-mouthing this guy. We have to take on these arguments and discuss them in an open way.

Steve Double: I agree with my hon. Friend that the response we are seeing is far more about people’s frustrations and concerns than about an individual man.

It would be ironic if we were to take the regressive stance of banning Donald Trump because he has called for a ban on Muslims entering the United States. We would surely be guilty of the thing we criticise him for. It would send a signal to the world that we are scared.

Anne McLaughlin: Does the hon. Gentleman understand the difference between what Donald Trump has said and what we are saying? Members on the Opposition side are calling for Donald Trump to be banned because of something dangerous that he said. He is calling for Muslims to be registered and tracked for no reason, because they have done nothing wrong. There is a huge difference.

Steve Double: I respect the hon. Lady’s view, but personally I take a different view. To ban him would simply play into the same fears that he promotes. It has often been said that two wrongs do not make a right. I want to say that two bans do not make a right.

5.54 pm

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. America is a great country—the land of the free and one of our oldest allies. Donald Trump is a fool. He is free to be a fool; he is not free to be a dangerous fool on our shores.

Here are some of the foolish things that Donald Trump has said:

“The concept of global warming was created by and for the Chinese in order to make U.S. manufacturing non-competitive.”

“It’s freezing and snowing in New York—we need global warming!”

Of John McCain he said:

“He’s not a war hero. He’s a war hero because he was captured. I like people that weren’t captured, OK, I hate to tell you.”

Then he went on the offensive. He said about Mexico:

“I would build a great wall, and nobody builds walls better than me, believe me, and I’ll build them very inexpensively. I will build a great, great wall on our southern border. And I will have Mexico pay for that wall.”

Mark my words.”

Alberto Costa (South Leicestershire) (Con): The hon. Gentleman makes an excellent case as to why Donald Trump is a buffoon, not a criminal.

Jack Dromey: The remarks are daft and offensive. I defend people’s right to be daft and offensive. I was chairman of the National Council for Civil Liberties—now Liberty—and have fought to defend freedom of speech throughout my life, but freedom of speech is not an absolute. Neither is there an absolute right for Donald Trump or anyone else to come to our shores. Successive Governments have acted to exclude the preachers of hate whose presence would not be conducive to the
public good. Preachers of hate, the effect of whose actions and words would be to incite violence, have no right to come to Britain.

I have some examples of the kinds of people who have been banned. Michael Savage, a US radio host, was “considered to be engaging in unacceptable behaviour...and fostering hatred”. He claimed that American Muslims “need deportation” and was banned from coming to our country. Yunis Al Astal, the Hamas MP and preacher, was found to be guilty of “unacceptable behaviour”. He had made a series of anti-Semitic remarks and was banned from coming to our country. Pamela Geller and Robert Spencer, founders of Stop Islamization of America and the American Freedom Defence Initiative, were banned in 2013 by the current Secretary of State for the Home Office when they were due to speak at an English Defence League rally to be held on the location of Lee Rigby’s murder, as their arrival was deemed not “conducive to the public good”.

Safwat Hegazi, an Egyptian television preacher, was in the words of the Home Office “considered to be engaging in unacceptable behaviour by glorifying terrorist violence”. He had called for violence against Jews. What has Donald Trump actually said? Of course, legendarily he spoke about a total and complete shutdown of Muslims entering the United States. He went on to say that “51% of those polled, ‘agreed that Muslims in America should have the choice of being governed according to Shariah.’” He said:

“Shariah authorizes such atrocities as murder against non-believers who won’t convert, beheadings and more unthinkable acts that pose great harm to Americans, especially women.”

It is little wonder that after those remarks a rise in attacks against Muslims in America was recorded.

Why do I argue for the exclusion of Donald Trump? It is because of the context in which we are having this debate. Our country faces a uniquely awful threat—a generational threat of evil terrorism. Terrorist attacks are being made at the rate of one a day in Britain. A key to preventing terrorist attacks has been the patient building by the police service of good relationships with the Muslim community through neighbourhood policing. That has been a key to the successful detection of terrorist. The terrorism confronting the country takes two forms: first, organised cells that are organised after terrorist. The terrorism confronting the country is considered to be engaging in unacceptable behaviour by glorifying understandable violence. However, the current Secretary of State for the Home Office when they were due to speak at an English Defence League rally to be held in the location of Lee Rigby’s murder, as their arrival was deemed not “conducive to the public good”.

In conclusion, I do not think Donald Trump should be allowed to come to our country. Just think what would happen in the current climate if he came to Birmingham, London or Glasgow and preached that message of divisive hate. It would be damaging, dangerous and deeply divisive.

Paul Scully: The hon. Gentleman makes some really interesting points. The examples he uses, however, are surely more about Donald Trump being a bigot than hatred. Britain is pretty good at roasting beef. Does the hon. Gentleman not think it would be better to just roast Trump?

Jack Dromey: I am sorry; I do not think that a debate such as this calls for flippancy. With the greatest of respect, when our police service and our security services are working night and day to prevent our country from being attacked, and when they need the support of the Muslim community, to have someone come to our shores who demonises all of the Muslim community would be fundamentally wrong and would undermine the safety and security of our citizens. That is not a risk I am prepared to take.

Victoria Prentis: The hon. Gentleman says powerfully. That has been echoed by the Muslim Members, who have given powerful evidence about how Donald Trump makes them feel. However, are not British values strong enough to stand up to that? Does it not help our Muslim community to hear voices on all sides of this House standing up for the values we believe in as a nation?

Jack Dromey: I strongly believe in the unity of all faiths, and indeed of those across the political spectrum, in rejecting terrorism. I welcome the initiatives in which I think all Members have been involved in their respective constituencies, and we have such initiatives in Birmingham. The simple reality, however, is that if a vulnerable radicalised young man who has mental illness and who believes in the victimhood promoted by ISIS hears Donald Trump in London or Birmingham, the consequences could be very serious indeed.

In conclusion, I do not think Donald Trump should be allowed within 1,000 miles of our shores, because he would embolden the EDL on the one hand and fuel the flames of terrorism on the other. Donald Trump is free to be a fool, but he is not free to be a dangerous fool in Britain.

6.2 pm

Lucy Frazer (South East Cambridgeshire) (Con): Justice Oliver Wendell Holmes of the US Supreme Court said: “The principle of free thought is not free thought for those who agree with us but freedom for the thought we hate.” Of course, there are limits to freedom of expression, even in a libertarian democracy, where statements will cause real harm. However, if we fear all outrageous statements, if we fear a swell of support for unpopular views and if we fear challenge, we will stifle not only free thought but independence and liberty. We will lose the opportunity to rebut and to expose to argument, analysis and scrutiny, and we will lose the opportunity to win over those who may have listened, silently supported and agreed.
Limiting free speech does not always quash unwelcome beliefs. France has more laws restricting free speech than any other western democracy. It also has Europe's largest far-right party. In 2009, Nick Griffin appeared on "Question Time", watched by 8 million people. At the time, the BNP polled 6.26% of the national vote. In the first general election after that it not only failed to win a seat but fragmented in the polls. Last week, the Electoral Commission announced that the BNP had been stripped of its status as an official political party. The New Statesman referred to the poor performance on "Question Time" as a factor in eroding Nick Griffin's popularity and the support of the BNP. To persuade those who may share the beliefs of a speaker, we need to do more than silence that speaker. We need to address the real grievances of those who may support them. We need to listen. We need to take note, and then we need to respond.

Lucy Frazer: It is important to have free speech, so that we have debate. Nick Griffin's appearance on "Question Time" will have evoked a number of responses. When there is an advocate for something, there will always be people who follow them. It may be a small minority. What we need to do is put those voices out there in order to slam them down. That, ultimately, is what has happened to the BNP.

Donald Trump's statement that all Muslims should be banned from the US wrongly categorises an entire religion with a few extremists. His statements should be exposed as such. Now is the time to ban him. Now is the time to say clearly that the Muslim community is not Daesh. Now is the time to say that Muslims have given us such things as algebra and transformed the study of light and optics—discoveries that founded one of the bases for our modern technologies.

The other real difficulty is that Donald Trump is a presidential candidate. If we banned the leader of every country who made offensive, inappropriate or inflammatory statements or who took steps we did not approve of, we would have a much more limited foreign policy. Indeed, we may not even have a Leader of the Opposition.

I welcome both petitions and this debate. We live in a democracy that respects freedom of expression. When people make unacceptable statements, we need to use our capacity to expose their weaknesses and then ultimately defeat their arguments.

6.7 pm

Corri Wilson (Ayr, Carrick and Cumnock) (SNP): Ayr, Carrick and Cumnock, the constituency I am honoured to represent in this House, is a diverse bit of Scotland incorporating bustling towns, picturesque villages and rolling countryside. It is famous for its rugged coastline and stunning beaches, and for being the birthplace of Scotland’s national bard some 257 years ago next week. It is also home to one of the world's earliest and most enduringly successful purpose-built golf resorts.

In 1902, golf course designer Willie Fernie was commissioned by the third Marquess of Ailsa to lay out a championship course at Turnberry, which has subsequently staged the Open championship four times. That brings me to why I am speaking today. Disappointingly, Turnberry has been dragged into the debate because that world-renowned course and the resort it sits in were bought by Donald Trump in 2014.

The resort is undergoing a complete refurbishment as we speak, with the Trump Organisation investing £200 million in it. To date, the materials for the development have been sourced locally. Local produce is used in its restaurants, and it employs some 200 local people—a figure set to rise when the hotel reopens this summer. In addition, Turnberry is expecting 300 contractors on site next month, many of whom are also local and all of whom will be spending money in our local businesses, thus contributing to the local economy.

That is a stark contrast with the Turnberry of a few short years ago. Throughout the 1990s, the majority of staff were seasonal, and we would have been hard-pushed to hear an Ayrshire accent among them. Now 80% of the staff are local. Under previous owners, food and drink for the resort's bars and restaurants were ordered through a company here in London. Now local farmers are being consulted on the menu development. Despite promises of investment, the previous owner, Dubai World, proposed closing the resort from October through to Easter as its failure to invest in the venue meant it was unsustainable as a year-round resort. Before the Trump Organisation came in, staff were worried that it would shut down altogether. Now they are looking to employ between 350 and 400 people, with the vast majority on full-time contracts, and with part-time staff guaranteed hours and averaging 20 hours a week. In a constituency with a youth unemployment rate above 5%, Trump Turnberry is home to 24 apprentices and will employ around 80 local 16 to 24-year-olds, many of whom will continue to progress their careers at the resort.

I spent time at Turnberry last week and spoke to staff, contractors and members. There is no ambiguity about their feelings on this issue. They do not talk about Trump the politician, or Trump the showman. They talk about a man with a passion for golf and a commitment and a clear vision of the future for that resort. They talk of an organisation, a family-run business, that consults with local people and has an ambitious plan for the future of the area—an ambition that is being backed up by action. I heard last week from a gentleman who has played the course for 60 years. He talked of the respect that had been shown to the ordinary members and of how lucky they were that this historic course that had been left languishing for years has now found an engaged benefactor.

Donald Trump is a divisive character, and I have no intention of standing here to defend the man. His comments on Chinese people, Mexican immigrants and women have been deplorable and certainly do not mirror the type of politics that we aspire to in Scotland. The man seems to out-trump himself—no pun intended—each time he speaks in his bid to gain the Republican nomination, and I am delighted that over half a million people in the UK have chosen to call him out on the latest statements by standing up for our Muslim community and signing this petition. However, Ayr, Carrick and Cumnock cannot afford to spurn the investment of the Trump Organisation
because the head of the family business is spouting offensive right-wing rhetoric in an election campaign thousands of miles away.

Trump’s ability to run off at the mouth may well prove detrimental to his ambitions to host the Open, but being banned from the UK will ultimately be little more than a minor irritant for the man. One in three children in my constituency are growing up in poverty. Our beautiful landscapes are scarred by abandoned open cast mines, and almost 14% of the working-age population are on out-of-work benefits. In the words of the club captain, “if the Trump Organisation pulls out of Turnberry because its head is locked out, it would be catastrophic for the resort, and a tragedy for the local community.”

Although I agree with others’ sentiments in this debate, I feel my role here is to speak for my constituency. Banning someone for wanting to ban others is, in my view, an inappropriate response. Perhaps it is not just Mr Trump who would benefit from reflecting on the words of Burns when he wrote “To a Louse”: “O wad some Pow’r the giftie gie us to see ourselves as others see us!”

6.12 pm

Philip Davies (Shipley) (Con): We find ourselves in the ridiculous position where some people are so outraged that Donald Trump has suggested that people should be banned simply because of their beliefs that those people want to ban him for his beliefs.

Across the pond, Donald Trump has been waging what might be described as a one-man campaign against political correctness for some time now. As someone who has had their own campaign against political correctness for some time here in this Parliament, nobody will be surprised to hear that I can relate to that. In the race to become the next President, he has been gaining support with a political manner that could be described as “blunt directness”. He is definitely straight-talking and, as a Yorkshireman, I certainly applaud him for that too. In fact, I think that in this country, we could do with rather less political correctness and much more straight-talking across the board, and I think many of our constituents would agree.

We should be absolutely clear that today we are debating whether or not a man who has a chance of becoming the next President of the United States of America should be physically banned from entering the United Kingdom. By anyone’s standards, that is a rather big thing. His offence—to warrant such a call—is to suggest a ban on incoming Muslims to America until, as he puts it, “our country’s representatives can figure out what the hell is going on.”

It is extremely clear that in the western world we are experiencing very difficult and dangerous times. Violent attacks are becoming all too frequent inside free countries, perpetrated by those who seek to replace freedom with religious conformity. The sickening march of Islamic State is something that all right-thinking people are deeply worried about. It is also clear that one path for terrorists and those who hate our way of living in our western countries is to enter as immigrants and refugees.
I could not agree less if I tried. For his beliefs is ridiculous. You couldn’t make it up, and beliefs but thinks the solution is to ban Donald Trump should be banned from this country because of their outrage that Donald Trump thinks people criminals in this country when we want to deport them. of human rights laws. Many of the people who are so tolerated in this country because we believe in free speech would be placed higher up the list of barring people than Donald Trump: those who preach their hatred of all-things British from our own soil, and those who denounce freedom generally and hate the western way of protecting our very important individual freedoms and values. The silencing of opinions that we have seen in both countries only builds up resentment that would otherwise not exist.

People in this country stand up for the rights of foreign criminals we seek to deport but cannot because of human rights laws. Many of the people who are so keen to ban Donald Trump from entering the country are exactly the people who are so keen to keep foreign criminals in this country when we want to deport them. Yet we are debating whether Donald Trump should be banned. That is ridiculous and outrageous.

I end with a point I made at the start. For anyone who is outraged that Donald Trump thinks people should be banned from this country because of their beliefs but thinks the solution is to ban Donald Trump for his beliefs is ridiculous. You couldn’t make it up, and I could not agree less if I tried.

6.21 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship, Sir David. I would like to say it is a pleasure to follow the hon. Member for Shipley (Philip Davies), but instead I congratulate the more than 600,000 petitioners who have combined unintentionally to bring this debate to Parliament. I pay tribute to the speeches from hon. colleagues and the hon. Member for Newport West (Paul Flynn) who led the debate in his inimitable and, on this occasion, balanced way.

It horrifies me that in the 21st century we are still dealing with racism, sexism, bigotry and any other form of prejudice that Donald J. Trump can squeeze into his campaign. Let us be clear, he is an idiot. I have tried to find different, perhaps more parliamentary adjectives to describe him but none was clear enough. He is an idiot. The fact that such a person can get so deep into the selection battle to be the Republican party candidate for President of the United States, the most powerful job in the world, speaks volumes about how far the once mighty GOP—the “Grand Old Party”—of Lincoln and Roosevelt has fallen.

The petitioners have asked us to consider banning, or otherwise, a possible presidential candidate from entering the UK. The question we should be asking ourselves is whether Trump should be treated differently from anyone else because of who he is, how rich he is, how powerful he may become or what business interests he may have in the UK. Our immigration rules must cover everyone, regardless of how powerful they are or what religion they believe in. If we are to ban extremists, we should consider banning Christian extremists in the same way and to the same extent that we consider banning Muslim extremists from travelling to the UK.

Each and every day, young people are being held back and bullied on the basis of their gender, skin colour, the creed of their school, their sexuality or a disability. Each and every day, families lives in fear because they have had the audacity to flee a war-torn country. Victims of these hateful and poisonous acts look to authority figures and lawmakers to help to solve the issue and to protect them in future. However, today’s debate asks us to contemplate that a bigot and downright bully may be elected President of the United States. If Trump is able to stand on Capitol Hill next January and deliver the oath of office, it will send a message to bigots, racists and sexists the world over. It will tell the bullies that their behaviour is okay, that bigotry is not only okay but commendable, and that it is okay to hate people who may look, speak or act differently.

The question before us today is how we as a united Parliament defeat the hateful politics of Donald Trump and others like him. I am in two minds about this. I want to challenge Trump head-on to show how ridiculous his views are and to defeat his poison by highlighting the contribution that everyone, no matter what their background, makes to society. However, I also want us to treat Mr Trump in the same way we treat everyone else who has been banned from the UK.

The arguments for banning Trump are based on the principle that we ban other hateful preachers and extremists from the UK so why should we not add Trump to that list of undesirables. It is unclear how many individuals the UK Government have banned from visiting the UK, but in 2014, the Home Secretary indicated that she had excluded hundreds of people from gaining entry. On what grounds is it acceptable to ban those people but not Mr Trump who, as the Prime Minister said, has used language that is “divisive, stupid and wrong”?

The Home Secretary and her officials can refuse entry to the UK for reasons related to a person’s character, conduct, associations or if their presence would not be conducive to the public good. A list of unacceptable behaviour was published in 2005 and included using means or medium that foster “hatred which might lead to inter-community violence”.

On that basis and to ensure that we are operating consistently, I see no reason why Trump should be allowed a visa to visit the UK. His racist, bigoted and sexist views are dangerous and divisive. He does not believe that women are equal to men, and in reality I think he believes that no one is equal to the Donald.
I have sympathy with the view that because he wants to ban Muslims from entering the United States, we should ban him from the UK.

Although I agree with many of the arguments of those who want to ban Trump, I want to tackle head-on the poisonous views and policies that he believes in. The way to defeat people like Trump is to show them how outrageous his views of the world are. Sunlight is the best disinfectant. Invitations should be extended to Trump to visit a local mosque to meet ordinary Muslims to discuss their beliefs; to meet refugee families fleeing bloody war to hear their stories; to meet feminist and LGBTI—lesbian, gay, bisexual, transgender and intersex—groups to debate equality; and to visit homeless shelters and so on. Let him debate all these issues and he will soon be found out for what he is: an idiot.

Trump’s rhetoric is not dissimilar to that spouted by Nick Griffin and the British National party, and where is he now? We cannot and should not be afraid to tackle the views held by Trump and others like him. To do so would enable them to try to convert others to their cause without being fully challenged. The fight against racism, bigotry, sexism and prejudice in general is not over. We have a long way to go to ensure equality and fairness throughout the world.

We must not allow bullies like Trump to think they can continue to offend people based on how they look, who they love or who they believe in. We should send out a message saying “no” to Trump and his bigoted politics, but we should do so through the power of argument. We should not roll out the red carpet, but we should let Trump come to the UK and have that debate. He would soon wish he had been banned.

Kwasi Kwarteng (Spelthorne) (Con): I am grateful, Sir David, to be called at this late stage of the debate. It has been interesting, with many sincerely held views. It is Martin Luther King day, and if he were here today, he would be surprised at the one-sided view of American history on display. I am sorry to say that what Trump has proposed has been proposed many times in American legislation. The outright ban on people on the basis of race, colour or ethnicity has, regrettably, often happened in United States history.

One need only look at the Chinese Exclusion Act of 1882, which was on the statute book for 61 years and banned Chinese labourers from entering the United States. The Immigration Act of 1924 similarly banned Chinese and Arabs and was changed only in 1952. So one need only look at the Chinese Exclusion Act was not temporary but lasted for 60 years and that the ban on Asians and Arabs under the immigration Acts was not temporary, but lasted 30 years. I am afraid to say—I am sure Martin Luther King would agree with me—that American history is full of nativism. Donald Trump is part of a long tradition, but that does not mean we should ban him.

All the arguments against the ban are valid. No one has said this, but if the United Kingdom banned Donald J. Trump from coming into Britain, it would be the biggest boost we could give to his campaign in America in terms of publicity and the patriotism of the United States, in not wishing other countries to try to shape or determine the outcome of its elections. It would be a spectacular own goal.

I remember the Guardian attempt in 2004 to prevent George W. Bush from being re-elected in that campaign. I think a very misguided Guardian journalist—I mean no slur on that paper—had a letter-writing campaign to the people in Ohio. They had identified that Ohio was a key swing state and they got some of their readers to write to individual electors in that state, urging them not to vote for George W. Bush. Members of the House will not be surprised to learn that George W. Bush carried Ohio and was indeed re-elected as President of the United States. That campaign was often cited as a way in which foreigners—people trying to intervene in the election of another country—could get things completely wrong, and the same thing—

Kwasi Kwarteng: It is generous of the hon. Gentleman to give way; I am grateful. Does he not see the difference in this discussion? We are not seeking at all to influence what happens in the American presidential candidate elections or elections to follow. We are talking about what we can do here. We are talking about asking the Home Secretary to be consistent in her approach—the approach that we know she has used in relation to 84 other preachers. We are asking that those same rules be applied to Donald Trump in this country. We are talking about the United Kingdom, not anywhere else.

Kwasi Kwarteng: I fully appreciate the hon. Lady’s remarks. As far as she is concerned—in her own mind—that is the case, but I am asking her to consider how the people of America would interpret a ban. They do not have the luxury of having her lucidity and understanding of how our conventions and debates work. The headline—

Ms Ahmed-Sheikh: I thank the hon. Gentleman for giving way, because he makes my point for me. It is all very well to say, “Let Donald Trump come here and have the discussion with us.” He wishes to ban people such as me—and the lucidity to which the hon. Gentleman refers—from going to the United States of America to make the case for the Muslims of this country, who want to live in peace and harmony, who are not represented by Daesh. That is the point, and I thank the hon. Gentleman for giving way and allowing me to make it.

Kwasi Kwarteng: I fully appreciate the hon. Lady’s remark, but as other people have observed, the answer to Donald Trump’s ban is not to ban him. That does not make any sense to me, and I will explain why briefly. He is banning Muslims. In his own mind, he is saying that Muslims constitute a danger to the United States. That is what he thinks, and on those grounds he is banning them. We are doing the same thing if we ban him.
We are saying that Donald Trump represents a danger to the United Kingdom, and on that ground we are banning him from coming. The implied logic is exactly the same. The circumstances are different, but the logical thought is exactly the same.

**Tulip Siddiq:** I thoroughly disagree with the hon. Gentleman when he says that this is exactly the same. It is not exactly the same: Donald Trump has said that he wants to ban all Muslims because of their religion. That is 1.6 billion people whom he wants to ban, because of their religion. The reason why some Members are asking for him to be banned is the rhetoric, the sentiment and the values that he has expressed. That is different from banning someone because of their religion. I hope that that point is clear to another Member who made the same point.

**Kwasi Kwarteng:** I have been very generous with interventions, but I want to clarify that point. I do not have much time, but I repeat: the ground on which Donald Trump is banning Muslims is not their faith; it is because he believes that they constitute a danger to the United States. That is the ground—I am just explaining his logic; I do not agree with it. And I am saying that any case to ban Donald Trump would be on the basis that he is a danger to our civic safety. Logically, it is exactly the same.

**Sir Edward Leigh:** On the point about 1.6 billion Muslims, thank God there are not 1.6 billion Trumps.

**Kwasi Kwarteng:** Yes, that would make our lives very difficult.

This has been a very engaging and enlightening debate, but it is no good saying, “Oh, he’s got huge publicity at the moment, so any more wouldn’t make any difference.” He was well known at the beginning of his campaign, but we have seen that there has been a crescendo of excitement and interest in the campaign. The very fact of this debate, as someone observed, is generating and stoking that excitement.

**Ms Ahmed-Sheikh rose—**

**Kwasi Kwarteng:** I will not take any more interventions. I can see the hon. Lady itching in her seat, but I will resist that temptation.

What I am saying is that we are simply adding fuel to this whole media circus, and that is playing exactly into Donald Trump’s hands. A ban, if it happened, would be a headline throughout the world. It would simply reignite all the publicity that he generated with his outrageous policy and would exacerbate the situation. It would make it more likely that he would be the eventual victor in the Republican nomination fight, and he may well—who knows?—win the election in November. Then we would be in the absurd situation in which we would have banned the President of the United States from coming to Britain. That would be an insane situation to be in.

People may say that he has no chance of becoming President, but look at the odds on the right hon. Member for Islington North (Jeremy Corbyn) becoming the Leader of the Opposition. I think that someone in for Islington North (Jeremy Corbyn) becoming the President, but look at the odds on the right hon. Member for Islington North (Jeremy Corbyn) becoming the Leader of the Opposition. I think that someone in

**Sir David—** made £2,000, having put £10 on him at 200:1, and I can assure you that, as of today, the chances of Donald Trump becoming President are far greater than 200:1.

6.35 pm

**Dr Sarah Wollaston** (Totnes) (Con): I think the question for my right hon. Friend the Home Secretary is this: is Donald Trump conducive to the public good? We have heard a lot of talk in this debate about bluntness and terms such as “blunt directness”. If I were Muslim—I am not; I speak as a gentle atheist—I would find repulsive the thought that I should be excluded from the United States of America for no reason other than that I was a Muslim.

I am proud to represent Dartmouth. It was from Dartmouth, nearly 400 years ago, that the Pilgrim Fathers sailed to the Americas, and they sailed to escape from the kind of religious persecution that we are addressing today. We have seen in Europe what happens when an entire people are demonised for no reason other than their race, so I do not think that we should trivialise this discussion; it is a really important debate. Nor do I think that the result of the US presidential election will be decided on whether the Home Secretary decides to exclude Donald Trump. In fact, I would argue that, should Donald Trump be excluded from one of the US’s oldest allies, that would send a very clear message to the people of the United States about what we feel about those who demonise an entire people for no reason other than their religion.

I do not think that there is any realistic prospect that the Home Secretary will ban Donald Trump, but let us in this House send a very clear message to Muslims in this country, to British Muslims: we value you, we value your contribution and we will take this petition very seriously. Perhaps those arguments about religious freedom matter as much now as they did 400 years ago. I would welcome everyone across the pond in the United States who may be following this debate back to my constituency—the most beautiful constituency in Britain—to see Dartmouth, where the Pilgrim Fathers sailed from. The anniversary is in 2020.

I say this to Donald Trump. Just reflect on the consequences of your kind of religious bigotry. This is not a laughing matter. Think again, and if you do visit this country, take time to visit the mosques; take time to meet Muslims; take time to understand just how profoundly offensive and dangerous that kind of thinking is. There is no place for it in this country or in the United States.

6.38 pm

**Marcus Fysh** (Yeovil) (Con): Twenty-five years ago, I was in New York City, and out of some sort of mawkish interest, perhaps in his notoriety, I did two things related to Mr Trump. I visited Trump Tower, which is a black and gold edifice to a certain sort of narcissism, and I read his book, “The Art of the Deal”, which I have to say was pretty similar in many ways. Those things were not very edifying, and his activities since have not got any more edifying. I would say.

We have, in this country, a long history of civilising tolerance, developed out of conflict, deliberation and progress. Westminster Hall is a place of particular resonance in that history, where overbearing attitudes have been brought into line with the thinking of the day, sometimes
with force, even when they were held by the most powerful. King Charles I was sentenced to death just a few yards from this place.

MPs represent their constituents by leave of those who send them, and the sensible ones keep close to mind the summary nature of the decisions of public opinion that can end that representation. Those from whom the public withdraw their support have, happily, somewhat better prospects than they did in the past. No longer do political disagreements lead to duels, disembowelment or decapitation. There is a settled and more civilised system of elections, debates, votes and law courts to govern us, and for that we must all be grateful.

When a terrorist menace threatens our hard-won civilisation with a throwback to barbaric and outdated methods of dealing with difference, and when it brings those methods to our shores, it is right that we should oppose that menace in the strongest terms. Our American cousins feel no differently. They are conscious of freedom born of escape from religious intolerance, as we have just heard, a need to be self-reliant and a desire to make their own economic destiny. Their strong democratic and legal institutions have also been forged out of traumatic disagreement. When they speak, we should listen, even if we disagree. We should be robust with them where necessary and encourage them not to take retrograde steps.

Back to Mr Trump—the Donald, the orange prince of American self-publicity. He is more public than usual because he will be running for President if he wins the nomination as Republican candidate. He may be close to the presidency if Bernie Sanders rather than Hillary Clinton is selected as the Democrat candidate. He has said things that many of us would not, and the addition of celebrity has been somewhat grotesque. To say that he would ban Muslims from entering America was too simplistic, unhelpful and wrong. I do not think that there is any evidence that he does not believe in democracy itself, however, so talk of fascism is a bit overblown, notwithstanding the fact that his bedtime reading might leave quite a lot to be desired, as we heard earlier.

Although they have been cynically expressed and exploited by Mr Trump, people's concerns about the terrorist challenge need to be addressed. However, we need to work positively with Muslim communities, rather than demonising them. Where better for Mr Trump's spurious opinions and characterisations to be debated and debunked than here in the UK, the crucible of modern democracy, in which heads are no longer lost or disembowelled or decapitated. There is a settled and more civilised system of elections, debates, votes and law courts to govern us, and for that we must all be grateful.

Although they have been cynically expressed and exploited by Mr Trump, people's concerns about the terrorist challenge need to be addressed. However, we need to work positively with Muslim communities, rather than demonising them. Where better for Mr Trump's spurious opinions and characterisations to be debated and debunked than here in the UK, the crucible of modern democracy, in which heads are no longer lost or disembowelled or decapitated. There is a settled and more civilised system of elections, debates, votes and law courts to govern us, and for that we must all be grateful.

In addition to recognising that Trump's statements were distasteful, we should note the hypocrisy of the son of an immigrant, of a religious minority, advocating being so bigoted against other migrants and religious minorities.

Sir Edward Leigh: The debate in America is far more nuanced than the hon. Lady suggests. All the Republican candidates in this election are expressing the traditional American view that America is a melting pot, and that it does not matter where someone comes from, but they have to be loyal to the flag and loyal to America. Trump may be articulating this feeling in a particularly extreme and controversial way, but for us to deny that many ordinary people in America are worried about their Americanness would be to deny the real and valid debate that is going on in America.

Sir David Amess (in the Chair): Order. Before the hon. Lady resumes her speech, I will just say that we are not as tight for time as we thought we were about 10 minutes ago. The debate can continue until 7.30 pm.
Anne McLaughlin: Thank you, Sir David. The hon. Member for Gainsborough (Sir Edward Leigh) talks about Republican politicians, but there are other politicians and activists in the United States of America who do not agree with Trump’s assessment of the situation.

I want to look at Donald Trump, the man and the boy. As his first name suggests, he is the son of a Scottish immigrant, and I apologise for that. Like countless others, his mother, Mary Anne MacLeod, left her homeland during the great depression and went to what was, after all, the land of liberty. The same desire for economic opportunity is what motivates many migrants from many other countries to go to America today. The Mexican migrants whom Trump so roundly defamed are engaged in the same quest as the one his forbears undertook. As a man who purports to be proud of his New York heritage, Trump would do well to look to Lady Liberty for some advice on immigration.

Of course, we would do well to remind Donald Trump, the son of a Scottish Presbyterian, of the countless generations of immigrants who left these shores and went to the US in search of religious toleration. The Puritans may have got a shock when they landed on Plymouth Rock, but they went on to forge a society where someone’s religion was, to a greater or lesser extent, irrelevant in public life. Although trailblazers such as Al Smith and John F. Kennedy faced anti-Catholic prejudice when they ran for office, they were always able to fall back on the fundamental truth that religious bigotry goes against all the enlightenment values that America shares with Europe.

It is easy for those of us who are protected by this parliamentary bubble to consider proposals and rhetoric such as Trump’s to be distasteful, opportunistic, funny or crude. However, I do not think that anyone here would disagree that all of us in public life have a duty to work for the common good and to oppose discrimination.

Lucy Frazer: The hon. Lady said earlier in her speech that she hoped that the Home Secretary would consider whether this case is any different from others that have been raised. Does she not think that this case is considerably different from the other cases in that we are discussing a presidential candidate? If a presidential candidate was banned and then became President, the ability to forge links and to discuss policy on a whole range of issues would be extremely difficult.

Anne McLaughlin: That is why I am summing up by giving both sides of the argument. I am maybe just a bit more vociferous in my opposition to Donald Trump the person. I understand the hon. Lady’s argument, but the way in which I see this case as being different because Donald Trump is a presidential candidate is that he should be less likely to get away with such things because he has far more influence over many more people.

Chris Stephens (Glasgow South West) (SNP): Surely the point is that Donald Trump wants to ban parliamentarians from this Parliament from entering America. As a presidential candidate, he should know better.

Anne McLaughlin: I completely agree. He should know better. I smiled to myself when I heard arguments from Conservative Members saying that we should not be interfering in anybody’s chances in the political process. Yet, there are MPs in this Parliament who Donald Trump would prevent from visiting his country. When someone of his prominence and power is in a position of great influence, the same principles apply. If any of his remarks were to be interpreted—whether this case is any different from others that have been raised. Does she not think that this case is considerably different from the other cases in that we are discussing a presidential candidate? If a presidential candidate was banned and then became President, the ability to forge links and to discuss policy on a whole range of issues would be extremely difficult.

Anne McLaughlin: That is why I am summing up by giving both sides of the argument. I am maybe just a bit more vociferous in my opposition to Donald Trump the person. I understand the hon. Lady’s argument, but the way in which I see this case as being different because Donald Trump is a presidential candidate is that he should be less likely to get away with such things because he has far more influence over many more people.

Chris Stephens (Glasgow South West) (SNP): Surely the point is that Donald Trump wants to ban parliamentarians from this Parliament from entering America. As a presidential candidate, he should know better.

Anne McLaughlin: I completely agree. He should know better. I smiled to myself when I heard arguments from Conservative Members saying that we should not
but Donald Trump might be the President”, “He’s got the right to offend”, or “But lots of my constituents think like that.” Would the President of China have received the same treatment that Donald Trump is getting from this Government?

Kwasi Kwarteng: On that very point about banning heads of state, it is widely known that Mecca has banned Christians for hundreds of years, yet we entertain and have entertained the King of Saudi Arabia. Indeed, both Mecca and Medina are banned for Christians.

Anne McLaughlin: For several reasons, Saudi Arabia being among them, I am not comfortable with the fact that the UK Government are cosying up to a number of people.

I do not expect that the Minister is writing all my questions down or will answer them all, but I live in hope. Does he agree with me that my hon. Friend. Friend the Member for Ochil and South Perthshire has sat here receiving on account of her daring to speak out against Donald Trump, and does he think that Donald Trump’s anti-Muslim statement may have contributed to the abuse that she constantly has to put up with?

Donald Trump is on the record as saying that his second favourite book after the Bible is “The Art of the Deal” written by one Donald J. Trump. Perhaps it would be more beneficial if he spent time reading the constitution of the United States.

Mr Jim Cunningham (Coventry South) (Lab): The hon. Lady is making a very good speech. On the point about the constitution of the United States, Donald Trump has suggested that Cruz—another Republican candidate in the election race—cannot stand for the presidency either. That shows that his views are confined not only to Muslims, but to other people. The man’s whole attitude is questionable. In which political direction is he going? More importantly, where is the Republican party going when it puts up two candidates and one is as bad as the other?

Anne McLaughlin: I agree with that. It is a matter for that political party, but it is a good point and perhaps a good reason for us all to support Hillary Clinton to become the next President of the United States. I am sorry—I forgot that I am not allowed to comment on the presidential elections.

As President Obama’s press secretary pointed out, Donald Trump’s statements make him unfit to be President. He cannot pledge to uphold the constitution of the United States if he does not believe in religious liberty and freedom from discrimination; or is he going to amend the constitution on his own? How would the people of the United States put up with that? Although Trump’s right-wing rhetoric might help him to pick up votes in the primary, in the general election the vast majority of voters in the States will no doubt be horrified that such an individual could lead them on the world stage. Trump believes himself to be plain-spoken. I understand some of the arguments of people who do not just want robotic politicians who churn out rehearsed press statements, but there is a huge difference between that and this case. Appealing to fears and prejudice is not the language and common sense of people here or in the United States.

It is tempting to give Trump a taste of his own medicine and to bar him, but would he love it? Would we be giving him a gift? Would it just, as some people have argued, give him even more publicity, or is the argument stronger that we will give him publicity by letting him in because, having said what he said and caused such controversy, he will be on every TV programme and chat show in the land spouting his nonsense? I do see an argument for allowing Trump in to do that because he will not be able to help himself. He will say things that will render him chargeable, guilty or able to be prosecuted for inciting racial hatred.

Sir Edward Leigh: He is hardly a murderer.

Anne McLaughlin: He is not a murderer, but surely the argument cannot be that we want to ban, jail or charge only murderers. There are other crimes, and we are talking about a crime that has a real impact, maybe not on my life but on many people’s lives. There have been many suggestions by Government Members that we should keep quiet about this and that members of the public who signed the petition, some of whom are here today, should just keep quiet.

I have tabled an early-day motion marking Martin Luther King day, which is today—in fact, today is the 30th anniversary of Martin Luther King day—and I encourage everyone to sign that EDM, if they have not done so already. I will quote Martin Luther King:

“The ultimate tragedy is not the oppression and cruelty by the bad people but the silence over that by the good people.”

We will not be silent.

7 pm

Keir Starmer (Holborn and St Pancras) (Lab): Like many others here, I welcome this debate. It is a good thing that 600,000 or so members of the public, one way or the other, have brought this subject to the House’s attention. There is clearly a wide range of views among the public, across all political parties and on both sides of the House. There have been powerful speeches and powerful interventions but in one important aspect, in all the speeches this afternoon, we are united in condemning the comments of Donald Trump on issues such as Mexican immigrants, Muslims and women. We should celebrate that, whatever our view of the proposals in these petitions. I add my name to the list of those condemning Donald Trump’s comments.

Before addressing the specific question of whether Donald Trump should be banned from entering the UK, I will spend a few moments on the wider context. Donald Trump made his comments about Muslims largely in the aftermath of the San Bernardino shootings on 2 December—that is when he was at his height with these comments. He is not the first, and he will not be the last, to make comments about a community in the
wake of a terrorist atrocity, and we should make it clear that responsibility for terrorist acts lies with terrorists, not with the communities that they purport to come from. We must be clear in what we say about that, even when Donald Trump is not clear about what he says.

I am concerned about the rise in hate crime in the UK. Hate crime has been increasing, as has been mentioned in the debate. It went up 18% in 2015, and the number of offences involving religious hatred has more than doubled over the past three years. That rise is a concern, but it is not uniform—it always spikes after an atrocity. There is always a reaction in terms of hate crime.

Just last month, in my constituency of Holborn and St Pancras, I convened a meeting with Bengali and Somali women, from whom I was particularly concerned to hear. We spent the afternoon discussing their concerns—this was in December, after the Paris atrocities—and the one thing they raised with me repeatedly was that they, the Muslim women in my constituency, were very concerned that they were being insulted that day and that week as a result of what had happened in Paris. They perceived it and felt it, and they said that it was happening in Euston on the buses, on the trains and when they were shopping, for example. That is happening in our communities, and it spikes after atrocities. We have to unite around our values and our concern that that should be addressed.

The Government are now tracking Muslim hate crime as an independent category, which is welcome, and a number of steps are being taken to address hate crime. Anything the Minister can say on what is being done in addition to address such hate crime would be welcome. I join other Members in saying that I, too, and many others here, want to send a message to the Muslim community about how much we value them and what they bring to our society.

Ms Ahmed-Sheikh: I am extremely grateful for the hon. and learned Gentleman’s sentiments about the Muslim community. It is important to put on the record that the Muslim community condemns all types of bigotry and racism, regardless who is spouting that. There seems to be a misconception, not least throughout this debate—I am referring to comments that I have heard repeatedly about the harm, and the hon. and learned Gentleman himself has elucidated the kinds of assumptions and the belief that lie behind those comments.

Keir Starmer: I am grateful for that intervention because I have a few comments on the approach that says, “Well, because he wants to ban Muslims, we should ban him.” That is far too simplistic. What lies at the heart of his belief that Muslims should be banned is that he thinks they are all dangerous. That is not buffoonery. That is absolutely repugnant. That is not what leads anybody in this debate, or anybody who signed the petition, to suggest that Donald Trump should not come here; it is a very different situation. His comments are so offensive to that whole community, and of course to women and to Mexicans, too—because of the assumptions and the belief that lie behind those comments.

Kwasi Kwarteng: In no way do I condone what Donald Trump said, but it is not right in fair dealing to say, “If you ban all of x, that means you think that all of x are dangerous,” whatever group it might be. Forgive me, but what Donald Trump is saying is that a very few from a certain group might be dangerous—that is where the proposed ban comes from. I do not condone the logic or the policy, but in this House of Commons we have to give fair dealing to the views that have been expressed.

Keir Starmer: We have to be very careful about equating the views of Members of this House who call for a ban with the views of Donald Trump. For me, his views edge towards treating a whole community as a suspect community. Of course, it may be that he does not think that of each and every member of the Muslim community, but this has happened before in many other contexts where a whole community has been treated as a suspect community. We stood against it in the past, and we should stand against it now.

Chris Stephens: The hon. and learned Gentleman comes to this debate with considerable and learned legal experience. This debate can be tied up on whether Mr Trump’s comments were, as has been described, outrageous or simply hate speech, as some of us believe. As the hon. Member for Birmingham, Erdington (Jack Dromey) said, others have been banned from this country for saying exactly the same things.

Keir Starmer: I will address that specific issue in a moment. Obviously, one of the measures available to the Government is to ban any individual from entering the UK. That power has been used by successive Home Secretaries on a number of occasions, and many examples have been put before the House this afternoon. It is a power that should be applied equally to everybody, whatever their wealth or power. That is important. I do not hold the view that presidential candidates fall within a special category; they should be judged in the same way as everybody else, on the basis of what they have said or done.

Dr Wollaston: Does the hon. and learned Gentleman agree that the consequences of such hate speech are greater when it comes from high-profile individuals? At the heart of this debate is whether Donald Trump’s presence in the UK is conducive to the public good. We have heard repeatedly about the harm, and the hon. and learned Gentleman himself has elucidated the kinds of hate crimes about which we are talking.

Keir Starmer: I accept the substance of the hon. Lady’s intervention that certain words in the mouths of certain individuals are more likely to provoke a reaction. The question is what the test for a ban is and whether the words have to be linked to public disorder and violence rather than simply being offensive. I will come to that, but I accept the premise that different people will provoke different reactions, sometimes according to who they are. The narrower point is that simply because he has particular wealth, power or position should not affect the application of the same rules to him as would be applied to anybody else.

The threshold for banning is relatively high, and the power is relatively rarely used. The test is whether an individual’s exclusion from the UK would be conducive
to the public good. In 2005, as has been mentioned, that was extended to include unacceptable behaviours. It is worth going through the list of indicative factors spelling out such behaviours. Four examples are given: fomenting, justifying or glorifying terrorist violence in furtherance of particular beliefs; seeking to provoke others to terrorist acts; fomenting other serious criminal activity; and fostering hatred that might lead to inter-community violence in the UK. The touchstone has always been words provoking a response that includes elements of disorder or violence, so the threshold is quite high. Examples of some cases that have fallen under those provisions were given at the outset of this debate.

There is no doubt that some of Donald Trump’s comments have been offensive, shocking and disturbing, and I join those who say that they are not funny but repugnant, but they are just that—offensive, shocking and disturbing—and I do not think that that, in and of itself, is enough to provoke a ban at this stage, on the basis of what has been said so far. I return to a principle set out by the European Court of Human Rights almost a quarter of a century ago, in relation to a case in which *The Sunday Times* and our Government were sluging it out over “Spycatcher”. The ECHR said:

“Freedom of expression constitutes one of the essential foundations of a democratic society...it is applicable not only to ‘information’ or ‘ideas’ that are favourably received or regarded as inoffensive or as a matter of indifference, but also to those that offend, shock or disturb”.

The point the Court was making is important. Freedom of speech is not needed for welcome speech. The protection is not needed for speech that people treat with indifference; it is only relevant, and it only bites, in the sphere of offensive, shocking or disturbing speech. That is the whole point of the protection of free speech. Therefore, the speech that we are debating, however offensive, shocking or disturbing, is in fact protected speech under what we conceive to be freedom of expression.

How does that translate? Of course I would not want to have Donald Trump round for dinner to express his views, but I agree with others that we should invite him to join us in our various constituencies to meet our constituents and members of various religious orders, faiths and communities. Having listened to this debate, I realise that if he came here, he would be very busy, as he is already going to visit several constituencies. I would invite him to mine—at the end of a long list—to meet my constituents, because mine is an incredibly diverse and multicultural community. Donald Trump would see a UK very different from the picture that he painted. But should he be banned from entering the country on the basis of what he said? No; in my view, he should not. He should be met with words far more powerful than his.

I accept that this is a judgment call, and I respect those who have expressed, in this debate and on other occasions, the contrary view that the matter is so close to the line that action should be taken against Donald Trump. In the end, we should be guided by our own values, not his. Our own values include a deep belief in freedom of speech and in multi-faith and diverse societies in which everyone feels secure and respected.

7.14 pm

**The Minister for Immigration (James Brokenshire):** It is a pleasure to serve under your chairmanship, Sir David. I congratulate the hon. Member for Newport West (Paul Flynn) on the manner in which he opened this debate, underlining the reasons why we are debating the issue and the importance that we in this Parliament attach to petitions. When those supported by the public reach a threshold, it provides a voice for the public in this House. That has been an important addition to our processes. He was also right to underline the shared sense of history between the United Kingdom and the United States, and the relationship that we have enjoyed over a considerable period of time. This debate has underlined the value and importance that this House places on freedom of speech, as well as our ability to allow all different views and perspectives to argue those points. That has been done clearly and effectively in this impassioned debate.

Before I respond to a number of the points raised in this debate, there are a few things that I want to say at the outset. Britain is a successful multiracial, multi-faith, multi-ethnic country. Our strength derives from that diversity. Life in our country is based on fundamental values that have been shaped by our history and that are supported and shared by the overwhelming majority of the population: the rule of law, democracy and individual liberty; freedom of expression; mutual respect, tolerance and understanding among different faiths and beliefs. These make the foundation of our successful, pluralistic nation. They unite us and help our society to thrive.

I am proud that our country has so many vibrant, diverse communities comprising people of many faiths. I celebrate the contribution made by British Muslims in this country in every sphere and every walk of life, from those who fought in the trenches in world war one and fought fascism in world war two to businessmen, doctors, nurses, teachers, members of our armed services and Members of this House, some of whom have made powerful and impassioned speeches in this debate. They are proud to be both British and Muslim without any contradiction.

Yes, the threat from terrorism at home and abroad is serious and real; we have seen the damaging and corrosive effect of extremism in our communities. But suggesting that the solution is to ban Muslims who have done nothing wrong ignores the fact that extremism affects all communities and hatred can come from any part of society. It ignores the fact that Muslims are themselves far too often the targets of extremism and hatred, and that around the world many Muslims—more than any other group—are killed by terrorism. It also gives succour to the false view that Muslims cannot live a purposeful and fulfilled life in the west. Such assertions are fundamentally wrong, and as a country we could not be clearer in saying so.

If we are to defeat the threats that we face, we need to work together. We need everyone to play a part in stopping the poisonous spread of extremism and helping to protect vulnerable people from being drawn towards its twisted ideology. That is the approach that this Government seek to foster, because we have seen the devastating impact that radicalisation can have on individuals, families and communities and because around the world, more than 1.5 billion people of different nationalities, outlooks and political persuasions live peacefully, practising the Muslim faith.
We must protect those who might be vulnerable to the poisonous and pernicious influence of radicalisation, working with faith groups, community organisations and mosques across the country. It is a job for all of us, and we continue to work in partnership with communities of all faith backgrounds to challenge those who spread hatred and intolerance. We must work with the overwhelming majority of people of this country who abhor the twisted narrative that has seduced some of our people, and challenge those who use a warped version of faith to undermine our fundamental values.

Many of the contributions from right hon. and hon. Members this evening have focused on Donald Trump’s call for a temporary shutdown on Muslims entering the United States. The Prime Minister has said that Donald Trump’s comments are “divisive, unhelpful and quite simply wrong.” I reiterate the Prime Minister’s view and profoundly disagree with Donald Trump.

Regarding Mr Trump’s comments about the UK and London in particular, again he could not be further from the truth. We should all be proud of London’s status as one of the world’s most diverse and tolerant cities, and of the police’s role in keeping the entire city safe, working in all communities to protect people from radicalisation, and I pay tribute to their tireless work.

Sir Edward Leigh: My right hon. Friend mentioned the Prime Minister. Before he sits down at the end of his remarks, will he commend the Prime Minister’s article in The Times today, in which the Prime Minister says the key to good race relations is full integration? The Prime Minister also points out that there is still a worryingly large number of Muslim women who do not speak English and are not in the jobs market, and he wants to improve the situation. Will my right hon. Friend the Minister commend the Prime Minister?

James Brokenshire: I agree with the policy that the Prime Minister has rightly identified today, in seeking to ensure that language is there to make sure that we help migrants to participate and integrate better in everyday life. That is the building block behind the policy that the Prime Minister has rightly identified.

Equally, the Prime Minister has been prepared to look at some uncomfortable facts; for example, the fact that in 2011 22% of British Muslim women spoke poor or no English compared with just 9% of British Muslim men. Therefore, it is how we can target that support at those communities in the greatest need that is important, and that is precisely why Louise Casey has been engaged, as part of her work, to go about identifying that.

Anne McLaughlin: Does the Minister understand the point I made earlier, that making this help available for migrant people who do not speak English is different from saying, “You must do it if you are a Muslim woman”? This support should not be aimed at a religion but at people who require it.

James Brokenshire: This is not a Muslim-only scheme, and the point that I rightly make is that it is targeted at those communities that are most impacted and most affected. Equally, that is why I make the point about the 22% figure that the Prime Minister has rightly highlighted today.

I will address the issue of exclusion. The Home Secretary has the power to exclude a national from outside the European Economic Area and refuse them entry to the UK if they have personally directed that person’s exclusion from the UK is conducive to the public good. This power is derived from the royal prerogative and is exercised by the Home Secretary in person. Exclusion decisions are not taken lightly or in isolation. The Home Secretary makes every decision on a case-by-case basis, taking into account the information available and a wide range of policy and operational factors. These factors include views from across Government, including from the Department for Communities and Local Government, and from the Foreign and Commonwealth Office. They also include consideration of any interference with the person’s human rights under the European convention on human rights, such as their article 10 right to respect for freedom of speech. The hon. and learned Member for Holborn and St Pancras (Keir Starmer) has also underlined some of those factors and elements that are part of the policy that we adopt in considering matters of exclusion.

The Home Secretary uses her power to exclude foreign nationals to protect us from national security threats, to protect us from radicalisers and hate preachers, and to protect us from people who seek to undermine our core British values. The policy is not targeted at any particular community; it is targeted at all those who advocate hatred or violence, regardless of their origins or beliefs. The Home Secretary has prevented neo-Nazis, Islamist extremists and anti-Muslim hate preachers from entering the UK. She has excluded more preachers of hate than any other Home Secretary before her—103 since 2010—and she will continue to use the exclusion power against those who seek to do us harm.

The Government have a long-standing policy of not routinely commenting on those who are being considered for exclusion for sound legal reasons, and I will maintain that position this evening. However, what I can say is that the US remains our most important bilateral partner. It is in the UK’s interest that we engage all presidential candidates—Democratic and Republican—even though we may disagree profoundly on important issues. Where there are clear differences of opinion, the most effective way to influence our American partners is through a frank and open exchange of views in taking on those arguments. Today’s robust debate has provided a platform to do just that.

Anne McLaughlin: I thank the Minister for giving way again; I have almost forgotten what I was going to say. He said that the Home Secretary has a policy position of not commenting on people who are being considered for the exclusion list. Does that mean that he can neither confirm nor deny that Donald Trump is being considered for that list?

James Brokenshire: As I say, we do not comment on individual matters, but I would cite what the Chancellor of the Exchequer has rightly underlined in saying:

“The best way to defeat such nonsense is to engage in robust, democratic debate and make it very clear that his views”—that is, Donald Trump’s views—“are not welcome.”—[Official Report, 9 December 2015; Vol. 603, c. 990.]
We have also had remarks about Donald Trump’s comments in respect of investment in Scotland. The appointment of Global Scots is, of course, a matter for the Scottish Government. The UK Government have never given Mr Trump awards or appointments, honorary or otherwise. Mr Trump has threatened to withhold investment in Scotland in response to the calls to ban him from the UK. Over the years, Mr Trump has made a number of different statements about the scale of his investments in the UK and his willingness to maintain them. The UK is the No. 1 destination in Europe for inward investment and the World Bank has ranked the UK as the sixth easiest place in the world to do business. So, any organisation that makes promises about investment in the UK should live up to those promises.

In conclusion, we will not win the fight against extremism by demonising communities and tarring an entire religion because of the actions of a few, and we will not defeat the threats we face by acting in isolation. We will win the fight by working together, standing shoulder to shoulder with people of different faiths and different backgrounds, defending our values, and by showing that division, hatred and hostility have no place in our societies.

Paul Flynn: The triumph of today is that we have had a debate that has been seen by many people outside, including in the United States, and they have seen Parliament at its very best. We have had a diverse debate from a diverse Parliament, and I believe that it reinforces the need for the Petitions Committee, which is a very young and experimental Committee that is going very slowly, to build a role here. This subject was not chosen by any politicians but by people who initiated and signed a petition.

I think that we are all touched by the accounts of those of the Muslim faith about how devastating the threat from Donald Trump is, but I believe that all that has been said today will enhance the standing of this Parliament and reinforce our relationship with our great ally, the United States.

Question put and agreed to.

Resolved,

That this House has considered e-petitions 114003 and 114907 relating to the exclusion of Donald Trump from the UK.

Sitting adjourned.
Stephen Kinnock (Aberavon) (Lab): I beg to move, That this House has considered access to justice for vulnerable people.

It is a pleasure to serve under your chairmanship, Mr Bailey. I am grateful to have the opportunity to speak on what is an increasingly critical issue: access to justice, particularly for those who for whatever reason would otherwise be left without legal redress. The Opposition recognise the fundamental importance of legal aid in ensuring that everyone has access to justice. It is a significant time for legal aid, and today marks the inaugural meeting of the Bach commission, led by my colleague Lord Willy Bach and my hon. Friend the Member for Kingston upon Hull East (Karl Turner).

The commission has brought together experts from across the legal profession and will explore establishing access to justice as a fundamental public entitlement.

Since 2010 the Government have cut legal aid to the bone. The consensus that once existed around legal aid has been sidelined. Although we recognise the need to make savings, the National Audit Office, the Public Accounts Committee and the Justice Committee have all criticised the Government’s failure to understand the knock-on costs and wider consequences of their reforms. The Labour party recognises the importance of legal aid in making sure the state does not infringe the liberty of its citizens, and we understand its crucial role as a tool for legal redress in family disputes. Those who traditionally benefit from legal aid—the poor and most vulnerable—have been marginalised by the policies of this Government. They have seen the erosion of their rights at work, in schools, and in their housing and welfare needs. In 2010, as Labour left office, almost 500,000 cases received advice or assistance for social welfare issues. The year after the Legal Aid, Sentencing and Punishment of Offenders Act 2012 came into force, it was less than 53,000.

Jo Stevens (Cardiff Central) (Lab): I am sure that, like me, my hon. Friend has constituents in his surgeries every single week desperate for legal help, who previously would have benefited from the legal aid regime, but who now cannot find legal help or representation anywhere and cannot afford to pay for it.

Stephen Kinnock: My hon. Friend makes a crucial point. This is about the kind of society we want to live in. There is no doubt that a key indicator of that is the way in which we deal with access to justice. My constituents, like hers, are deeply concerned about the distortion of our justice system, which we are discussing here today.

The figures that I have cited show a massive drop in access to justice, and that has had a huge impact on people across England and Wales: parents unable to see their children; employees unfairly dismissed or discriminated against; tenants mistreated by abusive landlords; and women unable to leave abusive partners. Those are exactly the kind of people the Government claim to stand up for, but the reality is different. Consider family proceedings, for instance. In the first quarter of 2015, 76% of private family law cases had at least one party who was not represented. That means our constituents no longer receive the support and advice that is required for them to have effective redress in the courts.

The problem is most acute in the civil and family courts, which are dealing with an unprecedented rise in the number of litigants in person. Previously, litigants in person were most often there by choice, choosing to self-represent, but it is now the case that litigants in person are there because they cannot get legal aid. The personal support unit, which provides help to people facing civil court hearings, has seen a rise of 900% in clients helped. The deck is firmly stacked against the most vulnerable. What was once a relatively level playing field has been seriously distorted, with litigants in person now effectively battling uphill, often challenging decisions passed down by the Government.

The checks and balances that were previously in place for citizens to hold the Government to account have been seriously limited. Across the legal spectrum, we have seen the removal of vast swathes of legal aid, the closing down of law centres, and the removal of good quality legal advice from those who need it most. If that was not enough, the safeguard of judicial review has also been severely curtailed. We have seen the warm words from the Lord Chancellor and Secretary of State for Justice, who decreed a two-nation justice system, but unfortunately we all know his rhetoric is not being backed up by action. The Justice Secretary has carried on from where his predecessor left off: sidelining legal aid; the sector cut to the bone; court closures denying access to local justice; and massive increases in fees, excluding many from the system.

One particular section of the population in desperate need are the victims of domestic violence. During the passage of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, the Government made a point of saying that it was not their intention to make legal aid available to all victims of domestic violence. The Government have been too narrow in the safeguards put in place for ensuring that victims of domestic violence can receive legal aid. The Justice Committee expressed concern in its report about the evidence requirements for victims of domestic violence, and a recent survey from Rights of Women revealed that 39% of respondents did not have the evidence required to qualify for legal aid. Another survey found that almost half of respondents did not take any action in relation to their family law problem because they were unable to apply for legal aid, and a further 25% opted to represent themselves in court. Those figures reflect the findings of the all-party group on domestic and sexual violence, which found that more than 60% of respondents did not commence action and that one in six had to pay more than £50 to get the required evidence to prove domestic violence. Victims of domestic violence should not be forced to choose between staying with their abuser and having to face them in court. Although the Opposition do not believe that that was the Government’s intention in the legal aid reforms, it none the less persists and must be addressed.
Cat Smith (Lancaster and Fleetwood) (Lab): My hon. Friend is raising important points about domestic violence and the barriers to accessing legal aid that particularly women face, but women face a double barrier when it comes to sex discrimination in the workplace. The new employment tribunal fees mean we have seen a huge drop in the number of women seeking justice.

Stephen Kinnock: I thank my hon. Friend for her intervention. She makes an absolutely critical point about women in the workplace. This plays into the broader theme of today’s discussion, which is about how we ensure we include all elements of society so that we can build an economy and a society that are cohesive and dynamic. The issues are not only about rights and equalities in the narrow sense; they are about how those rights and equalities play into the creation of an inclusive and dynamic economy where all people are able to bring their talents to the table, and women are a critical element of that. Without redress to justice, they will not have the checks and balances in place that they need to defend their rights, as should every other member of society.

A clear theme is coming through in the interventions from my hon. Friends. The overall theme is whether the Government have properly considered the impact of their legislation and policies on some of the most vulnerable groups in society, such as the homeless; those threatened with eviction and facing serious housing disrepair; those in need of community care services; parents and children involved in child abduction cases; and those with mental health and mental capacity issues. This test only further entrenches the gap between those who can and those who cannot access justice. The law is there to protect all citizens, and a robust justice system should make sure that justice can be afforded to all, not only those who can afford it.

Jo Stevens: Last week the Lord Chief Justice, Lord Thomas, issued his annual report in which he raised concerns about the lack of access to justice, and Lord Justice Briggs said:

“To any rational observer who values access to civil justice, this is a truly shocking state of affairs.”

If we have the most senior judiciary in our country worrying about lack of access to justice, does my hon. Friend not agree that the Government must take heed and start to change their policies in this arena?

Stephen Kinnock: I thank my hon. Friend for her intervention. I agree entirely with every word of it, and with the sentiment. Members clearly have a deep and active interest in this issue, and Lord Justice Briggs is among those. The Government have properly considered the impact of their legislation and policies on some of the most vulnerable groups in society, such as the homeless; those threatened with eviction and facing serious housing disrepair; those in need of community care services; parents and children involved in child abduction cases; and those with mental health and mental capacity issues. This test only further entrenches the gap between those who can and those who cannot access justice. The law is there to protect all citizens, and a robust justice system should make sure that justice can be afforded to all, not only those who can afford it.

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the Government are under financial pressures, as we are in the Northern Ireland Assembly as well. The financial constraints might start here, but they go out to all the regional Administrations, particularly the Northern Ireland Assembly. The stand-off about pay has caused mayhem in the court system, with a growing backlog of cases as the dispute intensifies. Lawyers have taken industrial action in response to the cuts, withdrawing professional services in criminal cases as part of the protest.

The latest figures were released just last week and show that there are currently 817 cases outstanding in Northern Ireland. Of those, 545 are directly affected by the legal aid dispute. The magnitude of what is happening there is mirrored elsewhere in the United Kingdom. The issues are financial, and perhaps there are more complexities; nevertheless, the breakdown of the figures includes some worrying cases. The outstanding cases include seven murder suspects, four accused of attempted murder, 60 accused of sex crimes, 76 accused of drug offences and 39 accused of fraud. Without stakeholder agreement and a reasonable solution here on the mainland, we could see a similar, if not worse, situation arise.

I say this with great respect because I am not someone who attacks political parties—that is not my form, Mr Bailey, and I never do it—but the Alliance party leads the Department of Justice in Northern Ireland, and its unreasonable approach has seen law firms operating at a loss as a result of changes to the legal aid system. Top solicitors in the Province have warned that law firms quite simply cannot continue to operate at such a loss without bankruptcy, and that with so many cases backlogged the situation can only get worse. Local solicitors in my town, Newtownards, and elsewhere in my constituency have confirmed that.

Disputes over legal aid not only threaten the efficiency of the justice system but can lead to the erosion of the right to a free and fair trial for all. I have heard the shadow Minister say that on numerous occasions in the Chamber; I have not seen his speech, but he will probably say the same thing shortly in Westminster Hall. Some of the most vulnerable people in our society would depend on legal aid should they ever require legal aid, an issue that I am sure will not go away. That is why it is important that the Minister will respond and important to hear what the shadow Minister and other Members will say. It was also important to hear the opening speech by the hon. Member for Aberavon and the interventions by other Members. I hope that Members will take note of the experiences I have shared from Northern Ireland, and that they share my sense of urgency about this issue on behalf of my constituents. Everyone in a civilised country such as ours should have a free and fair trial and should be legally represented. The Ministry of Justice needs to go forth and resolve the issue in a sustainable, long-term and proper fashion.

9.49 am

David Mowat (Warrington South) (Con): I congratulate the hon. Member for Aberavon (Stephen Kinnock) on raising this subject for debate. I did not intend to make a speech today, but in the absence of other colleagues I thought I would have a go.

Not one Member of this House regards access to justice as something that should be restricted to the rich, and nobody thinks that ensuring that people have access to fair trials and that the criminal and civil justice systems work are not serious issues. When the coalition Government came to power in 2010, it had already been flagged by the previous Government that changes to legal aid were in train. The hon. Gentleman did not set out which of the Government’s changes to legal aid the Opposition agree with. I presume they agree with some of them; perhaps the shadow Minister can tell us which.

Karl Turner (Kingston upon Hull East) (Lab): I am grateful to the hon. Gentleman for giving way so early. I think he is about to tell us that the previous Labour Government would also have made cuts to various Departments and that the Ministry of Justice would have taken a hit, but the reality is that the coalition Government and this majority Conservative Government have made a shocking mess of the justice system. The Legal Aid, Sentencing and Punishment of Offenders Act 2012 cut hugely the number of vulnerable people who have access to the courts. The hon. Gentleman should not lecture the Chamber about the fact that the previous Labour Government would have cut. We accept that we would, but this issue is not about just cutting. The Government have been completely and utterly incompetent.

David Mowat: I thank the shadow Minister for his lengthy intervention, during which, I note, he did not answer the question I asked him. He will get a chance later to tell us which of the coalition Government’s
changes to legal aid the Opposition support. Presumably they support some of them or would have done something else altogether.

Access to justice matters, and all of us have constituents who are affected by it. We heard that the Bar has been threatening to go on strike over some of the changes. I want to talk about the structure of how we do law in this country, because perhaps something is wrong with it. There were 2,500 practising barristers in 1980 and 15,000 in 2010, and there are 16,000 now. The Bar has grown hugely as legal aid costs have grown. I am not saying that is wrong—a very large number of talented people work at the Bar—but it is not indicative of a profession under major stress.

I do not want to make a cheap point about earnings at the Bar, but I will say this. A significant minority of practitioners earn from criminal legal aid sums significantly in excess of how much the Prime Minister is paid.

Karl Turner rose—

David Mowat: One moment, and I will certainly give way.

That is not to say that salaries at the Bar are too high in general, but it is an issue. No other public sector employees—I accept that the Bar is independent, but perhaps that is one of the issues—earn money of that kind. Think of how much surgeons in the national health service earn.

Karl Turner: Come on!

David Mowat: I will certainly give way, and perhaps this time the shadow Minister will answer the question.

Karl Turner: The hon. Gentleman is about to begin the fat cat lawyer argument, but the reality is completely different. The reality is this. A criminal solicitor, for example—

Mr Adrian Bailey (in the Chair): Order. May I remind you, Mr Turner, that interventions should be short? We are not too constrained by time, and you will have a generous amount of time to make it up.

Karl Turner: I am obliged, Mr Bailey, but I wonder whether you would just let me make the point. A criminal solicitor, for example, of about five years’ experience earns about £28,000. A criminal barrister with the same experience earns about £30,000, but is self-employed. Perhaps the hon. Gentleman could visit his local chambers and make that argument to members of the Bar and criminal solicitors.

David Mowat: I thank the shadow Minister again for his intervention. I make the point again, because I chose my words carefully, that a minority of barristers earn from criminal legal aid—that is, the public purse—sums in excess of what the Prime Minister is paid.

Karl Turner: Silks.

David Mowat: That is not the case with professions such as medicine—for surgeons and so on.

Jo Stevens: Part of the problem is that huge swathes of people are graduating and going into the law—both the solicitors’ profession and the Bar. The problem is that the work is not there for them now because of the Government’s cuts to legal aid, so it is very difficult to get a practice up and running. If we do not have solicitors and barristers, we will not have a judiciary in the future.

David Mowat: The hon. Lady’s point is spot on. Barristers have told me that too many people are going into the profession, given the work that is available, despite the fact that their numbers are several times higher than a few years ago. The consequence is that too many of them are effectively working part time and are not able to do as many cases as they ought to be doing, given their productivity, so their earnings are lower, as the shadow Minister said.

Jo Stevens: The point I am making is that some of the work of representing vulnerable people that was previously available is not available to the Bar and the solicitors’ profession because legal aid has gone.

David Mowat: We will come to the amount of money we spend on legal aid, although I note that I have certainly got this debate going, so I guess we should at least be grateful for that—as I said, I did not intend to speak today.

A point has been made about the fact that we spend a large amount of money on legal aid compared with other countries such as Germany and France, which, as far as I am aware, do not have legal systems that are not fit for purpose. They have non-adversarial legal systems, which are different from ours, so they may be different in other areas. Despite the fact that we spend many billions of pounds on our legal system, that our spending on legal aid per capita is much higher than other countries—even those with adversarial systems, such as New Zealand—and that people work in good faith at the Bar, the judiciary, the Crown Prosecution Service and elsewhere, there is a structural issue with our legal system, and we need to look at it. Perhaps we should look at whether the Bar should be independent and at whether more barristers should be employed. Perhaps the shadow Minister will come forward with that proposal. It is not reasonable to say that the Government have no role in curtailing the amount of expenditure on that area, although we must be fair to all who are involved.

The hon. Member for Aberavon briefly mentioned judicial review, at which a number of the changes were aimed. The number of judicial reviews has increased by a factor of something like four in the past eight years. Such numbers are very significant, and it is reasonable that the Government look at them. I am not in the Government, and I do not know whether they have got it right in all cases. That is why I was so keen to get an answer from the shadow Minister to my question about which of the changes to legal aid he agrees with. I am sure we will hear from him about that.

It is wrong to say that Government Members are not as concerned about access to justice and vulnerable people as Opposition Members, but questions need to be asked about the structure of the legal system and about how things work at the moment. The rate of increase that we saw before 2010 would have been untenable if it had continued at that level, as the then Labour Government recognised.
Mr Adrian Bailey (in the Chair): We come now to the Opposition spokespersons’ responses. Ordinarily, they would be confined to 10 minutes. However, we are not inordinately time constrained at the moment, so I am going to be a bit flexible. Given the heat that this debate has generated so far, could the Opposition spokespersons be sensible in the way they use their time and give the Minister plenty of time to reply? Equally, if the Minister could give Mr Stephen Kinnock an opportunity to sum up, that would be appreciated.

9.59 am

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is a pleasure to serve under your chairmanship as we debate a crucial topic, Mr Bailey. What can be more fundamental than ensuring access to justice? For that reason, I congratulate the hon. Member for Aberavon (Stephen Kinnock) on securing this debate. I also congratulate the hon. Member for Warrington South (David Mowat) on his brave and spontaneous speech, which certainly got the debate going.

Different jurisdictions across the UK and across the world are each on their own journey as they continually grapple with access to justice, constantly updating procedural rules, introducing new technologies and reforming legal aid. Every jurisdiction can learn lessons from each of the others, as the hon. Member for Strangford (Jim Shannon) suggested, but I agree with the hon. Member for Aberavon that the UK Government should be doing more learning than teaching. It is clear that access to justice has suffered under the Conservative Government, and the former coalition partnership, as yet another austerity sacrifice.

Turning to the motion, in one sense the words “for vulnerable people” could be seen as superfluous, because if people’s access to justice is denied or made difficult, they become vulnerable people as a result. Thankfully, there is access to justice for most, but that is not good enough. If we believe in the rule of law, everyone should be able to vindicate their rights and have access to justice. Under this Government, access has become harder and harder for too many people. Understandably, and unsurprisingly, the main focus of the debate was legal aid, but we had good arguments about other aspects of proceedings, which gave food for thought as to how every jurisdiction can improve access to justice.

Turning to the main point of contention, I agree that the huge cuts in funding and eligibility for legal aid brought about by the Legal Aid, Sentencing and Punishment of Offenders Act 2012 are little short of a disgrace. The hon. Member for Aberavon highlighted some of the frightening statistics about the dramatic fall in the number of legal aid-funded cases, particularly for victims of domestic violence. As mentioned by the hon. Member for Cardiff Central (Jo Stevens), all the arguments were well summed up by the Lord Chief Justice of England and Wales when he said:

“Our system of justice has become unaffordable to most. In consequence there has been a considerable increase of litigants in person for whom our current court system is not really designed.”

Many of the issues were aired in another recent Westminster Hall debate on access to justice in Wales, and I want to tackle a couple of the arguments that Ministers have previously used to continue their attempted defence of legal aid cuts. They have said that it is better to encourage mediation than provide legal aid and an attempt at mediation should be encouraged or even required—by all means—but without pulling the rug from under people’s feet if it does not work. Legal aid spend should fall as a result of successful mediation, but not because people who have been forced into mediation have to sell themselves short and accept settlements even when mediation has failed. Ministers also claimed, and will probably claim again—the hon. Member for Warrington South started to make arguments along these lines—that the legal aid system in England and Wales “remains one of the most generous in the world.”—[Official Report, 15 December 2015; Vol. 603, c. 528WH.]

That is the same old chestnut that the Justice Secretary used when pushing the cuts through, but it is like comparing apples and oranges and the argument does not stack up.

Professor Alan Paterson of the University of Strathclyde, chair of the International Legal Aid Group, pointed out that systems here cannot be compared with those on the continent, which are inquisitorial systems, a point which was accepted by the hon. Member for Warrington South. Such systems generally require less input from legal representatives, but significantly more resources are spent on prosecution services and the courts. Once expenditure on those other parts of the equation is factored in, England and Wales comes about a third of the way down the European league table. Professor Paterson made a specific comparison with Holland: back in 2011, England and Wales spent more than twice as much per capita on legal aid as Holland, but with a total per capita spend of around £90 on legal aid, courts and prosecutions combined, Holland spends a greater overall per capita sum on justice than England and Wales, where the total was around £80 euros. Of course, even if England and Wales has a higher per capita legal aid spend, it absolutely does not follow that that is because it has more generous eligibility rules. The hon. Member for Warrington South mentioned New Zealand, but the Law Society of England and Wales pointed out that the differential was not significantly caused by any increased generosity. Indeed, New Zealand was more generous in that regard. More relevant were higher crime rates, higher divorce rates, and higher expenditure per case.

Briefly, I have some similar points about the position in Scotland. Professor Paterson, in his Hamlyn lectures at the University of Cambridge in 2010, pointed out that the Scottish Legal Aid Board spent around £29 per capita compared with £38 in England and Wales, and yet the system in Scotland was more generous in terms of scope, including personal injury claims and representation at employment tribunals. It was also considerably more generous in terms of coverage, with a significantly higher proportion of the population financially eligible for legal aid. The system in Scotland remains uncapped and demand-led. Why, therefore, was the per capita spend in England and Wales higher? One significant factor was the high number of high-cost fraud cases prosecuted south of the border compared with in Scotland. In reality, the Government were taking away from the least well-off in order to fund the prosecution of high-value fraudsters. That argument does not appeal to me. According to Professor Paterson, court procedures in Scotland, both civil and criminal, have received holistic reform to
reduce legal aid spend. That is a better approach than wholesale legal aid cuts, which cause so much social damage.

The hon. Member for Aberavon also highlighted last year’s Select Committee on Justice report, which noted that the Ministry of Justice’s four objectives for the reforms were to discourage unnecessary and adversarial litigation at public expense, to target legal aid at those who need it most, to make significant savings in the cost of the scheme and to deliver better overall value for money for the taxpayer. However, the Committee concluded that,

“while it had made significant savings in the cost of the scheme, the Ministry had harmed access to justice for some litigants and had not achieved the other three out of four of its stated objectives for the reforms.”

The hon. Gentleman also pointed out that the National Audit Office and the Public Accounts Committee have made similar criticisms. We are left wondering whether anyone actually thinks that the reforms have been a success.

The Justice Committee also made some excellent points regarding the claimed savings and delivering value for money. It said:

“The Ministry’s efforts to target legal aid at those who most need it have suffered from the weakness that they have often been aimed at the point after a crisis has already developed, such as in housing repossession cases, rather than being preventive.”

From my own experience as a solicitor, I would say that public money spent providing help to those who need it to fill in complex immigration application forms offers better value than pursuing tribunal appeals or judicial reviews after that person has got the form wrong. That is the approach taken by the Scottish Government in its 2011 strategy “A sustainable future for legal aid”, the themes of which are the right help at the right time, delivering justice efficiently and maximising value. That all points to a preventive approach that avoids problems escalating to the point at which they can cause lasting damage and disruption to people in our communities and increased cost to the public purse.

However, as other hon. Members pointed out, legal aid alone does not secure access to justice. The hon. Member for Lancaster and Fleetwood (Cat Smith) pointed out that the fees that have been introduced for employment tribunals are making the vindication of important employment rights more difficult. Criminal court charges were introduced in the previous Parliament, encouraging innocent people to plead guilty. I warmly welcome the change of heart that seems to have been signalled by the current Justice Secretary. We could indeed spend days discussing the simplification of procedures, the use of plain English, special safeguards for children, protections for those who are doli incapax, pro bono work, the provision of law centres and even the use of technology, which I am sure the Minister will mention.

Finally, as parliamentarians, we need to take care how we respond to Bills that are passing through Parliament. The Immigration Bill currently making its way through the House of Lords will make people leave their families and jobs and conduct appeals against Home Office decisions from abroad. I do not regard that as access to justice. The Bill would also cut back on appeal rights against refusal of asylum support, leaving vulnerable, destitute people without any legal recourse. Perhaps most disgracefully of all, the Bill will introduce procedures that will allow families with children to be summarily evicted without so much as a court order, never mind a court hearing. Any Government pursuing that sort of agenda cannot claim to be prioritising access to justice. As the new chair of the Bar Council said:

“Justice is not a luxury, and everyone should be able to defend their rights through the legal system.”

The Government need to listen and change course.

10.9 am

Karl Turner (Kingston upon Hull East) (Lab): It is always a privilege to serve under your chairmanship, Mr Bailey.

To declare my interests, my wife is employed as a criminal duty solicitor and part-time judge and, before my election to the House, I was a member of Wilberforce barristers’ chambers in Hull. I was a junior member of the Bar and certainly not earning “fat cat” moneys, as the hon. Member for Warrington South (David Mowat) might want to believe.

I congratulate my hon. Friend the Member for Aberavon (Stephen Kinnoch) on securing this important and timely debate. It could not have come at a better time, because the commission chaired by Lord Willy Bach is as we speak hearing evidence from experts in the professions on how we deal with this problem of access to justice and legal aid.

The Bach commission was established by my right hon. Friend the Member for Islington North (Jeremy Corbyn), the leader of the Labour party. It is fair to say that the Leader of the Opposition understands legal aid. He, unlike any other leader of a political party that I can remember, actually gets it, as no one else has done. He understands it, he cares about it and, as a result, he has established the Bach commission to look at access to justice and legal aid. He is also doing that in a non-party political way.

Members of the commission have been appointed by Willy Bach not because of their politics or any sort of association with or affiliation to any political party, but, on the contrary, because of their expertise and their knowledge not only of legal aid and access to justice, but of other things. For example, one member, a particularly huge asset to the commission, is Tanni Grey-Thompson, but of other things. For example, one member, a particularly huge asset to the commission, is Tanni Grey-Thompson, who is also providing expertise in relation to disability. So the commission is non-partisan and we hope that it will come to a view on how we provide access to justice for the most vulnerable people in our society.

It has to be said that the Government have made a real mess of access to justice and legal aid. Since 2010, advice-and-assistance matter starts in social welfare have gone from 471,000 down to 53,000, a drop of 91%. So more than 400,000 people are now not provided with the opportunity to receive legal advice and are not given the chance to access the courts. They are often left paddling their own canoe, faced with extremely complex issues of procedure and law, and left to do all that on their own.

In reality, no money is saved, because the courts are delayed. Judges are complaining constantly, privately in the main, but complaining none the less that cases are delayed while litigants in person are left fending for themselves, trying to navigate through complex areas of procedure and law. There is no real saving.
Following the Legal Aid, Sentencing and Punishment of Offenders Act 2012, exceptional case funding was supposed to help people who are denied access to lawyers. I think this is right— I will be corrected by the Minister if I am wrong—but last year, for example, only 394 applications were granted under the scheme, rather than the 3,700 or so estimated. Clearly, the system is not working.

The Government might be about to reintroduce the residence test. They got excited about that and were pleased that the judicial review was successful, in that the Government won, but the lord justices who heard the case for review were not considering the practical effects of the residence test. They were simply deciding whether the residence test was legal or “Wednesbury unreasonable”; they were not considering whether the test itself was practical or could be implemented successfully. To reintroduce the residence test would be a huge mistake. I have not heard from a lawyer who has been able to explain how it would work. I have asked the Minister, too, how it would work. Will he explain exactly how he intends the residence test to work in practice?

As for criminal legal aid, the Government are now attempting to implement a system that will see the number of duty contract providers reduced from some 1,650 to 526. There has been a cut of about 17.5%. The Government say that the number of providers needs to be reduced and consolidated, in order to allow them a profit on their work. The system, however, cannot work. It will not work and the Minister knows that it will not work. It is undergoing litigation, but the reality is that the Government have made a terrible mess of the duty criminal contracts since 2010. It was needless, in truth, but the entire thing is in a terrible mess now, to the point of a whistleblower coming forward. The whistleblower was employed through the Legal Aid Agency to help with the procurement exercise and was able to explain how chaotic the entire system was.

Last night I received an email from a criminal law solicitor, Mr Andrew Gurney of Gurney Harden Solicitors in Ashford. I will not read the entire content of the email, but that firm of solicitors was successful in its application for six contracts. Mr Gurney makes the point:

“We were involved in 6 successful bids and our early estimates put our costs at £30,000”—

so he knows. He knows that the system is impossible to implement. His firm has spent £30,000 in applying for contracts that everyone knows will probably not happen, because everyone knows that it is impossible to implement the system.

The system is not fit for purpose, and the Government have been warned about it. The Justice Secretary privately accepts that the idea of removing more than 1,000 firms of solicitors and leaving some areas without access to duty solicitors is unmanageable. So even Ministers privately believe that access to justice for the most vulnerable people will be denied as a result of the Government’s plans to implement a system that is absolutely chaotic. It is time that the Government listened to people who know better than them.

That brings me to the point made by the hon. Member for Warrington South. We need consensus. We need to put politics aside. It is all right for me to come here and attack the Government—I enjoy that—but the reality is that will not get us anywhere. We need to sit down and accept that people need access to law. As my right hon. Friend the leader of the Labour party has said, that ought to be considered a basic human right. If the state is taking on an individual, surely the most basic thing required of a civilised society is to allow that individual access to people who have experience and expertise in the area of law that they are trying to navigate.

Jo Stevens: It is somewhat ironic that, later on this morning, the Minister for Human Rights will be appearing before the EU Justice Sub-Committee because the Government have not implemented a European directive adopted by other member states in 2013 that gives criminal suspects a right to access legal advice following arrest.

Karl Turner: I could not have put it better myself. My hon. Friend makes an important point.

It is time that we grew up. The Bach commission, with its cross-party members—I suspect some appointments are political and some non-political—chosen for their expertise only, not for their politics, will hopefully come to a view that can save money while providing access to the courts, lawyers and justice. As I have said, we need to do that in a non-partisan, non-political way. I sometimes find that difficult to manage, but it is crucial that we grow up.

Before I finish my remarks, I will mention the point made by my hon. Friend the Member for Lancaster and Fleetwood (Cat Smith). I think we have seen a drop of 80% in employment tribunals. The hon. Member for Warrington South talked about people in the law profession earning more than the Prime Minister, but we now have employment judges sitting idly in tribunals throughout England and Wales with no work to do because of the fee that needs to be paid for a tribunal to be heard.

Women want to raise serious issues. I think of a case that I advised on pro bono and referred the woman to a solicitor: she had told her employer that she would take maternity leave at some point in the not-too-distant future and he said, “Well, that’s not very convenient. I’m afraid you’ll have to find something else to do for a living.” I think she needed to find £1,300 to get her case to a tribunal, but she could not possibly afford that. I managed to find a solicitor who was prepared to act for her pro bono, but she still did not have the money—it would have taken her several months to save that up.

Sadly, the reality is that employers react to those cases only once the money is paid in. Before that, they do nothing—they are using that as a tactic. Therefore, while terrible employers such as that would have to settle if the case were taken to tribunal—they would not get anywhere near success, because they had clearly been discriminatory—because the woman concerned could not get the £1,300 together, she was at the stage of saying, “Fair enough. I give in.” The statute bar in employment cases means that people have to get their act together within three months and she could never have managed to save that money up in that period.

I do not know whether I am making this point well or not, but it is not about saving money because we have employment judges with no work to do. It is purely ideological. There is no reason for it—it does not save a penny.
Jo Stevens: Does my hon. Friend agree that another consequence is that while there are lots of good employers, bad employers, because of the tribunal fees, can get away with unlawful practices and they have no incentive to change their behaviour to become good employers?

Karl Turner: Absolutely. I know the Minister well, I think, and he does not want a situation to arise where employers get away with treating their staff badly. I do not think he wants that for a second, but that is an unintended consequence of the Government’s policy and it needs to change. It comes to something when the Lord Chief Justice comes out of his comfort zone as a senior member of the judiciary and criticises Government policy. It is appalling.

I will finish on this note. The hon. Member for Warrington South—

David Mowat rose—

Karl Turner: I give way to the hon. Gentleman.

David Mowat: The hon. Gentleman has mentioned me four times in his remarks, but he has yet to answer the question I put about which changes to the legal aid system the Opposition support. I want to ask him about his interesting comments on residency, because the Opposition reject the proposed changes to be used, at least in part, to prevent prosecutions against British soldiers in Iraq, which among other things led to Al-Sweady. Does he propose any changes to that mechanism, or is he sanguine about the fact that we are the only country in the world that pays people to sue our soldiers? I am genuinely interested in that.

Karl Turner: With respect, I am not prepared to go into the hon. Gentleman’s Daily Mail-reading fraternity line. Frankly, that is outrageous. One thing I think the Bach commission will establish is consensus of opinion, so I will not make Opposition policy about the residence test on the hoof, but it is disgraceful that women who have been trafficked will probably be refused access to law as a result of the Government’s proposed changes.

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara) indicated dissent.

Karl Turner: I think the Minister may be saying that is not correct.

Mr Vara: There are exceptions.

Karl Turner: Of course there are exceptions, but we have seen how exceptions have failed. The Government must be careful. I finish on the point made by the hon. Member for Warrington South—

David Mowat: Mr Bailey, may I come back on that? As it happens, I do not read the Daily Mail, but clearly the hon. Gentleman does.

Mr Adrian Bailey (in the Chair): Order. I point out, Mr Mowat, that it is the privilege of the Member speaking to accept your intervention, not me.

Karl Turner indicated assent.
those where people’s life or liberty is at stake, where people face the loss of their home, as in cases of domestic violence, or where people’s children might be taken into care. It is also available in relation to the treatment and detention of people experiencing mental health problems and in cases concerning the best interests of people who lack mental capacity.

Tackling domestic violence remains a Government priority. For that reason, we have retained legal aid for the purpose of obtaining urgent protection via an injunction. In addition, in private family law cases—those concerning child arrangements and financial matters—funding may be available for those who will be materially disadvantaged by facing their abuser in court.

I hope hon. Members will accept that it is reasonable to ensure that the correct cases attract funding. However, we have listened and responded to specific concerns. That is why, during the passage of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, we made changes to make evidence easier to obtain. In April 2014, we expanded the list of evidence accepted in applications for legal aid in private family cases. We also extended the definition of health professionals to include psychologists. We made further changes in July 2015, including by adding new offences to the list of domestic violence and child abuse offences. Further regulatory changes ensure that, once a particular form of legal aid has been granted, no further evidence needs to be submitted for someone to receive legal representation for their case. We will, of course, continue to keep the evidence requirements under review.

Mention has been made of exceptional case funding, and funding has been provided where it is required by law under European Union legislation or European convention on human rights regulations.

Stuart C. McDonald: The Minister explains how legal aid is still available in some of the most urgent situations—for example, when someone’s house is at risk of repossession. However, does that not raise the question, why wait until we get to that stage? Why not provide legal aid earlier, so that people do not get into that mess in the first place?

Mr Vara: It is important that the hon. Gentleman recognises that there must be some limit, and I will come in due course to how much money is spent. However, his criticism is ironic, given that he admitted in his speech that there is less expenditure per capita in Scotland than in England and Wales.

Stuart C. McDonald: The Minister misses the two key points I made in my speech about per capita spend. First, it is not fair just to compare legal aid spending per capita; we have to look at justice spending overall. Secondly—this is a matter of fact, not explaining things away—the higher per capita spend in England and Wales is a result of things such as the larger number of expensive fraud cases prosecuted south of the border. The proportion of people eligible for civil legal aid in Scotland is about 75%—well in excess of that in England and Wales. The Minister must also bear it in mind that the financial eligibility rules are more generous and the number of legal cases covered is far broader. He should try to learn lessons from the Scottish jurisdiction, so that savings can be made not by removing all sorts of cases and people from the scope of legal aid, but by achieving efficiencies in the system and other changes.

Mr Vara: I would simply say that the hon. Gentleman should look at some of the cases in England and Wales. He will find that some of the fraud cases in this jurisdiction are pretty complex. However, I am grateful to him for saying that it is important that we look at matters from an overall perspective. With the best will in the world, some of those who have spoken already have not done so—they have seen legal aid in a narrow confine, rather than from the overall perspective the hon. Gentleman speaks of.

Even after the reforms we have put in place, we still have a very generous legal aid system, compared with other countries. Last year we spent more than £1.6 billion on legal aid, which is about a quarter of the Ministry of Justice’s departmental expenditure. As I said, that is one of the most generous legal aid budgets in the world.

Jo Stevens: Is it not the case, though, that the Ministry of Justice budget has been cut? Therefore, to boast that the Government are spending that proportion, when the overall amount of money has been reduced, is not really a boast at all.

Mr Vara: May I gently tell the hon. Lady that, were it not for the economic mess that the Labour Government left this country in—[Interruption.] Labour Members may well shrug their shoulders, but the reality is that, were it not for the mess they left and their economic mismanagement, we would not have had to take the tough decisions that we are having to take. I will return later to the views the Labour shadow justice team has expressed on the record about whether the cuts should have been made.

During the previous Parliament the coalition Government proposed a civil legal aid residence test, which has been referred to. The Government continue to believe that individuals should have a strong connection to the UK to benefit from our civil legal aid scheme, and intend to implement the residence test following recent success in the courts. I should add that during the previous Parliament the Government were particularly careful to listen to, and take into account, concerns that were raised about the residence test. As a result a number of modifications and exceptions were proposed, including in cases involving particularly vulnerable individuals. We believe that the proposed residence test, with specific exceptions for vulnerable groups, is both fair and appropriate. It has to be right that when British taxpayers’ money is being used for legal aid, the recipient of the legal aid should have a strong connection to our country.
Karl Turner: Will the Minister kindly explain how the residence test will work in practice?

Mr Vara: Clearly, we have said that someone has to be here for a minimum of 12 months. We will ensure that when an application is made that criterion is fulfilled. If the person is in one of the exceptional categories, the criterion will not apply.

Karl Turner: Let us say that a solicitor is taking instructions from a client. What evidence will be needed to prove habitual residence in the United Kingdom?

Mr Vara: The hon. Gentleman is an experienced barrister and an experienced politician. He will appreciate that the function of this House is to put policy into implementation, by ensuring that it becomes law. The practical process will need to be thought out—[HON. MEMBERS: "Ah!"]—as is the case with every other measure introduced by the present and previous Governments, and during the 13 years when the hon. Gentleman’s party was in government, and even before that. That is something that will be dealt with and resolved.

The hon. Member for Strangford (Jim Shannon), for whom I have huge respect and regard, spoke passionately; but he will of course be aware that the matter is a devolved one. I wish him well in his dealings with David Ford, with whom I too have had dealings. To the extent that it will help, I will certainly tell him the next time I see him that the hon. Gentleman was speaking passionately and would like him to give a sympathetic ear when he raises the issue. The hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald) will appreciate that, again, the issue is a devolved one; but he has put his views on record—including in our little dialogue during my speech.

I am grateful to my hon. Friend the Member for Warrington South (David Mowat) for bringing a realistic perspective to the debate, and for pointing out the reality of the situation. He repeatedly asked the shadow Justice Minister which of the cuts that we have made his party would reverse. I am not surprised that no reply was forthcoming, because in an interview with The Guardian on 30 January 2015, the former shadow Lord Chancellor, the right hon. Member for Tooting (Sadiq Khan), said:

“I don’t have a magic wand to wave. I can’t commit to reverse the £600m cuts to legal aid made by the Tories and Lib Dems. We will still have to take tough decisions on reducing the deficit.”

However, it was not only the former shadow Justice Secretary who took that view. The person in his team dealing specifically with legal aid, the hon. Member for Hammersmith (Andy Slaughter), was interviewed by John Hyde of The Law Society Gazette on 24 September 2014:

“We’re not going to get in a Tardis and go back to before,” he said. “We are in a world where resources are tight and it would not be right to pretend otherwise.”

The article goes on:

“Slaughter conceded that the Labour party would have been forced to make cuts to family law funding and promote mediation as a cheaper option. He added that a Labour government would seek to promote and improve mediation services on offer.”

He is quoted as saying:

“We are going to be honest about the tightness of resources—we can’t tackle everything immediately and other elements”

of public spending

“will have a higher place in the queue.”

Jo Stevens: Will the Minister give way?

Mr Vara: I will give way, but perhaps the hon. Lady might like to say something about those comments from the Labour shadow Justice team.

Jo Stevens: I want to ask the Minister: does he support the principle of mediation?

Mr Vara: I absolutely do support the principle of mediation.

Jo Stevens: There we go.

Mr Vara: The hon. Lady seeks to justify the fact that her party says it will not make cuts reversals of £600 million by saying, “There you are.” Of course we support mediation. In fact we have said that in family cases where there are divorces, rather than the two separating parties engaging solicitors and then barristers, and then going to court—all paid for by the taxpayer—it is far better for them to sit around a table, trying to have a constructive dialogue with mediation. That way of reaching a solution is preferable.

Given that the shadow team has said it would not make any cuts, perhaps its members could reflect on whether the next time one of them speaks they might be supportive of our proposals, rather than simply saying, “Don’t reduce.”

Karl Turner: Will the Minister concede at least that the leader of the Labour party has set up the Bach commission, to look at the issue of access to justice? It would be constructive for Ministers at least to acknowledge that. It is true that my colleagues said previously that they could not just wave a magic wand—of course not; but some of the cuts were badly made and chaotic. Areas—swathes—were taken out of the scope of legal aid, with the consequence that the most vulnerable people suffered; and the reality was that that did not really save money.

Mr Vara: I refer the hon. Gentleman to the comments I just made—that his party’s shadow team said it would not reverse any of the cuts. That kind of contradicts what he says; but as far as Willy Bach is concerned—and he is a man for whom I have much respect—I wish him well with his commission. The hon. Member for Kingston upon Hull East (Karl Turner) will be aware that we have said there will be a review of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 three to five years from its implementation. That will be a thorough review in relation to the way forward.

I want to mention some other points made in the debate. The hon. Member for Aberavon referred to some research conducted by Rights of Women, showing that 38% or 39% of women do not have the evidence needed to apply for legal aid. That research was based on responses from 61 people, which I hope even the hon. Gentleman will agree is a small sample—much smaller than researchers would ordinarily use to generalise across the wider population.

There is much debate about the amount of work available and the number of lawyers around to do it. The Law Society has itself accepted that there are far
to be brought forward in a far shorter timeframe. We must recognise that the legal profession needs to take a wider look—not just at legal aid—at how things are going. In a relatively short time the structure of the legal profession has changed. There was a time when there were simply solicitors, barristers and legal executives; but now barristers in particular face competition from solicitors who have higher rights of audience than previously. There are more people wanting to qualify as barristers, as well. Alternative business structures are coming on the scene. That means that more and more people are chasing the same amount of work.

**Jo Stevens:** The point is not that there is not sufficient work for barristers to do, but that there is no legal aid available to enable people who need legal advice to go to a lawyer and get help. We have more people going to prison than for many years, and more people going into the criminal justice system. There is plenty of work; it is just that those people cannot afford anyone to represent them.

**Mr Vara:** Perhaps the hon. Lady missed the point when I said that we have one of the largest legal aid budgets in the world, at £1.6 billion. I would say that that is capable of buying a substantial amount of legal aid assistance and advocacy for people. I go back to the comment from the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East about the importance of looking at matters in the round, from a broader perspective.

Much has been said about employment tribunal fees and the fact that people are not using employment tribunals any more. There should be some recognition of the ACAS early conciliation process, which did not exist before but has dealt with some 83,000 cases in the 12 months since it was introduced. There should also be some recognition of the fact that the economy is improving, and that more jobs are being created out there. It is always the case, looking back at the trend of such things, that there is less demand for employment tribunals when the economy is improving. People should not overlook the fact that more than 80,000 cases have been dealt with by ACAS’s early conciliation process. Furthermore, looking at matters in the round, let us not forget that this Government are committed to spending some £700 million on reforming the courts system, which means there will be a better way of accessing justice than exists at the moment.

Coming back to the words in the title of this debate, we very much hope that the reforms will particularly assist vulnerable people, including victims, witnesses and others. The reforms will mean, for example, that those people do not have to attend a court to give evidence, but can instead go to a convenient location close to them and give evidence by video conferencing. We will also make more use of modern technology in a broader perspective. We already have prisoners giving evidence from prisons, which avoids getting caught up in traffic jams and all the additional security costs that taking them to court would entail.

**Stephen Kinnock:** Given the changes that are being introduced and the impact they will have in real time, does the Minister not agree that waiting for three to five years before doing a review of LASPO is simply evidence of being asleep at the wheel? A review of LASPO needs to be brought forward in a far shorter timeframe.

**Mr Vara:** It is important to recognise that LASPO made a huge change to the whole structure of the legal aid system. It is important that we ensure the changes have sufficient time to bed in, in order to make a proper assessment of whether they have worked. As it happens, the three to five year period is more or less approaching us, and we will do the review in 2016 to 2018, but it is important that we allow such fundamental changes to take place.

**Jo Stevens:** Can the Minister tell us whether the review of LASPO will be in 2016 or is likely to be at the end of the period?

**Mr Vara:** I am afraid I cannot tell the hon. Lady when the review will be. Clearly, we are giving much thought to that. We want to get it right and to ensure that the changes we have made already have the effect we wanted. If necessary, we will make changes. As I say, the timing of the review is yet to be decided, but we are committed to doing it and will do so.

I am mindful that the hon. Member for Aberavon must have an opportunity to wind up, so I will simply conclude by saying that I hope hon. Members will appreciate this Government’s commitment to a one nation justice system that safeguards and protects the vulnerable, supported by a strong and sustainable legal aid system to provide advice and support for the highest priority cases. I am grateful to the hon. Member for Aberavon for securing the debate and to all other Members who have spoken.

10.54 am

**Stephen Kinnock:** It is always a pleasure to serve under your chairship, Mr Bailey. I thank all hon. Members present today for some truly engaging and insightful contributions to this vital debate. We have heard a range of comments about the comparison between our system and others and the professed commitment to a one nation justice system, as well as a passionate exchange of views about the real role of a legal and justice system.

A conclusion from my point of view is that there seems to be very little traction in comparing other systems to ours; it is like comparing apples and pears. Another conclusion I draw is that change and reform are absolutely fine. Nobody thinks our system should be static and stuck in the mud, but if we are going to change, we do not change simply by slashing and burning. We change by having a proper plan B and a sustainable system to put in as a replacement, rather than simply salami-slicing across the current system. It seems we are creating a truly two nation justice system, and if that happens, it will be a tragedy.

We have seen some evidence of listening from the Government. The screeching U-turn that the Justice Secretary performed on the scrapping of criminal court charges is evidence of such listening, and Opposition Members certainly welcome that. Rather than diving down into the weeds, I will conclude by saying that a justice system needs to pass four key tests. First, it must uphold the belief that someone is innocent until proven guilty. Secondly, everyone should have access to justice, regardless of their means. Thirdly, it is essential that we have confidence that the true perpetrators of crime have
been found guilty and are not walking the streets. Fourthly, the system must deliver value for money for the taxpayer.

I am afraid that on all four of those tests, the Government are failing. We hope they will listen carefully to the proposals we have made today about the changes that are required. I also hope that we can, as my hon. Friend the Member for Kingston upon Hull East (Karl Turner) said, try to put politics aside and work together to create a more equitable, efficient and fair justice system.

Question put and agreed to.

Resolved,

That this House has considered access to justice for vulnerable people.
Prime Minister and a Government who do not like being challenged. This is a Prime Minister and a Government who do not like scrutiny.

It was with depressing familiarity, therefore, that we learned over the Christmas recess that the Government had stopped the long-standing practice of releasing a comprehensive historical account of discussions and decisions made by the Prime Minister and the Cabinet under the 30-year rule—or, now, the 20-year rule—at the turn of the year. Instead, there was only a frankly pitiful selection of files cherry-picked from the Prime Minister’s office. For the first time in 50 years, a Government have not released official files in full. Although long-standing convention has seen some 500 files released simultaneously from the Cabinet Office and the Prime Minister’s office at the turn of the year, this year just 58 files were released.

The Government try to reassure us that further files will be forthcoming throughout the year but as yet there is no timetable for release or any indication of whether that will be comprehensive. Will the Government choose to release them on Budget day, for instance, or perhaps on the day before the summer recess, so as to avoid scrutiny? These may seem like hypothetical musings, but Ministers already have a track record of doing that. On the day of the Christmas recess, the Government released 36 ministerial statements and 424 Government documents in one day. That was surely done in the hope that hard-pressed lobby journalists would miss—in the thousands of pages of data—revelations from the Department for Work and Pensions that three quarters of those affected by the hated bedroom tax have had to cut back on food, or that there has been a 45% increase in homeless families living in temporary bed-and-breakfast accommodation.

I would like to press the Minister on a timetable for the release of all public records and on whether that release will be comprehensive, as required under the Public Records Act 1958. It would also be helpful to the House if he could explain the contents of a somewhat cryptic answer that the Minister for the Cabinet Office and Paymaster General, gave to my hon. Friend the Member for Sheffield, Heeley (Louise Haigh). He stated: “Cabinet papers for the period 1986-1989 have already been transferred to the National Archives.”

The answer does not clearly indicate whether all those Cabinet papers have been released to the National Archives. As the Minister knows that would include, in line with precedent, some 500 files released from both the Prime Minister’s office and the Cabinet Office. Can he assure the House that all those files have been comprehensively released to the National Archives? If they have, and given that, as the Minister knows, it is procedure for the National Archives to release all files transferred to it as soon as possible, on what basis was it decided that some files would be released and others not? Was that decision taken by the National Archives, which does a fantastic job, or was it taken, as we expect, by Ministers?

On that point, how many applications have the Government submitted to the National Archives to retain documents for any reason under section 3 of the Public Records Act? Given that the use of these instruments of retention by the Government are not always publicly available and that the Minister already have a track record of doing that, will the Minister at least confirm how many documents the Government have submitted instruments of retention for?

Louise Haigh: On that point, is my hon. Friend aware that in the 1980s the right hon. Member for West Dorset (Mr Letwin) advised the then Thatcher Government to use Scotland as a testing bed for the hated poll tax, but there the information, sadly, dries up. We do not know how this young adviser, in the teeth of powerful Cabinet opposition, managed to force through one of the most politically catastrophic and socially toxic policies in post-war history. Not only is that of historical interest, but it gives us an insight into the ideology and motives of the Prime Minister’s senior policy chief. We see a clear progression from the right hon. Gentleman’s policy formulation in the 1980s to policy implementation under the current Government.

Richard Burgon: I thank my hon. Friend. Friend for that intervention. She is exactly right: these questions matter because the period covered was one of profound political sensitivity and because Ministers responsible for the release of these files were in the thick of it at that time as advisers to senior politicians.

In 2014—the last time there was a comprehensive release of Cabinet papers—we learned that the former Prime Minister, Margaret Thatcher, had lied to the public about the extent of the pit closure plan, her attempt to influence police tactics, and the involvement of MI5 in spying on officials of the National Union of Mineworkers. That information demonstrated the extent to which the Government can use the institutions of the state against ordinary people. It is good for our democracy that the information was released, and it helps the ongoing fight for justice in the coalfield communities. This year, however, with such a small selection of files released, issues of political importance such as the discussions on the poll tax and the black Monday stock market crash have remained secret. Those were decisions that senior Ministers in the current Government were directly involved in.

Thanks to previous releases covering 1985-86, we know that the right hon. Member for West Dorset (Mr Letwin) advised the then Thatcher Government to use Scotland as a testing bed for the hated poll tax, but there the information, sadly, dries up. We do not know how this young adviser, in the teeth of powerful Cabinet opposition, managed to force through one of the most politically catastrophic and socially toxic policies in post-war history. Not only is that of historical interest, but it gives us an insight into the ideology and motives of the Prime Minister’s senior policy chief. We see a clear progression from the right hon. Gentleman’s policy formulation in the 1980s to policy implementation under the current Government.

Louise Haigh: On that point, is my hon. Friend aware that in the 1980s the right hon. Member for West Dorset authored an extreme pamphlet for a think-tank that offered suggestions on exactly how to privatise the NHS? Two of those suggestions have now been implemented by this Conservative Government. Does not prove the direct link between policy formulation under that Government and the policy being implemented by this one, and further emphasise the need for transparency?
Richard Burgon: I thank my hon. Friend for her intervention. She is right, and I am glad she has drawn the House’s attention to the extremist past and, I would say, the extremist present of some of those in such an ideological Government. The pamphlet she is referring to is “Britain’s biggest enterprise”, in which the right hon. Member for West Dorset called for a health insurance scheme and charging across the NHS. Thankfully, those shameful views have not been taken up by the current Government—yet. His views on increasing the use of joint ventures between the NHS and the private sector very definitely have been implemented.

This goes to the heart of the matter. If previous Cabinet releases have detailed damaging revelations about senior members of this Government and their ideology and motives—motives that have been carried into the current Government—why has this year’s release been so dramatically curtailed? What detail is in those approximately 450 files that have not yet been released? Did the right hon. Member for West Dorset, who is now a Minister in the Cabinet Office—the Department with responsibility for the release of these files—have any say in that?

Apparently, the Government have managed to find a way to water down the accountability of two Conservative Administrations in one go. The Government promised to be the most transparent in the world, but we increasingly find that their rhetoric does not match the reality. The Information Commissioner, Christopher Graham, the man charged with upholding the public’s right to information, boldly warned that the Government should not return to the dark ages of private Government. The Government should heed that warning. We all should.

11.11 am

The Minister for Civil Society (Mr Rob Wilson): It is a pleasure to serve under your chairmanship, Mr Bailey. I congratulate the hon. Member for Leeds East (Richard Burgon) on securing this debate. I start by saying, as he did, that this Government are committed to being the most transparent ever and take their commitment under the Public Records Act seriously.

A key plank of our commitment to transparency is our work on releasing files after 20 years, rather than 30 years as was previously the case. I acknowledge openly that this is a really big, major challenge for the Government, which unfortunately we fell short of in December 2015. I hope it will be helpful to the hon. Gentleman and others here today if I respond to their points by setting out first how the Cabinet Office is working to meet its obligations under the Public Records Act, which sets out how and when Government records should be transferred to the National Archives, and explaining why some may sometimes need to be retained.

The Constitutional Reform and Governance Act 2010 shortened the period before which files are released from 30 years to 20 years. This means that for a transitional period, two years of files are being reviewed each year, a doubling of the information in scope. In this process, each file undergoes a series of detailed checks to protect, for example, national security and sensitive personal data. This in no way lessens our commitment to transparency but takes time to do properly. This is a significant challenge for all involved. For Departments, it is a doubling of the workload, and the same considerations need to be made before papers are sent to the National Archives.

The National Archives are meeting these challenges head-on, which means extra papers coming through to them with high public demand as the subjects covered are relatively recent. By 2023, this process of reviewing two years of records in one year will be complete.

In December, we transferred a number of 1987 and 1988 files and this formed part of a press event arranged by the National Archives. We will be transferring more shortly, with the aim of completing the transfer of our 1987 and 1988 files as soon as possible. Files up to 1990 will be released throughout the year.

Louise Haigh: I am a little confused. The Paymaster General wrote to me a couple of weeks ago saying the delay in the release of Cabinet papers was due to a change in policy by releasing some earlier in 2015, some in December 2015 and some at an unspecified date later this year. Now the Minister is saying that it was due to lack of resources or an increased challenge. Will he confirm whether it is due to a specific change in policy that will occur next year, or lack of resources?

Mr Wilson: I thank the hon. Lady for her intervention. If she will bear with me, all will become clear because I will set out in painstaking detail the process by which we are handling the matter.

The Cabinet Office was due to transfer all information from 1987 and 1988 by the end of 2015 but, as is clear, we did not manage to do so. Both 1987 and 1988 were eventful years, as we have heard from the hon. Gentleman, and this impacted on the Department’s ability to get these files reviewed as quickly as we wanted. Each file is painstakingly checked before transfer, which is not about withholding secrets and covering up inconvenient facts, as the hon. Gentleman alleged. Let me inform hon. Members about the sort of information that must be checked.

Files emanating from No. 10 will cover the whole range of issues that the Government deal with, from benefits to defence spending, overseas trade, support for community groups and a whole host of other things. They will include things like personal information relating to individuals involved, even home addresses, and everything to do with relationships with other countries and national security. On every appearance of such information a careful consultation process takes place, which may result in documents being redacted or retained.

The transfers that have already taken place mean that nearly 70,000 Cabinet Office files or volumes are held by the National Archives, an amazing repository holding over 1,000 years of iconic national documents, which the public can access free. Its online catalogue is the single point of access to 32 million descriptions of records. In 2014-15, there were approaching a quarter of a billion downloads from its collection.

When files reach the National Archives, a number of processes are involved to make information available to as many people as possible—for example, through digitisation. This means an inevitable time lag between the Cabinet Office transferring files to the National Archives and their appearance in the collection. This is why the Cabinet papers for 1987 and 1988 have not yet appeared in the public catalogue although they have
been transferred to the National Archives. Another factor is that files are not always transferred in the year that one might expect as they are not assessed for transfer until the date of the last paper on the file. This explains why papers sometimes appear in the National Archives later than expected.

We are aware of the changing landscape of records management. The National Archives, as trusted experts in information and records management, will help to ensure that in an age when more and more of the Government’s records are born-digital, we open more records to the public as soon as possible. To that end, our intention is now to release files more frequently throughout the year, rather than in a single annual event. This means that, from later this year, we will start to release records from 1989 and 1990 in advance of the traditional release at the end of December. Cabinet Office officials are working closely with the National Archives to strengthen the entire process of how and when Cabinet Office files are released to the public.

Throughout 2016, there will be a number of releases from the Cabinet Office to the National Archives, catching up on the 1987 and 1988 records and then working through the 1989 and 1990 papers. I believe this is consistent with our overall transparency objectives, and that the regular releases will be a more effective way to work, particularly in the context of a doubling of the amount of information in scope.

The hon. Member for Leeds East asked several questions about the Cabinet minutes for 1987 and 1988, and papers from the Prime Minister’s Office for the same period. The Cabinet Office has transferred the Cabinet papers and minutes for the period 1987-88 to the National Archives. Some of the Prime Minister’s papers are already with the National Archives, including those made available at the press event in December. Our aim is for the remainder of those that can be transferred to be with the National Archives as soon as possible.

The hon. Gentleman asked about freedom of information, and he mentioned Hillsborough in his opening comments. No Government have done more than this one to shine a light on the truth, after 13 years of a Labour Government who failed to do what was necessary to open up the facts of Hillsborough to the public in the Merseyside area who were demanding access to them. He said that the Government were pushing for a review of freedom of information. Actually, I think the first person to push for such a review was Tony Blair, who mentioned in his autobiography that he was keen to change freedom of information.

The hon. Gentleman mentioned the series of statements that appeared at the end of the last Session. I have to remind him that it was a Labour special adviser who, when the party was in government, described a particular day as “a good day to bury bad news”.

I hope he remembers that phrase; it certainly did not come from the Conservative Government. I know that there is a new Mulder and Scully “X-Files” series out, and I do wonder about the conspiracy theories that sometimes run riot around this place, because in this case, there are no conspiracy theories to be had.

Louise Haigh: The Minister has mentioned conspiracy theories. One of our main conspiracy theories is about the advisers that have been involved in both Conservative Governments, whom the Minister has not mentioned. He mentioned a consultation process. I wonder whether the right hon. Member for West Dorset is involved in that consultation process, and whether he has any say over the documents that are retained or released.

Mr Wilson: I thank the hon. Lady for her intervention. The consultation process is one that officials handle. As far as I am aware—I think I am as aware as I can be on these matters—I do not believe that my right hon. Friend the Member for West Dorset (Mr Letwin) has vetoed any of the files that I think the hon. Lady is referring to in her question. But if there is more information that we can provide her with, obviously I would be very happy to write to her to update her.

I will move on to some comments about freedom of information. Freedom of information remains at the heart of transparency and accountability, and it goes hand in hand with the Public Records Act. The Government fully support freedom of information, but after more than a decade of the process in operation, we think it is time that it was reviewed to make sure that it is working effectively for hard-working taxpayers while allowing free and frank advice to be given to decision makers. That is why we have appointed an independent panel to look at the issue and assess how the practical processes of freedom of information can be improved. The commission will publish a report, as the hon. Gentleman knows, as soon as possible after its oral evidence sessions have been conducted. It would not be appropriate for me to pre-empt its work by getting into discussions today about the relative merits of the different parts of the Act.

I will end by making a few comments on the broader question of transparency. The Government take great pride in the fact that the UK leads the world in transparency and open government. I am not the only one who says so. The World Wide Web Foundation’s open data barometer and Open Knowledge’s global open data index ranked the UK No. 1. Over the past five years we have opened up more than 20,000 Government datasets to the public. We publish an unprecedented amount of data about everything from procurement to the gifts received by Ministers, and we continually strive to go even further.

Releasing open data makes the Government more accountable to citizens, helps to improve the efficiency of public services and drives social and economic growth. We have made expenditure data covering more than £188 billion of Government spending available for public scrutiny, and through our renewed Government data programme and our leading role in the international Open Government Partnership we will continue to be one of the most open and transparent Governments in the world. Those are not insignificant achievements, and we want to go even further. In our next Open Government Partnership national action plan, which is due to be published in the summer, we will develop an offer on transparency—including freedom of information—that strengthens the Government’s commitment to open government overall.

In conclusion, this Government are the most transparent Government ever, and we are a world leader in the quantity of information available to citizens. I acknowledge, in common with other Departments, the performance of the Cabinet Office in transferring papers from 1987 and 1988 has not been perfect, as I
said at the outset. I am, however, confident that more of that historical information will be available to the public shortly, including the Cabinet Office papers that have already been transferred to the National Archives and will be available very soon. The aim is to complete the transfer of the 1987-88 papers as soon as possible. In future, we will move to release files more frequently throughout the year rather than in a single annual event. That means that before the end of the year, there will be 1989 and 1990 papers in the National Archives.

Question put and agreed to.

11.26 am

Sitting suspended.

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Cancer Drugs

2.30 pm

Pauline Latham (Mid Derbyshire) (Con): I beg to move, that this House has considered the removal of drugs from the Cancer Drugs Fund list.

It is a pleasure to serve under your chairmanship, Mr Streeter. I secured this debate to raise the case of a constituent and to allow other Members to discuss the effects that removing drugs from the Cancer Drugs Fund will have and, I suspect, the current consultation on the fund. The latest delisting of some drugs from the fund has happened since the last debate on cancer drugs, and I am sure that many Members have heard from constituents who have been affected.

In November, I was contacted by a constituent, Tina Spencer-Keyse, about her husband Graham, who in 2010, at 51, was diagnosed with myeloma, which is a rarer cancer caused by abnormal cells in the bone marrow, where all blood cells are made. Myeloma is a relapsing and remitting cancer, meaning that there are periods when the myeloma causes symptoms and complications and needs to be treated, followed by periods of remission or plateau, when the myeloma does not cause symptoms and does not require treatment. Because myeloma is relapsing and remitting, it is crucial that clinicians are always one step ahead of the disease and that there is a treatment option for the patient to receive when it returns, especially when other treatment options have already been used.

Until August 2015, Tina and Graham had hoped to use one further drug treatment available for myeloma. Pomalidomide, also known as Imnovid, is used to treat relapsed multiple myeloma patients who have received prior treatment regimens but for whom the disease has continued to grow and spread. Imagine how devastated the Spencer-Keyse family were to find out then that the drug had been removed from the list of drugs available through the fund. Following the delisting, there are no other licensed treatments available for myeloma patients in England. Patients have no other options once the drug they are currently taking fails. They have nowhere else to go. Imagine the frustration, and probably anger, that they and thousands of others feel when a drug that was available just months before is no longer available to them but is still being used by other patients who were prescribed it before the delisting. The situation is such that a doctor might see one patient in the morning and be able to continue prescribing a treatment yet see another patient with the same disease afterwards and not be able to do so, even when they know it could help.

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I congratulate the hon. Lady on securing this important debate. Another example of a drug that has been delisted, causing similar frustration, is Abraxane, which is used in the treatment of advanced pancreatic cancer and was removed from the Cancer Drugs Fund in November. First, does she share my concern that although the delisting applies only to England, it causes worries across the rest of the UK as to whether the drug will
become unavailable there, too? Secondly, although of course a consistent set of rules must be applied, one of the issues with pancreatic cancer is that 80% of patients are diagnosed when the cancer has already spread. Although Abraxane may only give a few weeks more life, those weeks may double life expectancy.

**Mr Gary Streeter (in the Chair):** Order. Interventions must be brief.

**Pauline Latham:** I accept what the hon. Member for Torfaen (Nick Thomas-Symonds) says. I have also campaigned for Abraxane to continue because, very sadly, a former Member of this House died from pancreatic cancer in the last Parliament. He had very few weeks to live once he was diagnosed, so it is a particularly unpleasant disease.

**Sir Oliver Heald** (North East Hertfordshire) (Con): On Abraxane, does my hon. Friend agree that if a cancer is fast-acting and the gap between diagnosis and death can be as little as six months, getting an extra month or two means that a person can settle their affairs and get peace of mind? That is very important time.

**Pauline Latham:** It is incredibly important time. Any extra few weeks in such a situation is so valuable to those patients.

In answer to a written question submitted by my hon. Friend the Member for Crawley (Henry Smith) on 10 December 2015, the Minister said:

“NHS England has advised that a draft treatment pathway for patients with multiple myeloma, which takes into account the...impact of treatments removed from the Cancer Drugs Fund (CDF), is currently being finalised.”

I hope he is able to update us today on when those proposals might be published. My constituent and his family would like to know what options, if any, he has.

It is not only drugs for rarer cancers that have been hit. Drugs to treat breast cancer, bowel cancer, prostate cancer, leukaemia and other blood cancers, some gynaecological cancers and cancers that affect the central nervous system have all been removed, which probably amounts to thousands of patients who are now unable to receive treatment. That is absolutely devastating for patients and their families, as the chance to prolong life for a few more months or years has been diminished.

**Julian Knight** (Solihull) (Con): I congratulate my hon. Friend on securing this important debate and on the passion she is showing in putting her case. What does she think about NHS England’s proposal that the Cancer Drugs Fund should become a managed access fund that pays for promising new drugs for a set period before the National Institute for Health and Care Excellence decides whether the drugs should be routinely available on the NHS? Does she think that is a good idea or not a good idea?

**Pauline Latham:** I will come on to that later. If my hon. Friend does not mind waiting a few moments, he will hear what I have to say.

Delisted drugs are still potentially available on an individual basis via an individual funding request. Is the Minister able to say how many of those requests have been successful as a proportion of all requests, and for which drugs? I know he is working extremely hard on this matter, about which he cares passionately, and I thank him for that.

Although there has been recent progress, the UK still lags behind most other developed nations on use of and access to cancer drugs. In fact, we do not do as well on outcomes for cancer as many other nations. Nationally, cancer is still the largest killer, accounting for 29% of all registered deaths in 2014, the last year for which Office for National Statistics figures are available. Tracking the history of the Cancer Drugs Fund, a fund for which I have repeatedly supported investment, we can see that it has been on a rocky road to get to where we are now. Drugs have been removed, and the general consensus is that the fund has become unsustainable.

For the first three years, the fund underspent its budget—the opposite problem from the one we have now. In fact, between October 2010 and March 2013, the 10 strategic health authorities that administered the fund underspent by £128 million, or 28% of the fund’s total budget. That is a lot of money that could have been spent treating cancer patients. There was significant geographic disparity in the use of the fund. In the east midlands, which covers my Mid Derbyshire constituency, the number of patients supported by the fund per 1,000 new cancer cases in 2012-13 was just 27. That was the lowest figure in the country and represented a failure of the East Midlands strategic health authority, which was then in control of administering the fund, to promote its use to clinicians and patients. Several of my constituents died prematurely because they were refused funds for the drugs they needed when the fund was always underspent, despite pleading from me on behalf of people who were spending their own money on those drugs.

Since NHS England and Public Health England took control of the fund, the change has been dramatic. Having one central authority administering the fund removes the geographic differences whereby treatment authorities were promoting the fund and treatments at different levels. The effect is such that patient numbers skyrocketed. As last year’s high quality National Audit Office report on the Cancer Drugs Fund notes, the number of patients approved for funding increased by about 30% each year from 2011 to 2015, which should be viewed as a success for patients. Thanks to the fund, 84,000 patients have been able to access treatments that they would otherwise have been denied. The success is such that, in 2014-15, almost one in five patients started a new cancer drug through the Cancer Drugs Fund. What was meant to be a temporary measure is now a mainstay of cancer treatment in England.

Obviously, such growth comes with a price; the cost of funding the scheme spiralled out of control. Following the Government’s decision to extend the fund to March 2016, NHS England increased the annual budget from £200 million to £280 million for 2014-15 and 2015-16. In January 2015, it increased the budget for 2015-16 again, to £340 million, meaning that the fund now has an expected lifetime budget of £1.27 billion.

Was taking drugs off the list a solution to the fund’s problems? It was certainly the easiest way to regain control of costs, but it hit patients hardest rather than solving the problems with NICE’s approval processes, which was the underlying reason for the fund’s creation. The rapid response to regain control of the budget also means that no new treatments were added to the Cancer
Drugs Fund from January 2015. The decision to keep drugs on the fund’s list or remove them was based on their clinical effectiveness and cost, but from the start the fund did not keep records of treatment outcomes. Surely it is hard to obtain a full understanding of drugs’ full efficacy if a full analysis is not available by which to judge them. The failure to collect data on patient outcomes until July 2015 is truly disgraceful and undermines any proper evaluation of the fund’s success.

I am particularly attracted to the question asked by the right hon. Member for Don Valley (Caroline Flint) during a Public Accounts Committee oral evidence session on the Cancer Drugs Fund last year. She asked why the Department of Health did not “knock the heads of the SHA’s together to ensure that there was some sort of common collection of data”, instead of just recommending it. Fortunately, NHS England and Public Health England have resolved the problem—today, every new Cancer Drugs Fund patient is automatically identified on the systemic anti-cancer therapy database—but five years to fix a problem is far too long, and a failing of the fund.

Although data outcomes are now mandated, the rate of return has been far from perfect. In 2014-15, many records lacked important data. Most shockingly, 93% of patient records submitted did not have an outcome summary. Will the Minister inform us whether there will be penalties for trusts that consistently fail to produce the required data on cancer treatments?

The lack of data collection also undermines efforts to establish whether the price paid for drugs is equal to their outcomes. As the chief executive of the NHS admitted himself, the NHS has not been good enough at negotiating a price for drugs. Many drugs have been delisted because they were deemed too expensive. The drug Innovid, which would benefit my constituent Graham, costs the NHS £115,000 a year, compared with £90,000 in Spain.

The failure to negotiate the best price was demonstrated by the fact that when threatened with removal from the list, some manufacturers were able to offer a lower price for their drugs. I understand that Innovid was already offered at a discounted price, but I cannot blame drug manufacturers for not immediately offering the lowest price that they can afford. They need profits to use on research and development and to show value for their investments. Will the lack of positive outcomes from the price negotiations be addressed in the new CDF proposals? Also, can the Minister provide information on the number of negotiations between NHS England and drug manufacturers that have been positively resolved, and which drugs they relate to?

The new Cancer Drugs Fund proposals aim to distribute more evenly the financial risk of placing a drug in the fund, but the Rarer Cancers Foundation strongly suggests that the NHS has not been flexible in negotiating with pharmaceutical companies on value propositions for treatments in the fund. Can the Minister confirm whether NHS England rejected multi-treatment cost reductions from drug companies because they would have fallen outside NHS England’s standard operating procedure? Likewise, from evidence given to the Public Accounts Committee, it is clear that some companies have offered financial schemes stating that if the medicine does not work as expected, its cost will be returned to the NHS, but have been turned down in favour of straight discount schemes. Together, such schemes would offer a win for the taxpayer and would have allowed more drugs to be made available for the fund.

My final comments concern the proposed reforms of the appraisal process for drugs on the fund, which under current plans will be put solely in the hands of NICE. The proposal is that the CDF should become a managed access fund for new cancer drugs, as my hon. Friend the Member for Solihull (Julian Knight) mentioned, with clear entry and exit criteria. It would be used to enable access to drugs that appear promising but for which NICE indicates that there is insufficient evidence to support a recommendation for routine commissioning. At the end of the period, the drug would go through a short NICE appraisal, using the additional evidence.

For those looking for treatment for rarer cancers, such as myeloma, there are a number of questions about the new proposals that need to be addressed to ensure access to new treatments. As I understand it, under the new proposals, only a limited number of patients will have treatment funded through the CDF, and the industry is expected to fund additional patients. The consultation sets out NHS England’s proposal to limit funding for each drug on the CDF to the number of patients required to be treated in order to gain further evidence for use in NICE appraisal. The consultation is not clear what data NICE might require to be gathered during the CDF funding phase or the indicative size of patient populations. It is therefore difficult to assess whether the proposals would result in more or fewer patients getting access to treatment than the current arrangements.

What consideration is there of drugs for rarer cancers, which will have smaller patient pools creating only a small amount of data? Does the appraisal process have flexibility for such drugs? It is not clear whether pharmaceutical companies will be willing to fund patients for the 24 months required to allow data to mature if they think the likelihood of NICE approval at the end remains small. That could result in patients losing out once again on innovative treatments, or a situation in which drugs are put on the fund list and taken off in 24-month cycles, leading to uncertainty for patients about which drugs they have access to, just like the uncertainty caused by the current delisting.

I would like reassurances from the Minister that patients seeking treatment after the number of patients required to be treated in order to gain further evidence has been reached will not be denied treatment given to others in their situation. Does he believe that the changes to the NICE process outlined in the consultation are sufficient to ensure that more cancer treatments will receive positive NICE recommendations? Patients should be at the centre of any new decisions about the fund. Finally, I ask the Minister how the views of patients will be given greater weight in the new CDF arrangements.

David Mowat (Warrington South) (Con): I have been listening carefully to my hon. Friend. Does she agree that the crux of the matter is that the NICE evaluation criteria for those sorts of drug have not been adequate? The whole genesis of the Cancer Drugs Fund is in a
failure of NICE. We need to get the NICE criteria right; then we would not need a drugs fund in the current format.

Pauline Latham: My hon. Friend is absolutely right. NICE has not done what it should have done. I hope that the Minister will be able to rectify that failure in the system.

Resolving data collection issues, negotiating value for the taxpayer and making the NICE assessment process flexible for innovative new drugs and drugs designed to treat only a small number of patients are vital for the fund to work successfully when it re-launches in April. Will the Minister please look again at the delisted drugs and give hope to people such as Graham that they can spend longer with their loved ones? Failing to do so will not help those whom the fund is designed to help most: cancer patients and their families.

Mr Gary Streeter (in the Chair): Colleagues, we have 40 minutes until the winding-up speeches begin at 3.30, so we are looking at six-minute speeches, by voluntary submission. I will call Jim Shannon first, as he has to go and chair an important all-party parliamentary group; I hope that colleagues will accept that. He has promised to speak for no more than five minutes.

2.49 pm

Jim Shannon (Strangford) (DUP): Thank you, Mr Streeter. You have put me on a sticky wicket. I congratulate the hon. Member for Mid Derbyshire (Pauline Latham) on securing this debate. It is good to be here and to be involved. About six months ago, I had a similar debate on the availability of cancer drugs, at which I think she was present. We hoped that six months later we might be back to say that things were better or had advanced, but unfortunately that is not so, or not in the way that we would like.

I would just like to mention the many organisations that are helpful, because every one of us will have some cancer organisations close to their heart. Mine are Cancer Research UK, Macmillan Cancer Support and Marie Curie, because I have a very good friend, Irene Brown, who is terminally ill and she is in the Marie Curie centre in Belfast. The treatment that Marie Curie gives is second to none, and people only have to be there to be part of that family that helps.

The Macmillan charity says that 2.5 million people in the UK were living with cancer in 2015. It says that 5% of our total adult population are affected, which shows the problem is enormous. For many of us, cancer is not simply something that others talk about; it is something that affects each and every one of us every day. My father was a survivor of cancer on three occasions. I put that down to the skill of the surgeon, the prayers of God’s people—something that many of us here would understand—and the care of the nurses. He survived and lived for another 36 years, dying just last year, at the ripe old age of 85. The marvellous steps that modern medicine has taken are fantastic.

Moves such as the removal of drugs prevents thousands of cancer sufferers across England and Wales from being able to access the quality treatment they deserve. Thousands of people are disadvantaged, thousands of people lose out and thousands of normal people are in despair. That is the reality of not having access to cancer drugs. I do not know what it is, but I have more people coming to my office suffering from cancer than I can ever recall. I know that there is a 50% survival rate today for those with cancer, which is fantastic—but I see more people with cancer than ever before. I am not sure whether it is due to diet or lifestyle, or whatever it is, but cancer is certainly a greater issue for me than ever.

David Simpson (Upper Bann) (DUP): We understand that, from April, NICE will have the overall say on what drugs and treatments people will receive. We know that we have to be prudent with money, but surely finance should not be the overriding factor when it comes to people’s lives.

Jim Shannon: I thank my hon. Friend for saying that. Over the last few months and before Christmas, I had the opportunity to meet some of the pharmaceutical companies, and I have to say—and to be careful what I say—that they are not terribly happy with NICE and how it has responded to them. Some of those pharmaceutical companies have reduced their prices and still NICE does not respond in the positive fashion that we would expect it to. That is one of my concerns, certainly.

I would put Queen’s University Belfast up there as one of the universities working in partnership with medical companies, including companies from China and from across the United Kingdom. The partnerships that the university has developed and the innovative drugs that it is coming up with, as well as the investigations and trials that take place there to find new drugs, are impressive. We have new developments in Northern Ireland in cancer research, and we need to see a national strategy. Perhaps the Minister could respond to that point—let me apologise to him again, having already done so beforehand, for not being here for his response to the debate.

My party colleague Simon Hamilton is a Member of the Legislative Assembly and the Minister for Health, Social Services and Public Safety. Health is a devolved matter in Northern Ireland. We have a number of Members from Northern Ireland—there are five here today—which shows the interest in this issue in Northern Ireland. Simon Hamilton has taken the initiative to release £1.5 million to fund specialist cancer drugs. That will allow some of the NICE-approved cancer drugs and treatments to go ahead this year.

That move in Northern Ireland will go some way towards enabling the health service there to reach the cancer target. Each move in Northern Ireland, 23 people are diagnosed with cancer and 11 people die of it. There were more than 331,000 new cases of cancer in 2011 across the United Kingdom, and 161,823 deaths from cancer in 2012. The enormity of cancer—how it afflicts people and how many people die—cannot be underestimated.

The latest delisting of drugs from the Cancer Drugs Fund looks like a step back rather than a step forward in the fight against cancer. I know that we cannot be completely resistant to change—the Minister knows that and, as elected representatives ourselves, we also know it. If drugs are proving ineffective, they should be delisted, but at the same time, if drugs are effective, let us get them on the list and make them available to those who need them most. We should be here to commend, I hope, the addition of a new form of effective treatment.
To conclude—I am very conscious of what you said earlier, Mr Streeter—the hon. Member for Mid Derbyshire mentioned Abraxane, and here is the postcode lottery. Those living in Northern Ireland do not have any access to Abraxane whatsoever. Those living in England had access to it in March 2014, but not now. People in Scotland have had access to Abraxane since January 2015 and will still have it. In Wales, people have been able to access it since September 2014, but now it looks like that might be affected as well. That is the postcode lottery for cancer drugs. It is completely unacceptable, and I commend the hon. Member for Mid Derbyshire for securing this debate.

2.54 pm

Julian Knight (Solihull) (Con): It is a pleasure to serve under your chairmanship, Mr Streeter.

I congratulate my hon. Friend the Member for Mid Derbyshire (Pauline Latham) on securing this debate. She asked many pertinent questions that I will be very interested to hear the answers to today.

First, let us look at some good points for a moment, before I give what is quite a Solihull perspective on this issue. This is a unique fund in the NHS—it is the only one of its type. I believe it was originally intended to run until March 2014, with a projected budget of some £650 million. To date, spend has been around £960 million and 84,000 people have been treated under this fund, which is a real positive. This year alone, the spend will be £340 million.

In the main, therefore, policy makers have ensured that resources have been in place. However, perhaps at times the allocation of those resources has not been of the best. As my hon. Friend mentioned, the most recent assessments have seen 23 drugs being delisted, including Abraxane. Innovid, which was particular to the case of my hon. Friend’s constituent, has also been delisted.

During the recent election campaign and since, Solihull’s breast cancer care group has been in regular contact with me about this issue and more widely about cancer treatment in the NHS. Hon. Members will be aware of the great sensitivity in my constituency about such issues, because unfortunately the rogue surgeon—Mr Paterson—carried out his work in the Solihull area.

Many of the botched operations have added to the misery of my constituents and their cancer has been made far worse by his activities. Many people are still waiting for compensation and justice. However, what Solihull’s breast cancer care group and other patient groups in Solihull want is for the Cancer Drugs Fund to stay, and to be fair and transparent in its dealings. They do not want the fund to wither on the vine, but neither do they want it to become a free-for-all for drug companies. They understand that in a market we have to try to get the best possible price.

That is an important point, and I understand that there are still negotiations under way about all the drugs removed from the fund. Manufacturers have an opportunity to reduce the costs to the taxpayer. However, as my hon. Friend has pointed out, it is unfortunate that there are concerns about the negotiation process. Like my hon. Friend, I welcome the fact that data on every new Cancer Drugs Fund patient are now captured—it is quite an oversight that that was not the case before—but I am concerned at the failure to adequately negotiate good deals for drugs, particularly those to treat rare cancers, so I would add to her calls in that respect.

There are some other aspects of the Cancer Drugs Fund that need to be emphasised. I have been told that patients who are already in receipt of treatment should be able to continue with it. Individual funding requests are an option; however, as many Members present have probably discovered, they can often be ad hoc and very difficult to secure. I emphasise that point again to Ministers today.

Policy makers have to be careful that the Cancer Drugs Fund does not become a hostage to fortune to the drugs companies and their lobbyists. There must be sensitivity as well. The Cancer Drugs Fund is precious. I am concerned that although 84,000 people have benefited from it, there are 1,700 patients with blood cancer who may miss certain treatments because of the removal of the drugs. The top 10 drugs, it seems, account for 71% of all patients treated. However, there seems to be a black spot when it comes to rarer cancers and drugs that are more difficult to acquire.

There are options for change for the Cancer Drugs Fund. As has been pointed out, NHS England has proposed that the fund should become a managed access fund—effectively, providing drugs in advance of NICE deciding whether or not they should be routinely available. However, my hon. Friend has quite rightly raised issues in that respect.

In conclusion, whatever the future direction of the Cancer Drugs Fund, let us not forget that thousands of people are alive today and thousands of families still have their loved ones because of its advent. We must not lose sight of what the Cancer Drugs Fund has achieved. We must protect those achievements for the future, but be very mindful of the case laid out by my hon. Friend.

2.59 pm

Nic Dakin (Scunthorpe) (Lab): As ever, Mr Streeter, it is a pleasure to serve under your chairmanship. I congratulate the hon. Member for Mid Derbyshire (Pauline Latham) on securing a debate on this important subject; she has tirelessly raised the issue of access to cancer drugs, particularly those to treat rare cancers, so I would add to her calls in that respect.

In the main, therefore, policy makers have ensured that resources have in place. However, perhaps at times the allocation of those resources has not been of the best. As my hon. Friend mentioned, the most recent assessments have seen 23 drugs being delisted, including Abraxane. Innovid, which is particular to the case of my hon. Friend’s constituent, has also been delisted.

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my hon. Friend the Member for Torfaen (Nick Thomas-Symonds) emphasised, pancreatic cancer is often diagnosed late, with about 80% of diagnoses taking place when the disease has spread to another part of the body. Patients diagnosed when the disease is metastatic live, on average, for just two to six months.

Trials have shown that Abraxane, when used in combination with the standard chemotherapy drug gemcitabine, can extend eligible patients’ lives by an average of about two months more than gemcitabine alone. However, it is important to note that some patients live for significantly longer than two months, with some on the trials living for more than two years, and with a significant increase in the number surviving for more than one year. Clearly, when the average survival rate is between two and six months, even an extra two months’ survival gain represents a relatively large amount of time for patients to spend with their loved ones, and the value of that was indicated earlier.

That survival gain is why Abraxane is now in use around the world. From Germany to the USA, and from Austria to Australia, it is making a small but tangible difference to patients. It is worth noting that Scotland and Wales have also approved Abraxane for use on the NHS. Yet, in England, as of 4 November, it is no longer available to new patients, creating a devastating postcode lottery, as the hon. Member for Strangford said.

There has been a significant outcry from members of the public—people such as my constituent Maggie Watts who lost her husband, Kevin, to pancreatic cancer in 2009, and the 102,900 people who signed her petition on Change.org calling for Abraxane to be put back on the CDF list.

Why was Abraxane removed? Unlike some other drugs, it was not removed because of cost. Instead, it was decreed that it did not meet the minimum clinical effectiveness threshold when that was raised in 2015. In short, it was removed because the CDF scoring system did not take account of relative survival gain. The scorecard CDF panel members must complete requires them to give a score of zero to a drug that gives an average of less than three months’ life extension. Despite the absence of sufficient data, the system could make a big difference to patients in England if it were introduced for certain pre-defined cancer types, such as rare cancers—the hon. Member for Mid Derbyshire mentioned the failure we have seen in that respect—and cancers of unmet need with the lowest survival rates.

3.5 pm

Jo Churchill (Bury St Edmunds) (Con): I thank my hon. Friend the Member for Mid Derbyshire (Pauline Latham) for calling a debate on an issue that is important not only to me and several of my constituents, but to the broader population.

The Cancer Drugs Fund is not fit for purpose. As the chief executive of Cancer Research UK, who chaired the independent taskforce that looked into the fund, pointed out, we have several problems. First, curative treatments cannot be accessed readily enough. Also, insufficient data are collected in the system to prove the benefits of drugs and their effectiveness for patients. Although we welcome the data collection that is taking place now, it is a little too late.

We continue to lag behind other countries in cancer recovery rates and appropriate prescribing. Indeed, 20% of cancer patients present at our accident and emergency wards, and the later a patient presents, the poorer the outcome. As the hon. Member for Scunthorpe (Nic Dakin) said, certain cancers, such as pancreatic cancer, are devastating in the speed with which they attack the individual.

It must be remembered that the Cancer Drugs Fund is unique: cancer is the only condition with a dedicated fund. My constituents and I welcome the Prime Minister’s support, but I am a little concerned that cancer is being labelled as a special disease. My surgery often includes patients with other diseases, and we must look across the piece. My concern is that we should have a road map from the accelerated access review so that we can learn how to drive forward advances not only for cancer, but for all areas of medicine. Standing in this hall takes me back six months, to when I first spoke here, about a constituent’s access to the rare-disease drug everolimus.

In a system that is challenged financially, we need to be very sure that any drug for whatever illness is effective and offers value for money. Within that landscape, the CDF has gone from its original four-year spend of £650 million to a six-year spend of £1.27 billion. It could be argued that it has been a victim of its own success.
With improved access to medicines for nearly 80,000 people, but with ever-increasing need and demand, it is right that the Cancer Drugs Fund should sit alongside the cancer strategy as part of the entire commissioning pathway. Non-surgical cancer treatments such as drugs can and should be incorporated into a treatment package of surgery and radiotherapy to deliver an integrated and effective approach. There is a need for radiotherapy machines right across our hospitals, because they deliver extremely high survival rates for cancer patients. We therefore need to be careful about these issues.

For me, the rub has been the lack of thought given to the removal of drugs, and like my hon. Friend the Member for Mid Derbyshire, I have been approached on this issue by constituents—particularly those suffering from pancreatic cancer and, given my history, those with breast cancer. A review in September led to 23 separate treatments being removed from the Cancer Drugs Fund, before we understood what the new horizon will look like for the charities and pharmaceutical companies, how the pathway will progress and whether we have a solution to ensure that our constituents can access drugs. In short, this removed the clinical choice from doctors and, more importantly, from patients. Those patients are my constituents and friends. With the loss of Imnovid and Revlimid—the two drugs for myeloma—and the removal of breast, bowel and pancreatic cancer drugs for all those patients, life suddenly became less certain. A new CDF should have clear entry and exit levels for promising drugs. It needs to be a trial area, and defined as such; if, as proposed, it is to be brought into NICE, we need answers to some of the questions that other hon. Members have asked about how the Minister will hold NICE to account. In the cancer drug future, once a drug was approved it would be made available for routine use and would go into baseline commissioning. That would take some of the fear about whether someone would get it out of the system.

What remains to be seen is whether new drugs will have to meet the current inflexibilities of the cost-effectiveness criteria. That is a concern for cancer charities and pharmaceutical companies, which predominantly have the care of the patient, and patient outcomes, at their heart. To deliver cost-effective and timely treatments, as the hon. Member for Strangford (Jim Shannon) pointed out, we need a flexible new system. The NICE appraisal process is slow and unwieldy. It should be flexible enough to cope with new cancer drugs and—the Minister is aware of my interest in this—off-patent and repurposed drugs, which can also be effective in the area in question. That is about gathering and delivering the data on the patient for the patient, to allow drugs to be recommended and prescribed, or to make it possible to return to an individual pathway for a funding request. However, that merely sends us back to where we are today—people not knowing whether they will get the drug or not.

The irony of our system is that with the vibrancy of our life science industry, drugs are often readily available in Europe or Scotland before patients in England and Wales can access them. That is the bigger problem. We have improved one-year survival rates in the UK, but despite that we lag behind many other countries and our five-year survival rates have shown little progress. More must be done. In the world of pharmaceuticals and, more importantly, genomics, advances are happening at pace. We need a space where we can trial medicines for use not only in big cohorts but for rarer cancers and diseases. We need a landscape that will allow for the personalised medicine that is coming down the tracks to us. Cancer will not wait for NICE. Nor will it wait for the patient. I know: I have been diagnosed with cancer and pre-cancerous tumours on several occasions. That is why I challenge the Minister on behalf of other cancer patients and my constituents in need to ensure that the CDF delivers reforms that will improve patient access to effective cancer medicine.

3.13 pm

Ms Margaret Ritchie (South Down) (SDLP): It is a pleasure to serve under your chairmanship today, Mr Streeter. I join other hon. Members in congratulating the hon. Member for Mid Derbyshire (Pauline Latham) on securing a debate on a vital issue at such an important time.

No one is unaffected by cancer, and I am sure every Member present will know of a constituent who has had their cancer treatment improved by access to specialist drugs. However, particularly in light of recent decisions, I am sure that we all know stories of constituents and family members who have not had access to the drugs they need, and who have, sadly, suffered as a result. That is why we are here today to discuss this important subject.

There are many who believe that, wherever they live and whatever their age, cancer patients—and there are many different types of cancers—should be able to access clinically effective, evidence-based treatments in a fair, consistent, timely and transparent way from the point of diagnosis. It is therefore deeply regrettable that, given that the Cancer Drugs Fund was already scheduled to come to a close this year, additional funding could not be found to provide the 16 medicines that were delisted last September, at least until a more effective commissioning system for cancer drugs was put in place.

Of course, difficult decisions will always have to be made about the allocation of finite resources, but this has been a particularly hard blow. It is difficult to describe how it must feel for someone to be diagnosed with cancer and then told, as the hon. Member for Mid Derbyshire described, that the life-extending drug they need was funded yesterday but will not be funded today. I take on board the issues about pancreatic cancer, which is one of the severest forms. In fact there are many forms within that spectrum. I note particularly that it was not necessarily resources that were the issue: it was to do with clinical commissioning and clinical effectiveness, and drug trials. Many people who are desperately in need of help and access to drugs, and who feel very unwell, are at the mercy of wider decisions that are part of the NICE agenda and the wider Government agenda.

We may not find ourselves in that position deliberately. However, the Rare Cancers Foundation estimates that it will have been the experience for thousands of patients across Britain and Northern Ireland, and I feel that that suffering should be put on record in our debate today. It is, at the very least, a dire indication of why commissioning reform is needed so badly. It is not too late for the
Government to provide the additional support needed to give relief to the patients who are being denied access to life-extending drugs, but, given that such an announcement is unlikely, I shall turn my attention to the ways in which a new system can be designed, to ensure that the same mistake will not happen again.

The funding given for cancer drugs, whether through a Cancer Drugs Fund or a special medicines fund, must be sustainable and well co-ordinated, and should work alongside comprehensive support for treatment and wider health infrastructure. On that basis, the review of how the Cancer Drugs Fund works with NICE should also consider how specialist drug support can be co-ordinated with more localised radiotherapy, chemotherapy and surgery options. Integrating the Cancer Drugs Fund with the NICE system creates an opportunity to address broader issues within the NICE commissioning process, offering the potential remedy for long-standing issues such as access to necessary specialist drugs.

I will mention by way of background, given that I represent a Northern Ireland constituency, a difficulty that we sometimes have. Many specialist drugs are trialled at Queen’s University Belfast, but because of the commissioning process they are not available to our constituents in Northern Ireland. They have not yet been commissioned, or they are commissioned for England and Wales but not necessarily for Northern Ireland. Therefore I urge the UK Ministers responsible for the issue to engage fully with their counterparts in the devolved Administrations, including Northern Ireland, to make sure that the issue is considered fully, and to turn the potential danger into an opportunity to improve both the NHS and access to specialist drugs. I hope that today the Minister, whom I am glad to see here, will provide us with some form of resolution, and a panacea that will bring relief to many people throughout the UK who are suffering from any of a wide variety of cancers, and particularly sufferers of rare cancers.

3.18 pm

Danny Kinahan (South Antrim) (UUP): I too thank the hon. Member for Mid Derbyshire (Pauline Latham) for obtaining the debate. I feel that I am the most inexperienced of the Members present on this subject, having never been on a health committee, but having been lobbied hard; but I lost my sister some 25 years ago, and I know that everyone has either lost a family member to cancer or knows someone who won, and was cured.

There is a key thing to get across today. Every MP needs to realise the limitations on funding and what we are learning, so that we can all lobby, and help to find a better way forward. I was particularly impressed when President Obama said he wanted all cancers to be cured. I am not sure that that will always be possible, but it is the right aim with which to go forward.

As I have been trying to learn about, and get myself briefed on, the topic, I have realised that we need a more dynamic and flexible approach to what we are doing. It is right to have a fund that allows everyone to get to it, but we must find a way in which everyone does get to it—towards the drugs. Taking drugs off the list seems to be the wrong way forward. Can we look for some form of flexibility, so that with drugs that have been removed there is perhaps a different way of getting at them, one step back?

I had two main reasons for wanting to speak today. One, which has been touched on by my colleagues, is the difficulty that comes from Northern Ireland being treated as a devolved country with its own cancer. As we have heard, only £1.5 million is being put forward and the cost of cancer is a phenomenal chunk out of a small budget. People often have to travel elsewhere in the UK to get the drugs and the cures they need.

One such case is this. I was sitting on a train once—before I ended up here—listening to two Northern Irish people speaking loudly about how useless all politicians were, not just here but also in Northern Ireland, because no one had helped them with their cancer. I interrupted them, and it turned out that a politician from the Social Democratic and Labour party was the only person who had, in fact, helped them. One of them had had to sell his house and use all his savings to get the cure he needed, which was available only here in London. My main point is that we have to find a more joined-up way of doing this, so that the drugs are available for everyone, everywhere. Can we consider an approach that includes all four countries?

We have heard from others that we have an extremely good Queen’s University link-up with Almac and with other countries, and we also have, in my patch, Randox. We have fantastic pharmaceutical companies leading the way in Northern Ireland. However, it was from a meeting with one of those companies that a story we have touched on today emerged. The company tried to sell the diagnostic system to our local NHS, but it could not. It sold it to a company in America, which repackaged it, and the Northern Ireland health service then bought it from that company for an extra few million. We have heard about the difference in costs between Spain and Britain. There must be a system for looking at the procurement process, to ensure that we are more dynamic in how we buy things, so that the drugs are there and available to everyone.

Those are the two main points I wanted to make. Let us work it all together and get a better use of drugs. I am glad that we have had the debate today, and I am thankful for having had the chance to speak.

Mr Gary Streeter (in the Chair): Thank you, colleagues, for your co-operation. We now turn to our winding-up speeches, and it is a pleasure to call first, for the Scottish National party, Marion Fellows.

Marion Fellows (Motherwell and Wishaw) (SNP): It is a privilege to serve under your chairmanship, Mr Streeter. I thank the hon. Member for Mid Derbyshire (Pauline Latham) for securing this important debate. I will give the debate a more Scottish context.

For patients with a life-threatening or highly symptomatic illness, getting access to the best treatment is crucial. Living with a condition that has no cure or treatment is difficult, but knowing that you or your loved one is denied access to an available treatment is intolerable. Our biggest problem is accessing new drugs, which are often very expensive and above the limit set for NHS access by the National Institute for Health and Care Excellence—NICE—or its Scottish equivalent, the Scottish Medicines Consortium, the SMC. That results in delayed access to new treatments and, as has been mentioned, it appears to contribute to the UK’s poor cancer outcomes.
by comparison with other countries. The issue is even worse for those with rare diseases, because the commercial imperative to develop a drug in the first place is weaker, due to low patient numbers.

There is also frustration for clinical researchers who enter patients into trials that lead to a drug’s development in the first place. The UK, and particularly Scotland, punch above their weight in the active recruitment of patients into drug trials for diseases such as cancer. Patients may benefit from gaining access to the new treatment during the trial but, once the trial has been successfully completed, new patients do not get that opportunity, which is demoralising and could undermine research efforts in the future. Some of the drugs that have been researched over the years are now being removed from the list in England.

Once a new drug has gained a licence, NICE and the SMC carry out their assessments. In Scotland, however, the SMC utilises the evidence gathered to carry out just a brief review, with the emphasis being more on the drug’s effectiveness. Cost comes after that.

There are three major differences in the access systems north and south of the border. While both have drug access funds, in England the fund is only for cancer whereas in Scotland it is for any new drugs and rare diseases.

The Cancer Drugs Fund in England, which was meant to be temporary, has enabled patients to access new cancer drugs that would otherwise have been unobtainable. It has now been running for five years and some drugs are being excluded on cost grounds. In Scotland, after a review in 2014, the SMC established the patient and clinician evaluation, which allows reconsideration of a drug while taking into account the wider experience of it and capturing input from patients and clinicians. That gives patients a voice.

Sir Oliver Heald: Abraxane fails the test of three months’ effectiveness, but it is useful in producing two. Why is it that the Scottish system allows Abraxane? Will the hon. Lady give us a bit more of an understanding of that? I would like to see the drug back on the list, and if the Scottish system is a way of doing that, it might be worth looking at.

Marion Fellows: I thank the hon. and learned Gentleman for his intervention. He has asked me something that I cannot answer definitively at the moment, because I am not a clinician. I am, however, more than happy to come back to him on that. I know that PACE—the patient and clinician engagement group—has done some development on it, but I would like to give the hon. and learned Gentleman a fuller answer and I can do that later, if he agrees.

Sir Oliver Heald indicated assent.

Marion Fellows: Where cost is a factor in prescribing drugs it is important that we consider ways of lowering it. The pharmaceutical price regulation scheme could be used. When a drug’s spending threshold is reached, a rebate is paid. In England, it goes back to the Treasury but in Scotland it goes on to further new drugs.

The delisting of cancer drugs because of cost causes untold heartbreak to patients and families—the very people we all represent—and the time has come to find a way of making new drugs accessible to, and affordable for, the NHS by considering arrangements such as multi-year budgeting, which would allow for a lower initial price. Pharmaceutical companies would hopefully be open to that in exchange for getting their drug into use at an earlier stage.

It is important to understand that drug companies fund drug development research for years before they even know if the drug is worth licensing. Many potential drugs fall by the wayside and, as the public purse would never be able to fund such a level of risk, it is necessary that pharmaceutical firms see a return on their investment, to secure ongoing research. That goes back to why some drugs are delisted because of their cost. However, there must also be recognition of the support provided by universities in Northern Ireland and Scotland, and in England, which get Government funding to help towards researching new drugs.

Off-patent drugs can also be used in cancer treatments, usually through repurposing. It is important that we consider that, as it could also lead to a cost—[Interruption.]

I am sorry, I will just wind-up my speech. Some of the barriers to treatment can, however, be broken down through negotiation between all interested parties. The aim would be a system that worked equitably for all stakeholders, from patients, doctors and the NHS to Governments and the pharmaceutical industry.

Mr Gary Streeter (in the Chair): As a Front Bencher, the hon. Lady has 10 minutes if she wants them, so she should need not rush her important peroration.

Marion Fellows: It is fine. Thank you, Mr Streeter. I managed to get through my speech, with a rush at the end.

Mr Gary Streeter (in the Chair): Thank you very much. I call Andrew Gwynne.

Andrew Gwynne (Denton and Reddish) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I congratulate the hon. Member for Mid Derbyshire (Pauline Latham) on securing this important debate and on the depth of knowledge she has demonstrated. We might not share the same political allegiances, but we share a commitment to improving the lives of people affected by cancer, as do all Members—those who have contributed to the debate and all those in the House of Commons. The nature of the cross-party debate we have had today stands as a testament to that. I thank my hon. Friend the Member for Scunthorpe (Nic Dakin) and the hon. Members for Strangford (Jim Shannon), for Solihull (Julian Knight), for Bury St Edmunds (Jo Churchill), for South Down (Ms Ritchie), for South Antrim (Danny Kinahan) and for Motherwell and Wishaw (Marion Fellows) for their contributions too.

Cancer transcends party politics. Each and every one of us has had a constituent, family member or friend affected by cancer. It is a disease that sadly touches us all, and it deserves the proper attention of the House of Commons. It is because it transcends party politics that I commend the Government on introducing the Cancer Drugs Fund during the last Parliament. Patients have benefited significantly since the fund’s introduction, and that has to be welcomed. However, we are here today because the progress over recent years to improve access to cancer drugs is now partially at risk.
The Government introduced the Cancer Drugs Fund, but they are now sadly presiding over damaging cuts to the treatment available through it, as we have heard in the debate. At the general election, the Conservatives promised to continue to invest in cancer drugs, but less than six months later they announced that a number of treatments would be removed from the fund, meaning that they would no longer be routinely available to patients.

That will have a tragic human cost for cancer patients. Indeed, the Rarer Cancers Foundation has calculated that the reductions could affect as many as 4,100 cancer patients every year. Members from all parts of the House have expressed significant concerns about the impact those reductions will have on all our constituents.

Many important points have been made during this debate, but I would like to add a few of my own. First, can the Minister, whom I have a great deal of respect for, tell us what support is being made available to patients who will now miss out on treatments that have been removed? Will he promise that this is the last time we will see cuts of this nature? The sad truth is that the cuts were an inevitable consequence of an abject failure by Government to fix the drugs pricing system. The Cancer Drugs Fund was always meant to be a temporary measure, but the inability to implement value-based pricing and then value-based assessment during the last Parliament has to some extent led us to the situation we are in today. Cancer Research UK has said that it is “unacceptable that after five years of conversation, there still isn’t an effective solution in place,” and I agree. We need a better system of drug pricing that is fair for patients and has the confidence of doctors. At the moment, patients are being badly let down.

Before the election, Labour promised to reform the Cancer Drugs Fund to make it a cancer treatment fund and end the bias towards certain types of treatment. We also promised reform of NICE to ensure a clear route for new treatments to be made available on the NHS. Nobody wants a return to the days when people’s access to treatment was determined by the first two characters of their postcode. Unfortunately, however, the latest promise of reform of the Cancer Drugs Fund has been riddled with confusion and delay. Ministers said the consultation would be published in July; then September, and it finally came out in November. The consultation is expected to run until mid-February, with a new system ready to be in place by April this year. The Minister might be able to hear the scepticism in my voice about whether the Government can deliver meaningful reform of the Cancer Drugs Fund in such a short period, so will he confirm, secondly, that these are still the timescales for delivering reform? If so, will he promise us that the outputs from the consultation will deliver the change being demanded by the cancer community and not leave a half-baked solution?

Although some aspects of the Cancer Drugs Fund proposals are to be welcomed, others cause concern. Beyond some tweaks at the edges, it is not clear that NICE is proposing the fundamental changes to its processes that charities have rightly requested. Breast Cancer Now has warned that the consultation “does not offer sufficient changes to the way NICE currently operates...to allow drugs to be approved for routine use on the NHS.”

The charity has also said that it is “concerned that these proposals may result in fewer drugs being made available rather than more.”

Those are troubling comments, so, thirdly, will the Minister respond to those concerns? Can he tell us the extent to which final decisions about treatment access will differ under the reforms? Which drugs that have previously been rejected by NICE will be available?

NHS England has not published an impact assessment for the Cancer Drugs Fund consultation. Members of the cancer community have raised concerns about that with me and asked what NHS England might be attempting to hide, so can the Minister confirm, fourthly, whether NHS England has carried out an impact assessment on the proposed changes? If so, will he promise to place a copy in the Library before the consultation closes, so that Members of this House can give it the scrutiny it deserves?

Beyond the current planned changes, there are disturbing stories of NHS England refusing to discuss price cuts with drug companies, effectively leaving deals on the table that could have helped patients and the taxpayer. Simon Stevens once said that he wanted NHS England to: “Think like a patient, act like a taxpayer.”

At the moment, it is frankly doing neither. We cannot allow red tape to get in the way of what is right for patients. The reforms must create greater flexibility and pressure for both sides to get round the table and agree deals. Other countries seem to be able to make the drugs available without spending more money on their health services, which implies that they are better at striking deals, or at least are more flexible in doing so. Therefore, fifthly, will the Minister promise to intervene in NHS England to ensure it is doing everything it can to secure the best deal from industry for patients and taxpayers? Will he commit to reviewing the processes carried out in other countries for securing access to medicines and ensure that learnings from them are translated into NHS England’s new system?

It is also worrying that the drugs companies and the Secretary of State have negotiated a deal in secret that changes the drugs pricing scheme, effectively creating a half-a-billion-pound funding black hole over the course of the pharmaceutical price regulation scheme. I am fearful that that could lead to more bad news for cancer patients. I have pressed the Minister on that before, so will he tell me, sixthly and lastly, how that funding gap will be filled? Will he guarantee that the shortfall will not lead to any further damaging cuts in cancer patients’ access to treatments?

I want to end my contribution to this debate in the spirit in which I started, because this is not a party political issue. Our shared goal is an NHS that is the best health service in the world for treating cancer, but we will only achieve that if we can ensure that patients can access the most effective forms of treatment. Cancer patients need and deserve an end to the current uncertainty. We on this side of the House will stand with the Government to do all we can to ensure that cancer patients get that fairer deal.

3.39 pm

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): It is a pleasure to serve under your chairmanship, Mr. Streeter. I congratulate my hon. Friend the Member for Mid Derbyshire (Pauline Latham) on securing this debate and I thank her for the chance to discuss these important issues, which I know
are important to various Members who cannot be here this afternoon. I thank colleagues of all parties who have spoken. It was particularly powerful to hear the personal perspective of my hon. Friend the Member for Bury St Edmunds (Jo Churchill), who is a cancer survivor. I pay tribute to the work of Myeloma UK, Cancer Research UK, Macmillan and the other charities that have done, and continue to do, so much work looking after patients and supporting policy and research. As colleagues know, I am passionate that charities should have a bigger role to play in policy making. I have opened the Department’s door and invited them to come to the top table.

Few families in the country are untouched by cancer, and I am no different. My father died of throat cancer when I was 19, 18 months after I had met him. My mother-in-law died of myeloid leukaemia a few years ago. The family, like so many families, had to watch her go from a wonderful and healthy, vibrant grandmother to a corpse in 12 to 15 months. It is a tragedy when it happens, but the truth is that our generation has lived through the most extraordinary advances in cancer. Certainly in my childhood it was a death sentence. One sat in the back of cars as a child and heard parents discussing in hushed tones that somebody had a cancer diagnosis, which meant they would die. Now that has changed: 2 million people live with cancer and it has become a treatable disease. In some cases, it has become a preventable disease. That is why it is such a pleasure to see my hon. Friend the Member for Bury St Edmunds here. Many others in the country today work and live with cancer. It is a stunning tribute to the success of our life sciences sector and our academic and clinical scientists.

My hon. Friend the Member for Mid Derbyshire talked about Tina and Graham and their experience of cancer. We should always remember—I do every day—that at the heart of difficult policy decisions there are people living with the disease. As constituency MPs and parliamentarians we need to bring that personal perspective to policy making. Certainly as a Minister I try to do that. My hon. Friend highlighted the trauma experienced by patients who, at diagnosis, think they will be eligible for a drug but find they have been caught by the timing of the CDF review, which means that the drug is tantalisingly taken away from them. We can all sympathise with that. As in all Administrations, when change comes, somebody normally gets caught at the point of change and it is very difficult. My hon. Friend also made a powerful point about data being crucial, and I accept that we need to do better on data. I have picked out those comments, but we have had excellent comments from across the House.

I want to set the context before dealing with specific questions. In the past 20 or 30 years, we have seen incredible transformations in biomedical research and in our ability to develop new treatments and diagnostics. My own 15-year career in biomedical research saw us go from the early days of genetics to extraordinary abilities to drive diagnosis and personalised therapy. One looks at Herceptin for breast cancer, a genomic biomarker theranostic partner drug. We have guaranteed that it works in patients who have that genetic biomarker. This is the future: much more genomic targeting of drugs. Genomics and informatics are transforming the way in which drugs are developed.

I arrived in the House of Commons six years ago. As a Government adviser on life sciences, I supported the Prime Minister in putting a life sciences strategy in place that built on the previous Government’s good work. We set out an ambition for the NHS to become not only a passive recipient of new therapies, but an active partner in the development of them, making available our genomic and informatics leadership and our clinical research, which is at the heart of the life sciences strategy: two cylinders pumping together, with the NHS not just as a purchaser but a partner in development.

Although we have had phenomenal revolutions in genomics and informatics and in the pace of discovery—pioneered in cancer, which is why cancer has led with this pressure on our funding mechanisms—they give rise to great challenges: rising costs of treatment; ever more expensive drugs; smaller patient catchments, which puts a coach and horses through the traditional model of reimbursement; and the end of a one-size-fits-all blockbuster model of drug discovery, which is what NICE was originally set up to deal with. Those are very big challenges and I am putting policy responses in place. However, they are also big opportunities. As the world’s only integrated comprehensive healthcare system, nowhere is better equipped in the world to unleash the power of genomics and informatics for public good. I believe Nye Bevan would be banging the table today and saying, “The NHS was about the collective use of our health assets to prevent disease. Come on! Let’s harness the extraordinary ability of our NHS,” which is what we are doing.

As we reform the way in which NICE works, there is an opportunity for us to take the lead in the development of these new drugs and new specialised therapies, and to pioneer new models of reimbursement as well. It will not happen overnight—that is the honest truth—but it will happen over the next few years. That is why we have set out a 10-year strategy, and I am absolutely honoured and privileged to be at the beginning of a five-year Parliament as the Minister for Life Sciences with a chance to drive the reforms through. That is at the heart of the accelerated access review that I have launched, which I will talk about in a moment.

I urge everyone to recognise that the Government are not complacent. We have put £250 million extra into Genomics England. We are the first country on earth to do, at scale, full genome sequencing in cancer and rare diseases. Rare cancers are particularly well served. We have led on data and informatics for research in the NHS, often at a high political price, but it is essential if we are to drive this forward. We have set up the precision medicine catapult, the cell therapy catapult and the £700 million Crick Institute. We have protected, increased and ring-fenced science budget increases. We have announced and secured a multi-billion pound drugs budget, and more on that will be announced shortly. We have set up the rare diseases consortium, the accelerated access review, the early access to medicines scheme and a £1.2 billion commitment to the Cancer Drugs Fund, so I hope colleagues will acknowledge, as some have, that we are serious about trying to both invest in and reform this space.

The Cancer Drugs Fund was set up with strong leadership from the Prime Minister. Because of the progress in cancer putting pressure on NICE’s systems,
NICE’s clinically led, world class, independent advice rejected many of the new cancer therapies that did not fit well with its scoring system, so the Prime Minister said that we must make the money available to make sure cancer patients do not suffer while we reform the system. The fund is now £1.2 billion; another £340 million was invested this year. Some 84,000 people have received life-extending drugs that they would not otherwise have got.

Andrew Gwynne: The situation is worse than described. There were drugs that NICE had approved, but the primary care trusts refused access to those treatments.

George Freeman: The hon. Gentleman makes an interesting point about the balance of responsibilities between NICE and NHS England. The system was set up so that NHS England is statutorily bound by NICE’s recommendations. Part of the problem in recent years has been that even treatments approved by NICE can take up to two, three and in some cases five years to be rolled out across NHS England. Much as we all love the NHS, we accept—even the NHS accepts—that there is a problem with patchy roll-out. That is also to do with data, which various colleagues have touched on.

David Mowat: The Minister used the words “world class” in respect of NICE, but said that its scoring system was such that drugs did not get authorised, and that many that the drugs fund included were not authorised by NICE. Those two things do not seem to be consistent. Should we not look carefully at what NICE’s criteria are, as they have done in Scotland, and make them more appropriate?

George Freeman: The answer is yes. That is why I have set up the accelerated access review, which is doing precisely that. NICE is heavily involved in contributing to setting up the reforms, giving it new flexibilities and changing the way we adopt, assess and reimburse new medicines. I meant that NICE is recognised internationally. Indeed, other countries follow its health technology assessments, and its methodology and protocols. The challenge now is to update them for a world of genomics and informatics, with a much more targeted and precision medicine landscape. I accept that in that context we are not yet world class—we have more to do—but NICE is a world class organisation. Given the chance to update its systems, I believe it will lead the world in that field.

In the autumn statement we fully funded the NHS’s five-year forward view, including its cancer strategy, with a commitment to £10 billion extra per year by 2020. We frontloaded that with £6 billion, as was asked for, to allow it to make the investments necessary to modernise. That is a half-trillion pound commitment to spending on the NHS over this Parliament, so I gently point out to the shadow Minister, the hon. Member for Denton and Reddish (Andrew Gwynne), that to describe that as a cut is testing the admirable elasticity of the English language.

On the importance of NICE and independent, clinically led decision making, much as at times like this I yearn to reach for a big lever, pull it, make a decision and send hon. Members out dancing and cheering and send patients home happy, I think we all understand that it is right that such decisions are not taken by MPs or Ministers; they must be taken by clinicians, based on the very best evidence from the very best independent advice. That is how this system works: NICE makes an independent judgment using the very best systems available to it. I take the point made by my hon. Friend the Member for Warrington South (David Mowat) that that needs to be, and it is being, updated to give NICE more flexibility to reflect the challenges of precision medicine—treatments that have a very definable, predictable response in a very small number of patients. NICE’s advice goes to NHS England, which makes the clinical judgment about treatment protocols. It is right that the Cancer Drugs Fund is based on that clinical decision making.

Nevertheless, there is an anomaly. Although we expect NHS England to be guided by NICE, in one therapeutic area, with the best of intentions, we have created a fund that sits at the end of the process, so that NHS England has a fund to buy drugs that NICE has said no to. That is an anomaly in the system. The point of the review is to take the CDF commitment to fund earlier, so that NICE can use it as an assessment fund to enable it to look earlier in the process at new drugs that are coming on stream and then give NHS England advice. That is in keeping with our general policy of opening up a space between research and medical practice in which we use data from the front-line treatment of patients and from the system to inform our procurement and reimbursement system.

Rather than “finger in the air” theoretical models of health-economic benefits, we are within touching distance of a system that is able to use real data in realtime from real patients with real diseases to drive real models of cost-benefit and health economics, and we are trying to wire the system in order to deliver that exciting prize. Members will understand that, where funding is finite—£1.3 billion is a big commitment, but it is finite—the system must re-prioritise which drugs it purchases. That is difficult for those who are in the process of getting a diagnosis and expecting a treatment that is then withdrawn, but I stress that no patient who is in receipt of a treatment that is withdrawn has that treatment withdrawn from them specifically. If they are getting a drug, they continue to get it.

My hon. Friend the Member for Mid Derbyshire mentioned pomalidomide, a drug used to treat relapsed multiple myeloma. The CDF clinical panel looked at it, reviewed it, and, based on its independent, best-in-class assessment, the score was too low so the panel recommended that it not be approved. As I understand it, NICE is currently looking at other treatments for multiple myeloma, including panobinostat. I checked with NICE before the debate, and can say that final guidance on that treatment for that condition is imminent.

I remind Members that any patients receiving drugs continue to be treated, and that no drug will be removed if it is the only proven therapy available on the NHS. Sometimes in debates such as this we give the impression that we are taking away a drug, patients will stop getting it, and patients who have no other treatment will be left without treatment. That is not what happens. We should remember that there is an individual funding request mechanism—the IFR—for patients with exceptional conditions that are not met by other drugs. That is there specifically so that if any constituents have a unique claim on clinical exceptionality, their clinicians can make that case.

I should highlight the fact that two new drugs were approved in the previous CDF round. We sometimes forget that new drugs are being approved. We do not get
requests for debates in Westminster Hall to congratulate the system on their approval, but it is worth mentioning them. The system approved panitumumab for bowel cancer and ibrutinib for cell lymphoma. Those approvals have been widely welcomed by patients and charities in the relevant sectors. I am delighted that, through the early access to medicine scheme that we introduced last year, which, with patient consent and their clinician's approval, enables unlicensed drugs to be fast-tracked, we have now got pembrolizumab through, tested, into patients and purchased by NHS England several years earlier than would have been the case. That is a precursor of what we want to do much more widely through the accelerated access review.

It is no coincidence that one reason for the delay that was referred to earlier is that I am very keen for the CDF review to be done at the same time as the accelerated access review. Had we not done that, colleagues would have been saying to me, “How ridiculous, Minister, that you have reviewed the Cancer Drugs Fund and closed it before you have received the recommendations of the accelerated access review this spring.” I wanted to ensure that we are building a landscape that is logical and fit.

Sir Oliver Heald: Does my hon. Friend the Minister accept that it is worth while to look at the difference between a condition that goes from diagnosis to death over, say, 18 months, where an extra two months of life is proportionately quite small, and one of these very fast-acting cancers, such as pancreatic, where a person gets only six months and giving them an extra two would be very important in allowing them to settle their affairs and come to terms with the world?

George Freeman: My hon. and learned Friend makes an important point. I urge colleagues, as elected representatives, to make such points to NHS England through the CDF review, which closes on 11 February. We represent 70,000 or 80,000-odd people, so it is appropriate to make the point that for different diseases there is a big difference between the benefits of extra time for patients.

In the limited time I have left, I want to touch on some of the questions that came up. Colleagues asked about performance measures for data. It is important that we use the data from the CDF better. We are introducing measures to ensure that the contracts for 2016-17 specify that trusts that do not submit complete datasets will be penalised. One hundred per cent. of trusts are now submitting data, so we have closed that door. Some of the horses may have bolted, but we are getting properly on top of the data.

My hon. Friend the Member for Mid Derbyshire asked first about a draft treatment pathway for multiple myeloma. NHS England advises that that is currently in the process of being finalised. It has been the subject of public consultation and is being revised to take account of the comments received and the potential impact of treatments that have been removed from the CDF. The treatment pathway is due to be published in 2016. Secondly, on individual funding requests, NHS England does publish data on its website, including the number of individual funding requests for each drug on the national CDF list. Thirdly, on the issue of penalties for failing to produce data, we have built specific performance measures into the systemic anti-cancer therapy database.

My hon. Friend also mentioned multi-drug treatment cost reductions. It would not be appropriate for me to comment on NHS England’s individual commercial discussions with companies, but I can say that I am actively looking at ways to integrate better the Department of Health negotiators with NHS England commissioners through the accelerated access programme, so that we can get the benefit of time, cost and risk reductions in the pathway in more enterprising pricing mechanisms. I am confident that there is interesting progress to be made in that space.

I am aware that it is traditional for the Minister to leave a little time for the Member who secured the debate to wind up. I have around 15 questions that I have not had the chance to answer, so with your permission, Mr Streeter, I will write to the Members who contributed to the debate. I close by reiterating our commitment, as a Government, to get on top of the issues that have been raised. I hope that Members can see that, as the first Minister for Life Sciences, I am making progress in the direction that has been highlighted.

3.59 pm

Pauline Latham: I thank all Members who have taken part in this very important debate. Turning to my hon. friend the Minister, I would just like to say that imminent is great, but it might not be imminent enough for my constituent Graham. He needs help now. I accept that the Minister is doing all he can to accelerate things, but imminent might not be soon enough.

Question put and agreed to.

Resolved.

That this House has considered the removal of drugs from the Cancer Drugs Fund list.
Towed Trailers

[MR PHILIP HOLLOBONE in the Chair]

4 pm
Karin Smyth (Bristol South) (Lab): I beg to move,

That this House has considered the safety of towed trailers on public roads.

It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful for the opportunity to hold this important debate.

My objective in securing this debate is to articulate the experiences of a constituent family who, just under two years ago on 27 January 2014, found themselves facing every parent’s worst nightmare. Although I need to explain the tragic circumstances that caused the death of three-year-old Bedminster resident Freddie Hussey, devastating the lives of his mum, dad and older brother, I hope to ensure that the Minister’s attention is focused on the action, legislative or otherwise, that can be taken to prevent similar avoidable tragedies from befalling others. I also hope that this debate will raise the profile of an issue that the family believes—and my research backs this up—is far more widespread and potentially life-threatening than might first appear.

On Monday 27 January 2014, three-year-old Freddie Hussey and his mother Donna were walking home along Parson Street, Bristol, after dropping off Freddie’s older brother at school. A Land Rover was driving along Parson Street that day towing a 2-tonne trailer, which became detached from the vehicle as the hitch had not been correctly attached and careered across the pavement, fatally crushing Freddie. I do not want to delve into the detail of the case brought against the driver, other than to say that at court he was sentenced to 200 hours of unpaid work and handed a six-month driving ban. It is easy in such tragic circumstances to call for sentence structures to be reviewed and so on, but I and Freddie’s family are keen that in this debate we instead focus on the possibility of introducing legislation to prevent unsafe trailers from being towed on our roads.

South Bristol’s people are made of strong stuff. They are resilient, they support each other and they are generous. In the face of that local tragedy, local residents rallied round with donations, which was particularly valuable after Freddie’s dad, Scott, a professional driver, lost his job after having become so traumatised that every time he got into his lorry he suffered panic attacks. I pay tribute to my constituents for their dignified response, which saw them hoisted into the public eye. The Hussey family deserve and expect to be allowed to continue to reflect on the tragedy that ripped apart their lives without any media intrusion. I express in anticipation of and respect for the family’s wishes.

Having experienced that personal tragedy, the family impressed on me their determination that some good will come from Freddie’s death. Other families should not be forced to undergo a similar nightmare. They seek certain outcomes, which I want to articulate on their behalf. They accept that nothing can be done about the driver’s sentence, but they wish the law to be changed so trailers must pass a roadworthiness test.

First and foremost, I ask the Government to state their position on the law surrounding the roadworthiness of trailers and the ability of drivers to ensure safe attachment, and why it will not be changed. Looking at this issue from a layperson’s perspective, people are surprised that there is no requirement for a person driving with a 2-tonne trailer on their tail to check how it can be safely fixed or to ensure it is roadworthy. I have been told by the Minister responsible that no change is planned, but I do not have a clear idea why that is so. I sought a clear understanding on my constituents’ behalf over a period of several months last year.

I was elected in May 2015, and I was first contacted by Freddie’s mum, Donna, a month later. I subsequently met her and her husband. Donna’s email outlined the tragic circumstances and explained: “We want trailer and towing laws changed and tougher sentences for drivers. Our little boy cannot have been killed for nothing.”

Like many other residents of Bristol and elsewhere, I still remember where I was when I heard the awful news of Freddie’s death. The depth and cruelty of the disaster felt almost unreal, and shattered the special home-to-school journey that thousands of parents make every day. It surely must have been a one in a million occurrence, but Freddie’s mum explained that “in the last two weeks alone I have come across four separate incidents where trailers have come loose.”

She gave me web links to news stories, and has added to them since, from North Yorkshire, Kent, Dorset, Tameside, Essex and Somerset. One from Taunton, Somerset, even included a dash-cam video of the incident. Anyone who watches that footage of a trailer smashing across a busy road into traffic lights, luckily without hitting anyone, will understand the risk to public safety we are dealing with. My constituents told me that they have kept a log of further similar incidents, and they assure me that many similar cases have come to light. Such incidents are far from uncommon. The work they have undertaken to highlight this issue means they have been alerted to new accidents on an ongoing basis by a network of people across the country who share their concerns. If the Minister would like to know more, they will be pleased to furnish him with more information.

In her email, my constituent stated: “in the UK trailers do not carry MOT or safety checks. In countries like Australia or New Zealand they do, and if you are caught with an unsafe trailer you are prosecuted.”

The Minister will be aware of the legal position in other countries across the world. For example, I understand that in New Zealand trailers require a warrant of fitness similar in principle to an MOT, and in Sweden all trailers are required to be registered, to have a certificate of conformity from the manufacturer and to pass a roadworthiness test. The family understandably wondered why similar measures cannot be enacted at home, so I wrote to the Secretary of State for Transport outlining the case and asking what plans his Department has to introduce safety checks for trailers and other towed vehicles. I also asked whether any consideration had been given to changing the driving test regime to include towing a trailer. The short reply I received stated that “there are no plans at this time to require MOT tests for small trailers”.

From my research, I became aware of a similar case that was raised in Parliament in January 2008 by the then Member for Amber Valley. It involved a hauntingly
similar case of a four-year-old boy tragically killed when he was hit by a trailer that broke free from a car while he was walking in a Derbyshire village with his mother.

Nigel Mills (Amber Valley) (Con): I congratulate the hon. Lady on securing this important debate. She raised the tragic case of young Finlay Martin in my constituency, who died just over eight years ago. I agree, first, that sentences for people who cause such accidents should be much tougher—the sentence for Finlay’s killers was derisory—and, secondly, that there need to be tests of trailers’ roadworthiness. When they are manufactured, we must ensure that they have all the controls and safety checks that they need. When they are used, an MOT is the right idea.

Karin Smyth: I am grateful for that intervention. I agree that sentences are an issue, although the Hussey family do not want to look at them. It is surprising that there are no checks at the moment, and I am interested to hear the Minister’s response to that.

That case was raised in Parliament at the time. Having expressed his condolences, the then Under-Secretary of State for Transport responded to the then Member for Amber Valley:

“Introducing MOT-style tests for such trailers is a possibility that we have considered before, and it is a matter that we keep under review. There have been several such accidents in recent months, and I will certainly consider the matter with officials in the Department to see whether we need to move on that.”—[Official Report, 22 January 2008; Vol. 470, c. 1354.]

As I was aware from that parliamentary record that the Department pledged to keep the issue under review, last August I wrote to the Minister to draw attention to that case. I asked to see any documentation or advice that his Department officials had provided, and I asked whether the Department had considered whether it is now appropriate to introduce MOT-type tests for small trailers. The somewhat terse reply was:

“I am not able to provide information about advice given to Ministers in a previous government.”

It stated that the testing of small trailers had been considered at a European Union level in 2014, but that it would not be mandated. It did not explain why, so my constituents remain in the dark. It concluded, in the fourth short paragraph of four, by repeating that the Minister is not considering introducing MOT tests for small trailers at this time. Again, it failed to explain why. It prompted me and my constituents to ask, what has changed since 2008 and why? Had incidents of trailers becoming detached fallen or ceased? We know that they have not. In 2008, the Government kept the matter under review. Had the active review policy changed? If so, when? Who changed it? Why? My constituents are angry, but they are dignified and tenacious. They have asked me to seek answers. I have tried, but the Minister’s written responses have been unhelpful, in the opinion of those who have read them, because they failed to give answers to those key questions and prompted further questions.

Let me be clear. I am not calling for the Government to introduce a compulsory MOT test for trailers immediately, although I would like the Minister to set out how UK law compares with that of other countries that do have roadworthiness tests for towed trailers. It might be that a change in the law is the right course for the UK, but at this stage I, along with the family whom I represent, want to understand fully why the considerations that were actively undertaken as recently as 2008 have now apparently been dropped. If the process of introducing such a test is felt to be too bureaucratic or too expensive for trailer owners or for the taxpayer or both, what is the evidence base? Perhaps the issue is not considered important enough to justify public expenditure. Will the Minister please explain the sums involved? Speaking of the evidence base, will he outline data showing the number of recorded incidents of trailers becoming detached? If he will not or cannot, will he accept my constituents’ help in understanding the levels, and therefore the extent, of the issue, which would then allow them to contribute in some way to shaping future Department for Transport policy on an issue that has devastated their family and their south Bristol community?

Finally, will the Minister agree to meet my constituents, should they wish it, so that he can explain personally, face to face, what the Government can do to address this serious issue? My constituents believe that it cannot be long before there are further fatalities and, based on my research, I agree with them. They know that they cannot rewrite history, but they want to help shape a better future and to do all that they can to help avoid any other families suffering as they do. As a minimum, the Government should publish any evidence they have considered around trailer safety and allow further consideration of how tragic deaths from unsafe trailers can be avoided in the future in this country.

Mr Philip Hollobone (in the Chair): Before I call the Minister, I should advise the House that my information is that there are likely to be two Divisions at 4.20 pm, in which case the sitting will be suspended, the clock will stop on the Minister, and he will have to come back to finish his remarks.

4.12 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I fully share the sadness, so eloquently detailed by the hon. Member for Bristol South (Karin Smyth), at the death of Freddie Hussey. I can only extend my deepest sympathies to his parents, Donna and Scott, and their other son, Archie, for their tragic loss. It is always devastating to hear about the impact that road deaths have on families. Losing a child is a burden that no parent should have to bear.

Road safety is right at the heart of transport policy and is a top priority for me, so I will first put my remarks in context with some words on road safety. I recently set out our new road safety statement, which contains our commitments to realistic and appropriate action to tackle deaths on our roads. We are particularly concerned about the deaths of vulnerable road users such as children. The statement sets out our key priorities for road safety, which include adopting the safe systems approach. That approach is clear in the framework we have set with Highways England, which it is now implementing. It is also a theme that runs throughout the statement. We are protecting vulnerable road users, including pedestrians, cyclists, motorcyclists and horse riders, through infrastructure and vehicle improvements, the promotion of safer behaviour and enforcement, and ensuring that other road users are aware of the risks posed to these groups and adapt accordingly.
Taking tough action against those who speed, exceed the drink-drive limit, take drugs or use their mobile phone has been a priority for successive Governments, and I intend to build on that. We are increasing the fixed penalty for handheld mobile phone use behind the wheel from £100 to £150 and increasing the penalty points for the offence from three to four for motorists and from three to six for HGV drivers. We are also consulting on legislative changes to improve urban cycle safety by ensuring that sideguards and rear under-run devices remain permanently fitted to HGVs.

I have also ensured that a £750,000 grant will be made available in this financial year to police forces in England and Wales to build drug-driving enforcement capacity, and we are consulting on options for a drug-drive rehabilitation scheme course and a high-risk offenders regime for drug-drivers. Further to that, I am consulting on proposals to support safety for motorcyclists, who tragically account for 19% of all road deaths and yet make up only 1% of road users, including better training and improved safety equipment. It is a comprehensive package of initiatives to tackle road safety and build on the progress that our country has made over many years.

Turning to towed trailers specifically, I should start by explaining the type approval and licensing processes for trailers. While small trailers are not subject to MOT testing, all new trailers now need to be type approved. Trailers are, for legal purposes, divided into four different types. Category O1 and O2 trailers are the smaller variety—meaning under 3.5 tonnes laden—which are mostly for personal and domestic use and include caravans. The trailer in this case was in the O2 category. Categories O3 and O4 cover larger trailers, which are usually used commercially and include, for example, articulated lorry trailers. The latter varieties are subject to more rigorous inspection procedures that are appropriate to large and heavily used vehicles.

Recent developments have improved the safety of all new trailers, but given the long life of trailers, it will take some time for the trailer fleet to be completely renewed. All new road-going trailers that are towed behind road vehicles such as cars, lorries or buses need to be submitted for European type approval. The system checks the safety of a new trailer, with regard to important items relevant to road safety such as the braking system, the lights, the tyres and the towing coupling. For larger trailers, devices to protect other road users from under-running the side or rear of the trailer were already fitted in most cases, but they have been subject to more stringent strength testing. We and the industry believe that that has achieved a significant improvement in the safety and quality of trailers. The trailer manufacturing industry has invested in improving the build quality of its product and in more thorough testing, in particular of their braking systems and devices for protecting other road users.

Moving on, we have also made it road users what is acceptable behaviour while towing a vehicle and we consistently make clear how people should behave. Rule 98 of the Highway Code makes it clear that individuals should not tow more than their licence permits and should ensure that loads are secured and distributed throughout the trailer body. The Driver and Vehicle Standards Agency also issues a significant degree of guidance on responsible trailer use, including on how much weight a trailer is allowed to bear and the checks that a responsible driver ought to undertake before driving off. The checks include ensuring that the lights are working and the coupling height is correct and checking that the load is secure. The DVSA also provides advice on what to do if the trailer starts to snake or swerve, which is to ease off the accelerator and reduce speed gently. It is entirely reprehensible for an individual driver to set off without ensuring that the trailer is correctly and appropriately coupled and the load correctly distributed through the trailer.

Karin Smyth: I am grateful for what the Minister is outlining. I agree that that is entirely reprehensible, but we are talking about guidance and advice, and there is no onus on the driver or any enforcement authorities to enforce the advice. Will the Minister expand on how exactly he sees that working?

Andrew Jones: I will come on to further points, so perhaps we can pick up some of the issues then.

One issue that came out clearly in the hon. Lady’s speech was MOT-type testing. As I said earlier, smaller trailers are not subject to MOT testing, although larger ones are. There is no statutory or comprehensive national database to identify small trailers or to detail when they were built, so any such MOT scheme would prove difficult to implement.

A more universal testing regime for smaller trailers, such as those with the O2 category, was considered as part of a 2013 debate on the European Union roadworthiness directive. At the time, EU member states were in agreement that a scheme to register and test those vehicles throughout Europe was disproportionately burdensome—that was the phrase used—to establish and operate. Unless a registration scheme for such vehicles was established in advance of any testing scheme, it would be hard for enforcement authorities to check effectively that a trailer, such as a caravan, had its own authentic test pass certificate or, indeed, documentation on who owned it. It would be too easy, for example, for a certificate to be used for another, similar vehicle.

It might help our debate if I detail some accident data—I am aware that the hon. Lady’s opening speech included a request for more data to be published and, if I can find more, I will certainly write to her with that information. The number of accidents and casualties involving towed vehicles, compared with other types of vehicles, is low, at about 1% of all accidents. If we take 2014, the latest full year of data, 268,527 vehicles were involved in road accidents of all severities on the roads in our country. Within that total, 1,257 vehicles were towing a trailer, which equates to less than 1% of all vehicles involved in reported road accidents. Obviously that is absolutely no comfort whatever to families who have lost someone in any kind of incident, including the Husseys.

Furthermore, in many of those accidents the trailers are of the larger type, over 3.5 tonnes. Such heavier trailers are used by the operators of HGVs and for many years have been registered and tested under the DVSA’s heavy vehicles plating and testing scheme. The drivers are also used to towing trailers day after day, in the normal course of their jobs.

In respect of large and small trailers, much of the work on road safety, including in relation to careless driving, mobile phone use, drug-hindered driving and...
drink-driving, is also relevant to those vehicle combinations and applies to drivers irrespective of what they are driving. In the case that we have been discussing, I understand that the failure was to do with coupling the trailer to the Land Rover, which was an error by the driver. It is therefore unlikely that that type of failure would be picked up in a test designed for equipment, such as an equivalent to the MOT test for trailers.

The available data suggest that most accidents involving light trailers relate to driver behaviour, such as inappropriate driving behaviour for the conditions or breaking the speed limit. Indeed, the national speed limits for vehicles towing trailers, including caravans, are lower than standard national road speed limits. That is because of the handling characteristics of those vehicle combinations. Sixty miles per hour is the legal maximum on motorways and other dual carriageways, with 50 mph being the maximum on single carriageway roads, subject to the national 60 mph limit for general traffic.

I want lessons to be learned from the sad case that we have been discussing. We should all bear in mind the comments made about the family's aspirations. I have met many families who have lost loved ones in road accidents, and I am happy to meet with the Husseys, should they wish to do so. We are always seeking to learn lessons, so I will spend a little time on what we can do with driver behaviour.

I will ask the DVSA to review all the advice it publishes about trailer safety. That will include in relation to trailer coupling. — [Interruption.]

Mr Philip Hollobone (in the Chair): Order. There is a Division in the House on the Opposition day motion. I think there will be another Division straight afterwards, on the Education (Student Support) (Amendment) Regulations 2015, so I will suspend the sitting until after the second Division, when the Minister will have five and a half minutes remaining.

4.24 pm
Sitting suspended for Divisions in the House.

4.50 pm
On resuming—

Andrew Jones: Let me pick up on the points I was making in the context of driver behaviour, because it is important that we learn as many lessons as we can, not just from this case, but from all incidents that have resulted in fatalities or serious injuries on our roads.

I will ask the DVSA to review all the advice that it publishes about trailer safety, including in relation to trailer coupling. Safety of trailers, of course, involves more than the operation of coupling them safely. Cars, including four-wheel drives, and vans towing trailers can be driven in an unsafe way at excessive speeds. I will look at checking that those messages about vehicle control and speed are clearly put as well.

The DVSA can and does undertake regular checks of trailers. I will ask officials to examine the trends and patterns being picked up at those checks in respect of trailer maintenance and use, and to feed back to me some underlying trends, if, indeed, that is what is identified. I will ask officials to consider how the DVSA guidance about trailers and the lessons learned from the checks can be brought home to more of these motorists through some of their representative groups. That includes considering how we can communicate these issues to people towing trailers. For example, we can reach groups representing people towing caravans and horseboxes, although I appreciate that the trailer in this tragic incident was of a different type.

The hon. Lady mentioned other points, including European comparisons. I will ask my officials to make contact with their European counterparts and report back to me on any lessons that people may have learnt in other countries.

I mentioned earlier that I would write regarding data. I have some comparative data: in 2014, as I said, there were 1,257 total incidents involving trailers. That was broken down to 39 fatalities, 214 serious injuries and 1,004 slight injuries. Although that is a slight increase on the previous year, it is part of a broader downward trend. However, I will write with the data that we have, as they might help to inform the debate.

Jim Shannon (Strangford) (DUP): The Minister mentioned discussing the matter with different bodies. I know that this particular issue is not the same, but have there been discussions with the National Farmers Union, for instance, about the safety of farm vehicles? That is important: they are on the roads regularly and there are sometimes issues with lights, trailers and so on.

Andrew Jones: The hon. Gentleman makes a very good point, which I will certainly pick up with farmers’ unions.

I come to my last point. I have detailed a number of positive actions, which I will progress personally. I am extremely keen to see our country’s record on road safety improve. We have a good road safety record in our country and some of the safest roads in the world—I do not want people who may be following this debate to go away thinking anything other than that—but at the same time, we still lose many hundreds of people every year on our roads. Those people represent not just statistics, but families shattered, so I will continue to work to improve on our record. The case of Freddie Hussey is particularly sad, and I will do all I can to ensure that we learn from this case, so that the tragic circumstances faced by the Hussey family are not endured by any other families.

Question put and agreed to.

Resolved.

That this House has considered the safety of towed trailers on public roads.
STEM Careers: Diversity

Mr Philip Hollobone (in the Chair): Would all those who are not staying for this debate please leave quickly and quietly? It is now the big moment for Ben Howlett—whom I barely recognise without his jumper on—and it is his job to move the motion.

4.54 pm
Ben Howlett (Bath) (Con): I beg to move,
That this House has considered increasing diversity in STEM careers.

Thank you, Mr Hollobone—my new style consultant, apparently. It is a pleasure to serve under your chairmanship.

Put simply, the science, technology, engineering and mathematics sector is largely dominated by white men and much more needs to be done to create a diverse and more balanced sector. I am sure that I do not need to explain to anyone why a more balanced sector will be beneficial to our economy and productivity, and to creating a much more equal society. I will therefore spend most of my time today discussing the lack of female representation in the sector, as well as the need to make it more appealing to the black, Asian and minority ethnic community, as well as disabled individuals.

As a man and as a member of the Women and Equalities Committee, I must say that it is an absolute privilege to be leading this debate, as I believe strongly that it is not just a woman’s job to end up championing diversity in the sector; rather, it is for all of us to do so. I first got interested in this subject quite a while ago, but I saw a stark example of the problem last year, when I attended a school—which shall remain nameless—in my constituency to see an IT development class. There was a single woman in that class and a sea of men. To be frank, that is appalling in 21st-century Britain and we should be doing an awful lot more to change that.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I congratulate the hon. Gentleman on leading this very important debate. As someone who still is a chartered engineer, and who worked as an engineer across the world for 20 years before coming to this House, may I say how pleased I am to hear him say that this is the responsibility of everyone, including white men? Having men who talk about the importance of diversity—and not simply when they are being asked about it by women—and who raise it in the boardroom constantly is an important part of changing the culture. We need both men and women to speak up for it.

Ben Howlett: I thank the hon. Lady for her contribution. I completely agree that it is the job of men and women to be championing this issue. Black, white, BME—from whichever sector of the community, it is important that we get that voice out there. I pay tribute to her for her work on championing this area, and particularly diversity in STEM, given her background. I have heard an awful lot from her over the last few months and I look forward to working with her on that in future.

Before I came here today, I was pleased to lead a digital debate on Twitter, alongside the House of Commons engagement team, using the hashtag #WomenInSTEM. As well as trending at No. 1 in the UK—it was the first time I have been involved in something like that that has been as successful, which was quite exciting—the debate was really insightful, with a huge number of ideas, which I will hopefully be able to reference today, although I cannot reference every single one of them. There were over 800 tweets altogether, and I will try my best to summarise as many as possible. I want to thank the hundreds, if not thousands, of people who took part in the debate—I hope many of them will be watching today’s debate—which shows that Parliament can really speak up for people out there who do not necessarily have a voice. I am sure that the hashtag #WomenInSTEM can be used throughout today’s debate as well. Sometimes Parliament can be seen as distant from people’s everyday lives. Looking at the debate yesterday online, I hope that we were able to show that this place was and is listening, and is working to improve the everyday lives of hard-working people.

There are some truly shocking figures that show the lack of diversity in STEM. For example, in 2012, a survey of girls between the ages of seven and 21 found that the top three careers they would choose for themselves were teacher, hairdresser and beautician. As I am sure we can all agree, these are often seen as “traditional” female roles. We need to ask ourselves why engineer, physicist, chemist and mechanic are not mentioned in that list. When it comes to engineering, only 3% of engineering degree applicants are girls and just 6% of the UK engineering workforce are female. Physics is the third most popular A-level for boys, but only the 19th for girls, and around half of all state schools in the UK have no girls studying physics A-level at all.

Michelle Donelan (Chippenham) (Con): Does my hon. Friend agree that we need to start earlier? A lot of research shows that from the age of seven upwards, girls are ruling out such careers. We need to tackle that stigma in primary schools, not just when it becomes too late in secondary schools.

Ben Howlett: I thank my hon. Friend for her contribution. She is absolutely right, and I will come to that. We should be looking at diversity and removing gender biases even earlier, in nursery or even from birth—I will provide evidence to back that up.

It is not only science that has an issue with diversity. There is a lack of female academics in the English department of a very prestigious university—although I will spare its blushes by not mentioning which. An department of a very prestigious university—although I will spare its blushes by not mentioning which. An inherent misconception is putting girls off a career in STEM subjects, but that does not apply to other sectors. The figures speak for themselves. There is something about STEM subjects that appeals to boys but puts off girls. I want to look at various key stages throughout life before suggesting some steps to see more girls taking a greater interest in STEM subjects and, ultimately, STEM careers. The trend will not change overnight, but we must stop stalling and start to bring about real change.

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Ben Howlett: I thank my hon. Friend for her intervention. She is absolutely right. Mentoring is a key and valuable part of helping girls into careers in STEM subjects and, with the right mentoring, helping them to progress. It is clear from all the evidence across all age groups that women, black, Asian and minority ethnic people and all groups that are under-represented in the STEM sector should also have improved access to mentoring.

I want to thank a local councillor in Bath who has done a lot of work to increase diversity in STEM and lobbied me for this debate. He rightly pointed out that there is a huge benefit to our economy from having the best of all potential talent going into science, technology and engineering, and anyone who makes a career in these industries will be guaranteed excitement, satisfaction and opportunities that are unique and rewarding. I also want to thank a constituent, Danielle Workman from Ralph Allen School in Bath, who produced a superb report on the lack of women taking STEM subjects, which helped me to construct today’s debate. I thank her for her time and commitment.

We will never address the lack of diversity without addressing the very foundation of career choice. In 2016, children are still pressed to conform to gender stereotypes, with pink Babybogs, Barbie dolls and ovens for girls, and blue rooms, cars and chemistry sets for boys. Children obviously do not make that conscious decision; they are guided by their parents, family and society from an early age. That guidance is not malicious, but I am concerned that some decisions are affecting the take-up of STEM careers later on. The Campaign for Science and Engineering produced an excellent report backing up that evidence.

Even children’s advertising exploits gender stereotypes. Adverts for toys targeted at girls commonly use words such as cuddly, magic, princess and glitter, and those targeted at boys use words such as adventure, battle, action and launch. Yesterday’s Twitter debate on the “Let Toys be Toys” campaign, which campaigns to de-gender children’s toys, said that just 4% of adverts for toy vehicles feature girls. When so much of what children are exposed to seems to be so gender-biased, how are children expected to take a neutral look at future careers?

Kevin Foster (Torbay) (Con): My hon. Friend is making some interesting points. Does he agree that much of the problem is about role models and that if children cannot see a role model they can identify with, their career choices will naturally go elsewhere? Torquay Girls Grammar School in my constituency has had STEM days with STEM ambassadors from the Met Office. Does he see a role for local employers to go out and ensure that technology is seen as an attractive career choice?

Ben Howlett: I thank my hon. Friend for his intervention. I agree that that is one way in which schools can work better with businesses to help to de-gender the STEM career field. I pay tribute to him for his work in his constituency to help to promote that.

I want parents to encourage both their sons and daughters to look at all available careers options. That means acceptance by parents that their daughters can consider a profession in which females may be in a minority. If young girls are encouraged to get excited by chemistry sets and to enjoy thinking about space, more might start to dream about a career in STEM, rather than some of the more stereotypically female sectors.

By the age of six, children are already beginning to classify certain jobs as male or female, and by 13 many limit their career aspirations to fit in with these artificial boundaries. That is shocking and shows why the problem has been so difficult to overturn. Any action at older age is potentially redundant unless these early misconceptions are challenged. As well as taking further steps to encourage retention of STEM subjects and uptake of STEM careers, those early preconceptions need to be altered.

If young girls have parents who think they should enter a gender-stereotypical career when they have grown up, how are they expected to look at STEM careers with an open mind? To increase uptake of STEM subjects and ultimately careers, we must remove this hugely inaccurate preconception, and that has to be reflected in the way these careers and subjects are treated both at school and at home. I hope the Minister will explain not just what the Government are doing to change the mind set in early years, but how we are going to take these arguments and change the minds of parents.

Following on from the development of early opinions on the gender of particular careers and subjects, the next key step is the choice of A-levels. At the age of 15 and 16, pupils are given the option to choose their A-levels and think more carefully about their future careers. Of course, some will have a clear career path in mind, but others will try to pick subjects that they enjoy, which could lead to a wide range of careers when they have decided what they want to pursue in life. It is important that young girls are reminded at this stage that a STEM career may be limited if they choose restricting subjects.

It is key at this point, when girls may turn their back on STEM subjects that as many as possible are encouraged to consider STEM careers. When it comes to educational attainment, girls often outperform their male counterparts in STEM subjects, so that is not putting off girls. A large variety of careers advice is given to students and it is key that female role models are used to show where maths, biology, chemistry, physics, IT, and so on, can take girls. My hon. Friend the Member for Torbay (Kevin Foster) alluded to that.

Examples of successful women in STEM careers would hopefully see more girls continuing with STEM subjects and looking further into a career in the sector. That point was brought up repeatedly during the online Twitter debate yesterday, with many people agreeing that a mentoring system to support girls who have an interest in STEM subjects and show them where such careers could take them would help them and could see the industry change for the better. Some involved in the debate said they would support such an initiative. I urge schools to get in touch with local businesses to see whether they can help with giving young girls role models in STEM subjects. I hope the Minister will explore the various ways that the Government can facilitate and help to develop an alumni and mentoring scheme across the UK to encourage young women into the sector.

I want to make it clear that the uptake of STEM subjects at A-level and university is important. Apprenticeships are a key part of our economy, and a
fundamental part of STEM careers. They are a fantastic way to get into the sector while earning, and millions of people are accessing apprenticeships. We need to tackle the fact that under 5% of engineering apprenticeships are being undertaken by women. Increasing the uptake of women in STEM apprenticeships is another route to improving the gender balance within STEM careers and ultimately changing the misconception that they are careers just for men.

Michelle Donelan: Will my hon. Friend acknowledge that encouraging women and people from ethnic minorities into STEM careers will not only improve diversity, but alleviate the bigger problem of the skills shortage in the industry throughout the country? It is a ticking time bomb in areas such as Chippenham, because companies will leave if they cannot find the right skills there.

Ben Howlett: I completely agree with my hon. Friend. It seems outrageous to me, or at least incredibly strange, that the understanding that a woman can be as productive as, or more productive than, a man is not part of the mindset of many businesses in the sector. The skill sets that should be created to help to grow the economies that are important to us—the tech economy, in particular—are simply not being built. We need to be generating a whole new pool of talent, which can, obviously, come from women. There is no reason why it cannot; there simply seems to be a culture out there that prevents women from being able to access the sector.

Chi Onwurah: The hon. Gentleman is being very generous in giving way. Part of the culture that he has just mentioned may well be the idea that science and engineering are somehow separate from arts and creativity, and that people must choose between the two. The great thing about engineering and science careers is that the best and the most productive involve creativity and imagination, which are the sorts of skills that we need for our future.

Ben Howlett: I completely agree with the hon. Lady. There is no difference between the two. Some of the most creative women I have met work in professions in the tech economy, and I do not know why the separation that she mentioned exists. The application of a particular type of STEM, whether it is science, technology, engineering or maths, seems to be missed in the wider debate. Women would be much better able to access the sector if they knew that science or technology would help them in their future careers and that they would be accessing a very creative sector.

Once women have chosen a career in STEM, we must work to make sure the sector retains them. I was saddened to learn of a former constituent of mine, one of Bath’s only female IT developers—given the fact that we have a huge tech economy, I find it absurd that we had literally one IT developer who was a woman—who needed flexible working and found that her only option was to move to London. Sadly, we have lost her now. The tech economy in the west of England, and elsewhere in the UK, should learn from that, understand the reasons why it happened and encourage more women to access the sector. I hope that example will shift the mindset of many employers.

It should not be difficult to allow women to work flexibly and pursue a career in STEM. I am not saying that every company that contributes to the STEM sector is not flexible or accommodating of women with families, but a sizeable number are not. All sectors need to step into the 21st century and be flexible. The STEM sector is no different, and I hope that the Department for Business, Innovation and Skills will work to encourage that.

I did say that I would touch on the importance of extending STEM to be more inclusive of the BAME community and disabled people. Just as we need to work to break down barriers for women, we need to break down any barriers that exist for the BAME community, and even more so for women BAME community members. There is much information available about female uptake of STEM, but for some reason far less when it comes to the BAME community. To create an appropriate strategy to combat any issues, we need to monitor the uptake of subjects and careers, and highlight trends, which policy can work to mitigate. We need to focus much more on workplace adjustments in STEM careers to help disabled people to access roles and further their careers in the sector.

I am pleased to say that there are success stories, which we need to hold high and use as models to improve the diversity of STEM in the future. Athena SWAN, as I am sure many Members are aware, is a national scheme that recognises a commitment to supporting and advancing women’s careers in STEM within higher education and research. Members across the country sign up to its charter, which contains principles such as “To address gender inequalities requires commitment and action from everyone, at all levels of the organisation”, and “The high loss rate of women in science is an urgent concern which the organisation will address”, to name but two. Athena SWAN grants awards to organisations for good practice in recruiting, retaining and promoting women in higher education. Universities proudly display their certificates, which no doubt help when they are competing to attract the best staff and students.

In the last Parliament, my hon. Friend the Member for Truro and Falmouth (Sarah Newton) was a strong champion in this area, and I pay tribute to her for her work on increasing diversity. I direct the Minister’s attention to the excellent report published by the Select Committee on Science and Technology during the last Parliament, which included a range of recommendations to improve diversity in STEM. Other sectors need to look at Athena SWAN and bring in similar charters to ensure that they are doing all that they can to put increasing and maintaining a diverse workforce at the centre of their work.

I am pleased to see that the Government have committed to addressing the lack of diversity in STEM, and I would like to suggest, as I am sure other colleagues will too, ways in which we could start to de-gender STEM careers and ensure that the sector is as attractive to young girls as it is to young boys.

David Mowat (Warrington South) (Con): I rise as someone who has three daughters and has failed with two of them, in spite of intense parental pressure, to get them to do STEM subjects. It is important to recognise that one area of STEM is medicine, which is increasingly dominated by women. Perhaps the propensity to do medicine, as opposed to engineering, can be an issue.
Ben Howlett: I completely agree with my hon. Friend. There has been a propensity to encourage women to pursue careers in biology and medicine, but that has not been the case in maths, science, manufacturing and technology for generations.

David Mowat: Medicine is principally chemistry-driven.

Ben Howlett: Medicine and chemistry are intertwined. Chemistry is slightly less behind maths, technology and science; indeed, it seems to be positively favoured. We need to learn why more women are coming forward to do medicine, and we must apply that knowledge to maths, engineering and science. A range of different organisations has published recommendations about how to do that. We need to stop so many 16-year-old girls walking away from STEM. Some level of science is compulsory until that age, but we need to stop girls abandoning it just as they are getting started. The more girls choose to take STEM-related A-level subjects, the more will consider studying a STEM subject at university, and so on. To make sure that happens, I would like to see more female role models to show young girls the success that can be had in male-dominated areas.

Finally, I would like to add my voice to those who have called for a link between STEM research funding and a university’s progress in Athena SWAN. That would lead to an increase in research funding for universities that have successful diversity strategies, and it might encourage more universities to reconsider STEM policies and encourage diversity.

Mary Robinson (Cheddle) (Con): It is so important that we get women into these areas. Does my hon. Friend agree that one big driver should be the fact that people who enter STEM industries attract wages that are significantly higher—up to 20% higher—than those in other industries? In my constituency, NXP Semiconductors, which is a big manufacturing exporter in a big industry, is looking for people to come and work in its industry. We want to see more women doing so.

Ben Howlett: I thank my hon. Friend for her contribution, and for the work she is doing in her constituency to champion this area. From my conversations with her, I know that it is high on her agenda. There are two angles. First, we need to improve careers advice and explain to many women that entering a STEM career will give them a higher earning potential. Such advice is not necessarily available, although careers advice in the UK is getting better. My experience was that I was told to go into the Army when I left school—that was the only career option available to me in rural Colchester. Secondly, we have to explain to companies that they can increase productivity and grow into much more profitable businesses by employing more women. It is quite clear that women are incredibly productive members of whatever sector they are in, and we need to break down the stereotypes that exist in the business community.

I know that the Minister cares deeply about the issue and that she understands the need to improve diversity in the sector for the sake of increasing productivity. We must live in a more equal society, and if we do nothing, we will be damaging the opportunity to fulfil every woman’s potential.

Several hon. Members rose—

Mr Philip Hollobone (in the Chair): Order. The debate finishes at 5.56 pm. The Front Benchers will be called at 5.33 pm and will have five minutes, five minutes and 10 minutes. With four Members standing, I will have to impose a time limit of three and a half minutes, which will include interventions.

5.19 pm

Kirsty Blackman (Aberdeen North) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful to the hon. Member for Bath (Ben Howlett) for securing this debate. It is good for a representative of Aberdeen to be thinking about this subject. The oil and gas industry is one of the major employers in Aberdeen, if not the biggest employer in the whole city—it certainly has a huge ripple effect. The other thing that we do quite well is academia. We have a major issue with the lack of women in STEM careers.

As an MP, I travel through Aberdeen airport quite a lot. I am there twice a week most weeks. It has the world’s busiest heliport, and it is the UK’s fifth-busiest airport in terms of total movements. There is a huge number of oil-related movements. There are very few women in the airport. Almost all the women I see at Aberdeen airport are going on holiday or are there with a male partner. Very few of those women are travelling on business in their own right. I have mentioned the two major industries in the city, and from the airport alone I can see that there is huge under-representation. OPITO, the oil and gas training body, did a survey in 2011 on the proportion of female employees in the industry as a whole. The survey found that more than 50% of those employed in the admin sector are women, and in all other sectors, including marketing, communications and engineering, it was less than 20%. Women are woefully under-represented in the whole oil and gas industry, particularly in higher-paid jobs, and not just in STEM careers.

I am beginning to wonder why that should be. I tried to find evidence for it, and all I could come up with was that these jobs are “not for women.” If we start with the entrenched cultural position—the hon. Gentleman said that there is a culture around this—that jobs in the oil and gas industry are not for women, women will not go into those jobs, and when they do go into them they will not be promoted because it will be assumed that women will not do very well. Actually, we are just as good—some of us might be better.

We are doing a couple of things in Aberdeen. At the weekend I visited Satrosphere, which is basically Aberdeen’s science centre. I went with my children, and it was fantastic. The boys and girls were equally involved in all the activities, and it was totally non-gendered. There was no place where there were more women or more men. Even the staff were pretty representative—they were pretty fifty-fifty—which is good for people to see. Aberdeen does some of those things well.

Aberdeen has TechFest, which is also encouraging young people to get into STEM subjects. Again, there is no bias towards either women or men at TechFest, and it will be interesting in a few years’ time to see whether these young people begin to choose STEM careers as a result. I studied advanced higher applied maths with mechanics in my sixth year of secondary school, and I was the only girl doing that subject. As the hon. Gentleman
STEM Careers: Diversity

19 JANUARY 2016

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for Bath (Ben Howlett) on securing this debate and on setting an excellent scene. In Northern Ireland our society is not as ethnically diverse as in some parts of England, but with the rest of the country we share a lack of gender diversity in STEM careers.

We have made some giant steps forward. The hon. Gentleman mentioned role models, and what better role model is there than to have Arlene Foster as the leader of our party? I am immensely pleased to see that happening. I supported her when she was an Ulster Unionist. She is now a member of the Democratic Unionist party, and I am pleased to see her in place. Not only is she the leader of our party; she is now First Minister, too. If someone wants a role model, they should look no further than Arlene Foster. The sky is the limit for what can be achieved. It is good news to have ambition, drive and a target to aim for.

Nationwide, just 9% of people in non-medical STEM careers are women, despite women making up more than half the population. We could consider quotas to address the situation, but with such a low figure there clearly needs to be a much more thorough and comprehensive approach. Last week the House debated space policy, and the idea of introducing young girls and ladies to engineering and STEM careers was raised. There are obviously great possibilities for space policy, too.

With public spending in Northern Ireland still stubbornly high at a staggering 77% of GDP, STEM careers will be an integral part of future growth. It is essential that a STEM sector emerges that reflects the population. We must be more proactive in addressing the gender imbalance both here on the mainland and back home.

We also have a disabled population, and I am glad that the hon. Gentleman referred to that, because it was in my mind to do so. We must highlight that disabled people also need to benefit from any moves to address the lack of diversity in STEM subjects and STEM careers. There are 5.2 million disabled adults of working age in the UK, and almost half of them have a degree-level qualification—the same as for those without a disability—yet a small number are in employment. There have been noticeable steps forward since 2008, particularly on resources for disabled students and employees in STEM. The STEMM Disability Advisory Committee was founded in 2011, which is a welcome step. Both the Northern Ireland Executive’s programme for Government and the skills strategy for Northern Ireland, “Success through Skills—Transforming Futures,” recognise that the Northern Ireland economy’s future success will require increased numbers of skilled workers with a science, technology, engineering or mathematics qualification.

In engineering in Northern Ireland, I am encouraged by the number of young girls who are interested in apprenticeships at Bombardier, Shorts and Magellan. I am keenly encouraged by those who are taking up engineering opportunities, and I have advised many young girls when going around schools and universities, “There are opportunities in engineering for girls in Northern Ireland. Take the course now, get the university degree and get the job.” We can move forward very positively. We just need to focus on the right way to do so.

The STEMM Disability Advisory Committee was founded in 2011, which is a welcome step. Both the Northern Ireland Executive’s programme for Government and the skills strategy for Northern Ireland, “Success through Skills—Transforming Futures,” recognise that the Northern Ireland economy’s future success will require increased numbers of skilled workers with a science, technology, engineering or mathematics qualification.

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Ruth Cadbury (Brentford and Isleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I welcome this debate and both the fact that it has been secured by a fellow member of the Women and Equalities Committee and that he is a white man. I thank the hon. Member for Bath (Ben Howlett) for securing this debate—he is setting an example by doing so.
We have a lot of work to do in this country. Only 14% of all STEM roles and jobs are taken by women, and only 9% of engineering jobs, the lowest proportion among European countries. My constituency is home to a large number of employers that depend on technology, information and communications technology and transport roles. One of those is GlaxoSmithKline, which is headquartered locally. I congratulate GSK on the successful work that it has done to recruit women into STEM apprenticeships: 34% of its STEM apprenticeships are taken by women, against a national average of 16%. GSK has done so through a number of initiatives, particularly by promoting role models, ensuring that female apprentices and other staff attend careers fairs and feature in promotional videos, and talking to young women who might consider taking up a career in a STEM field.

Other Members have addressed gender stereotyping, an issue for which we all need to take responsibility, particularly employers and the Government. The small proportion of female teachers of STEM subjects is concerning. Teachers play such an important role in the career choices that young women make, and it saddens me that in the 21st century, we still have gender differentiation in the career choices of young people in our schools. I look forward to hearing the Minister’s response, because I believe that the Government have a significant role to play in taking action and leadership on this important issue.

5.31 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): It is a pleasure to serve under your chairmanship again, Mr Hollobone. I congratulate the hon. Member for Bath (Ben Howlett) on raising this important issue.

I wish it were hard to believe, but 40 years ago I did a study of women in politics. For more than 40 years, I have had an interest in gender divides in society. I was particularly interested in the issue raised by the hon. Member for Bath, which I think is fundamental: this is predominantly a cultural matter. It is about our society and how we view one another. I was intrigued, too, when he raised the issue—if I recall his speech correctly—of the difficulty of getting an IT developer on his constituency, and the small number of women involved in that scientific area. It reminded me of the daughter of Lord Byron.

Lord Byron’s daughter began to study and show an interest in mathematics as a young child. She was fortunate for the 19th century in that she was strongly supported by her mother, who was keen for her to move away from the romantic and emotional interests of her father and take on something rather more practical, in her view. But, of course, it was difficult. Women had few rights to enter such areas at that time.

She began to correspond with Charles Babbage, the mathematician, who asked her to translate from the Italian a memoir describing his analytical machine, which was one of the first to carry out computations. Not only did she translate it, but she made her own notes about the machine, which even included a method for calculating a sequence of Bernoulli numbers. Because of that, she is acknowledged as the world’s first computer programmer. The world’s first computer programmer was a female from our society, but she had to fight against many odds and break down many barriers to get there.

Hopefully, it is much easier for young women to break into such areas today, but they still face the same cultural biases. I am pleased that in Scotland we have a programme called Improving Gender Balance Scotland, which involves not only young people and teachers but, centrally, parents. They are the people who carry many of the myths, values and prejudices in our society. These matters will not be resolved by dealing with them through curriculum alone; we need to look much more widely at the things that create cultural influences in our society.

I was therefore pleased when the hon. Member for Bath mentioned the role of television and the like in the modern era—the types of adverts we get, and how they can discriminate, perhaps unwittingly, by characterising some things as only for girls and some as only for boys. That must be tackled from the earliest stage. It is too late to leave it to secondary school, and probably too late to leave it to primary school. We must think about influencing people from the earliest days, which means that parents are crucial in the campaign, as are nursery and other people who come into contact with young children.

I mentioned Ada Lovelace, the daughter of Lord Byron. She faced many barriers to her rights. I thought that, since this is January and I am a Scot, I would perhaps say a few words on the rights of women by one Robert Burns:

While Europe’s eye is fix’d on mighty things,
The fate of Empires and the fall of Kings;
While quacks of State must each produce his plan,
And even children lisp the Rights of Man;
Amid this mighty fuss just let me mention,
The Rights of Woman merit some attention.

5.36 pm

Yvonne Fovargue (Makerfield) (Lab): I congratulate the hon. Member for Bath (Ben Howlett) on obtaining this debate. We have heard about the Campaign for Science and Engineering report. Yes, the statistics are indeed depressing, although I was pleased to hear from my hon. Friend the Member for Brentford and Isleworth (Ruth Cadbury) that there are exceptions. However, we must consider what we are doing to harness the enthusiasm for the subject that young people, both girls and boys, have from an early age. In primary school, at the age of eight, they are equally enthusiastic about STEM subjects, but by the time they reach 16, that enthusiasm has waned.

We have heard a lot about gender stereotyping, and some of it is down to that, but we must also consider the teaching methods used. A science teacher said to me, “It’s all big bangs and noise.” STEM subjects can put off young women by being seen as a bit dirty. The impression still exists that engineering and science are dirty and that it is about men in hard hats and is not for women. Hairdressing and beauty are still the apprenticeships of choice for young women.

I have some questions for the Minister. First, what work is being done with the Department for Education to improve the quality of careers advice and, crucially, to involve parents? In areas such as mine, apprenticeships
in Heinz, as they say, are for the boys, and apprenticeships in hair and beauty are for the girls, and teachers sometimes encourage that. A young woman came to me who is apprentice of the year at MBDA. Her maths teacher said, “Why are you taking an apprenticeship? You’re far too bright to be taking an apprenticeship. Go to university first.” She has a degree now, through taking up that apprenticeship.

I agree with the hon. Member for Strangford (Jim Shannon) that more role models are needed. We must ensure, as the hon. Member for Aberdeen North (Kirsty Blackman) said, that high-quality jobs are available to young women as well as young men. We also need to consider career progression. Only 19% of young women working in the private sector are in engineering or STEM subjects. For all STEM occupations, only 13% employed in them are women, and only 10% of STEM managers are women.

What is being done to identify and address the barriers to women once they have entered these careers? We know from research that one barrier is the fact that if someone takes a career break, they tend to lose their immediacy of research. How can we identify that and help with that?

I would also like to know what strategy there is for the black, Asian and minority ethnic community to break down the barriers that members of that community face, and to explain why BAME men are 28% less likely to work in STEM careers than white men.

Finally, I would like the Minister’s comments on what is being done to break down barriers between employers and the employment of people with disabilities. I no longer want to hear from someone with a disability, as I have already heard, that they were not taken on in a factory as an apprentice in a STEM subject because they were a fire risk. Education matters, and again role models, to provide practical examples of how people with disabilities are forging forward in these careers, would be extremely useful.

We all know that these are the high-quality jobs. They range right from under the ocean to the moon, and we need to do a lot more to encourage people from disadvantaged backgrounds—young women, members of the BAME community and people with disabilities—to take full advantage of all the opportunities offered by these wonderful careers.

Mr Philip Hollobone (in the Chair): If the Minister is able to keep her remarks to 10 minutes, that would allow Mr Howlett a few minutes to sum up the debate before I put the motion to the House.

5.41 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is a pleasure to serve under your chairmanship, Mr Hollobone, and I will do everything I can to comply. I have taken out some large chunks of the speech that was helpfully provided by my officials. And I always say—there are some here this afternoon who have heard the usual line that I trot out, and I am looking at my hon. Friend, the hon. Member for Strangford (Jim Shannon), as I say this—that the usual rules apply. Anyone who I do not reply to by way of my speech will receive a letter that will answer all the points that have been raised in what has been an excellent debate, and I pay full credit to my hon. Friend the Member for Bath (Ben Howlett) for securing it. Truthfully, we could have gone on.

There have been some splendid contributions and perhaps most importantly of all there has been huge agreement across the House. It is not often that we hear that, but when these sorts of debates occur we hear people speaking in the way they have done today: free of party politics and not making daft points half the time; and speaking from experience but with shared common goals about wanting to make sure that more women and in particular young girls take up these STEM subjects and then do as well as any boy or man and flourish in them.

I will try to answer some of the points that have been made and obviously I will make the case for what the Government are doing. However, I begin by saying that I am getting very concerned, because I am becoming increasingly fond of the hon. Member for Kirkcaldy and Cowdenbeath (Roger Mullin). I am concerned that he is becoming the Scottish National party’s answer to my hon. Friend the Member for North East Somerset (Mr Rees-Mogg). [Laughter.] That is a compliment, because my hon. Friend is an outstanding historian and the hon. Member for Kirkcaldy and Cowdenbeath is also a great historian, and I thought that his contribution today was very useful.

I just want to make a sensible point; I am now in my sixtieth year. I know that is difficult to believe; some would say that I look nearer 65 and it often feels it. The thing that slightly concerns me is that I think that when I was in my early 20s—almost 40 years ago—I heard this very same debate. What worries me and troubles me is that despite the efforts of all Governments to try to get more young women to break down these dreadful stereotypes, to get rid of the barriers and to open up all the channels of opportunity, I sometimes wonder whether we have made progress; I do not think we have made the progress that we all want. And trying to crack this problem is incredibly difficult. Yes, there are schemes and, yes, there is money going into it.

I praise the hon. Member for Kirkcaldy and Cowdenbeath, but actually he reflected what my hon. Friend the Member for Bath said—it is all about culture and changing culture. Yes, we can do masses in our primary schools, secondary schools and universities, but it probably begins long before that with the attitudes that we as parents impart to our children.

There were some great contributions. There was an intervention from the hon. Member for Newcastle upon Tyne Central (Chi Onwurah) and I could not agree with her more; there was the contribution from the hon. Member for Aberdeen North (Kirsty Blackman); and I thought that the contribution from my hon. Friend the Member for Portsmouth South (Mrs Drummond) was particularly important, and I will just concentrate on one particular thing she said. That was when she talked, quite rightly, about the fine tradition within Portsmouth in relation to the Navy. When I was in the Ministry of Defence, one of the things that really struck me was the fact that so many young women are now going into the Navy. They are doing particularly well in those highly skilled jobs—they are all skilled in the Navy, as indeed they are in all our armed forces—and the number of women going into the Royal Navy really struck me.
Those women are doing incredibly well, which resonates with the point that the hon. Member for Makerfield (Yvonne Fovargue) made in her speech. I do not know whether hon. Members find this as they go round their constituencies, as I have done in my new role in the Department for Business, Innovation and Skills, but often employers will talk about the quality of their apprentices and then they will produce the prime apprentice, and invariably they are women. So, we have those brilliant role models there; the trouble is that we do not have enough of them, and we all understand and recognise that.

We know that science is a universal culture; no one should face barriers to involvement in science because of their background. However, I will give what I suggest is a horrible statistic. The provisional figures for 2015 show more than 25,000 boys taking A-level physics; for girls, the figure is less than 7,000. And the United Kingdom has the lowest percentage of female engineers in Europe, at less than 10%. If those figures are accurate, they are not good ones.

In the research community, when we look at grant applications we see that men have higher success rates than women across all but one research council. White applicants have higher success rates than black, Asian and minority ethnic applicants. We know that there are barriers to achieving a diverse team at various stages of education and work, so as a Government we are committed to developing a strong, diverse STEM community, and we are working with the research councils, the national academies, industry and educators to deliver it.

There are some other facts that I hope will give people some encouragement that we are on the right track. We are investing £2.15 million in the Stimulating Physics network and £5 million in the Further Mathematics Support programme to help schools, academies and colleges to increase the take-up of maths and physics, with a particular focus on engaging more girls.

From 2014 to 2016, we will invest £11 million in the maths hubs. I pay tribute to the one in my own constituency of Broxtowe, which is at the George Spencer Academy, and I know that the academy’s brilliant principal—its headteacher, who is an outstanding woman—is determined that she will get more young women taking up maths. We are also investing £7.2 million in the Science Learning Partnerships to support better teaching in schools.

There are some other interesting statistics. I put my hand up to ask, “Please don’t tweet out in an adversarial way about this”, because I had not heard—it is not within my departmental responsibility, I quickly add, so I am grateful to be able to come along and respond to this debate—of the Careers & Enterprise Company. It is an employer-led, Department for Education-funded organisation that strengthens links between employers, schools and colleges. It will inspire young people—of course it will—and it has a £5 million investment fund. I shall certainly contact it, because I am finding in my own constituency a real willingness by schools to engage far more now with the business community and to bring people in.

We have heard from a number of hon. Members today about some of the work in their own constituencies, and their encouragement of schools and teachers to engage far more with businesses. Some really sensible and good points have been made about bringing in the engineers and the plumbers—it does not matter—to break down these stereotypes and to open the minds of all our young people to the fact that there is a full range of opportunities available to them, and to break out of those stereotypical opportunities of fashion and beauty.

I do not know what it is about our culture, which seems in some ways to be going backwards; whether that is because of the predominance of the personality culture, I do not know. So I pay full tribute to the fact that we have the first woman First Minister in Northern Ireland—fantastic—and the first woman First Minister in Scotland. Do you know what? I do not care what Nicola Sturgeon’s clothes are like; I am not interested in her hair, any more than I am interested in whether the Chancellor is on the 5.2 diet. [Laughter.] It really is so totally, utterly irrelevant, is it not? What matters much more is what they do; the Chancellor, of course, is brilliant, and Nicola Sturgeon could do an awful lot more. No—I am making a cheap political point. But we all know what the point is. We have an obsession now with the way people look, with what they are wearing and how they dress, but it does not matter; it is what they do and say that matters most. We have moved backwards in that respect, and changing that would encourage more young women to get involved in STEM subjects.

You will probably be pleased to know, Mr Hollobone, that I fear hugely that I will be unable to deal with all of the speech. In any event, it is far too long to deal with in the time available to me.

I pay full credit to the Secretary of State for Education, who is also the Minister for Women and Equalities, for the work she does and her absolute determination to ensure that girls and young women have all possible opportunities. For example, in 2014 we set up the Your Life campaign, which aimed over three years significantly to increase the numbers taking A-level maths and physics. It has a strong social media presence on Facebook, Twitter and Instagram, which is the way of communicating with young people, even if at times it drives people like me completely bonkers, because of the trolls and the abuse.

Regarding the levels of misogyny, I do not know whether the number of attacks on women in public life has increased, but certainly on social media we see that sort of abuse, and it is absolutely not acceptable in a modern world and does nothing to encourage women to step away from the stereotype.

I want to say just one other thing, and it is about mentoring. We have a great scheme to ensure that we get mentors into schools, and we have STEM ambassadors. In BIS we support more than 32,000 ambassadors to go into our schools, and I want to find out more about them when I go back to my Department. That really is the future, but it is also about changing the culture.

5.51 pm

Ben Howlett: I thank the Minister very much for her closing remarks. Her passion for the subject is clear. She is obviously looking to take on board the recommendations and the issues raised in the debate today and report back to us later, to carry on the good work that the Government are doing to address this culture.
Members on both sides of the House are right to say that there is a cultural problem. We have talked about role models that need to be rolled out, and we need to ensure that the 5.2 million disabled people are not left to one side and forgotten about. They are hugely productive members of our community and we should do everything we can to encourage them into STEM careers as well.

In addition, we have heard about the Improving Gender Balance Scotland project, and I will go away and read about that and find out what work has been done there too.

In particular, I hugely congratulate everyone who was on Twitter yesterday—I have to say that there was a limited number of trolls. The debate has been amazing, incredibly sensible and forthright and has shown how wonderful this place can be when we focus on an issue that has cross-party support. I hope that this will not be a single debate but a long-term campaign to ensure that we change our culture, so that in a number of decades’ time we will not have to talk about these same problems. I thank everyone who has taken part today, and particularly the millions of people out there who were watching the Twitter debate yesterday.

*Question put and agreed to.*

*Resolved,*

That this House has considered increasing diversity in STEM careers.

5.53 pm

*Sitting adjourned.*
Westminster Hall

Wednesday 20 January 2016

[Mr Andrew Turner in the Chair]

Out-of-school Education Settings

9.30 am

Sir Edward Leigh (Gainsborough) (Con): I beg to move,

That this House has considered the proposed regulation of out-of-school education settings.

It is a great pleasure to serve under your chairmanship, Mr Turner, and to welcome such an excellent Minister, dedicated to school standards, and an even more excellent Opposition spokesman—I say that in the hope that they might be nice when they sum up.

How have we come to a situation in which a Conservative Government are proposing that a parish church must register with Ofsted before it can teach children the Bible for more than a few hours? The Department for Education's consultation—I emphasise that it is a consultation—on its plans for out-of-school settings is well intentioned enough. Nobody denies that. When Sir Michael Wilshaw goes on the radio to defend them, he tells us about children “at risk of abuse and at risk of radicalisation.”

We all have those concerns, but why does tackling abuse and radicalisation in a very tiny number of madrassahs mean that every voluntary group in England that instructs children for six or more hours a week has to register with the state? My right hon. Friend the Secretary of State for Education told Radio 4 that she thought the number of problem institutions could be numbered in the tens. Why, then, are we requiring tens of thousands of totally innocent groups to register with the state?

Graham Stuart (Beverley and Holderness) (Con): Does my hon. Friend remember that when we were in opposition, we opposed the then Labour Government’s ContactPoint database precisely because it sought to capture information on every child in the country? We said, “No, it should be proportionate. We should capture the information on children at risk, not every child.” Why does he think that that principle is not being applied in this case?

Sir Edward Leigh: My hon. Friend makes his point very well, and I agree entirely that the Government should capture information only on the very small number of children who are at risk.

Gavin Robinson (Belfast East) (DUP) rose—

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Does he believe that the proposals fit in with that promise?

Sir Edward Leigh: Exactly. How proudly I stood on that manifesto. [Laughter.]

Returning to my speech, if the number of problem institutions could be numbered in the tens, why should all these voluntary groups be subject to inspection by Ofsted? Why does that mean that churches could have inspectors deciding whether their doctrine meets the “British values” test? Why should totally moderate, mainstream mosques and madrassahs have to register on a list of potential extremists?

The DFE says that an out-of-school education setting is “any institution providing tuition, training or instruction to children aged under 19 in England”. Exceptions are schools, colleges, and registered childcare providers. The Government talk about “intensive education”. That sounds bad—like it has a controlling influence on children—but the document says it is “anything which entails an individual child attending a setting for more than between 6 to 8 hours a week”.

It says that that could be an hour or so every day after school.

Jeremy Lefroy (Stafford) (Con): I speak as somebody who even this coming weekend will be engaged in working with young people in a Sunday school. Does my hon. Friend think that, even if we normally do one or two hours a week, the proposals will apply if we take the children away for a weekend, which will be far more than six hours?


**Sir Edward Leigh**: That is a very good question and is precisely what the Minister needs to respond to, because the proposals could apply and we want to know the answer.

Huge numbers of groups have the kind of contact with young people that we are discussing. They will all have to register as part of a scheme designed for spotting a few Islamic extremists. It sounds a bit excessive, doesn't it? The DFE is clear that it has in mind “activities and education for children in many subjects including arts, language, sport and religion”. This scheme for spotting jihadists is therefore going to impose state regulation on groups teaching arts, music and sport, activities in which jihadists are not particularly known to engage. Stalin used to persecute innocent groups of philatelists or Esperanto learners; is this a very British kind of Stalinism? Members will be thinking of the many scout troops, sports teams, youth groups, churches, conservation groups and after-school clubs in their constituencies. They will all have to register, even though we can say with a high degree of certainty that none of them—none of them—are poisoning young minds with extremism.

The Scout Association has contacted me to say that the “proposed threshold is neither helpful, nor workable” and that “sufficient scrutiny already exists”. Of course, that is right. One does feel sorry for the association. It is hard enough nowadays to get volunteers to give up their free time to run scout groups, without more over-regulation.

**Mrs Caroline Spelman** (Meriden) (Con): Like, I am sure, many others present, I have had to go through the process of a Criminal Records Bureau check, which is now a Disclosure and Barring Service check. Does my hon. Friend agree that it is an important but onerous process? Sometimes, one has to be checked more than once, because it does not transfer to another activity that one might undertake with children if one is foolish enough to do a full weekend with the Sunday school. It is a very rigorous process, and if it was applied to the people who teach children Islam in all teaching environments, it would be a very good tool to deal with any excess problem that there might be.

**Sir Edward Leigh**: I agree with my right hon. Friend. We should be using DBS checks if, for instance, people are trying to teach extremism, jihadism or whatever in an out-of-school setting or at home. We should use intelligence and existing powers to deal with the problem, not try to take a great sledgehammer to crack a nut.

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): The hon. Gentleman is making a powerful speech. My constituents are concerned about whether Ofsted has the capacity and the resources to implement the proposals, and about what the costs might be.

**Sir Edward Leigh**: I believe that Ofsted has neither the capacity nor the resources. It should concentrate on its job of ensuring good educational standards.

The DFE consultation document also mentions settings that are used during school holidays. Clearly, summer camps were in view. The Department now says that “one off residential activities” will not be covered. Fair enough. The body charged with registration is the local authority, but I am afraid we have seen enough local authorities banning Christmas and pulling funding from church groups to know that there will be places where relationships between local churches and the council are not friendly.

Apparently, out-of-school settings will be “eligible for investigation, and if appropriate, intervention where concerns were reported”.

Investigation? Intervention? This is pretty intrusive stuff. The Government say that all this has “the broad aim of keeping children safe generally from the risk of harm, including emotional harm”.

**Seema Kennedy** (South Ribble) (Con): I thank my hon. Friend for securing this important debate. I speak as somebody who, like other Members, has run residential courses like those that have been mentioned. Does he agree that we might end up with all the good, diligent organisations registering, while the ones we are trying to crack down on will not bother registering at all?

**Sir Edward Leigh**: That is precisely the point, and I will come to it in a moment. Extremists will not register and will not talk about cutting off people's heads when the Ofsted inspector is around.

Emotional harm is a vague concept. Athletes such as Richard Dawkins say it is “mental abuse” to teach children that the Bible is true. Does the Department agree? I am sure not. Do some Ofsted inspectors agree? I hope not.

The system includes a requirement to “register”, a power for Ofsted to inspect and a power to impose sanctions, including barring people from working with children and closing premises. Although the consultation process was, I believe, inadequate, the Department received thousands of responses, because people, especially Christian groups, are really worried. They are terrified because, for the first time, Ofsted will decide whether to bar someone or close down their youth work by assessing whether their teaching is “compatible with, and does not undermine, fundamental British values.”

The Department says that prohibited activities will include:

“Undesirable teaching, for example teaching which undermines or is incompatible with fundamental British values.”

Does the Department really have a right to decide what is desirable and undesirable teaching in churches? Many groups focus on hobbies, sports, music, the outdoors—things that have no relevance whatever to British values. The truth is that those thousands of hobby groups are being forced to register only so the system looks even-handed. That is the point: the Government are terrified of not looking even-handed, and therefore they are bringing in all those other harmless groups.

**David Rutley** (Macclesfield) (Con): I congratulate my hon. Friend on securing this debate and on making a characteristically forthright speech that is based on common sense. Does he agree that the state has tools to address such issues in a risk-based way? We do it all the time with immigration and policing. Clearly, if there are risks, we should have a risk-based, proportionate approach based on common sense.
Sir Edward Leigh: That sums it up very well. All the tools are there, and I will list them in a moment. They are based on risk.

The DFE’s real target, as we all know, is religious teaching; let us be honest about that. The major problem is that many religious groups do not have confidence in Ofsted. I led a debate last year on the treatment of certain Church and Jewish schools. I will not repeat all I said on that occasion. I mentioned the particular problems that Orthodox Jewish schools are having; I read out letters from pupils at a Christian school; I mentioned St Benedict’s Catholic School in leafy Bury St Edmunds, which was accused of not doing enough to tackle radicalisation; I mentioned Middle Rasen School in my constituency, which, according to Ofsted, is not British enough. I will not repeat those points, but they are on the record.

The Catholic Education Service does not oppose the plans, but it has a number of concerns, including the risk of “vexatious complaints and the use of the system as a means of pursuing critical objectives”.

Ofsted told Trinity Christian School in Reading to invite leaders of other faiths to lead collective worship and actively to promote other faiths. Ofsted denies it, but why would the school make it up? I am afraid that Ofsted has a reputation for being unfair to some Christian and Jewish schools. When inspectors went into the Birmingham non-faith schools that were part of the Trojan horse Islamist plot, they first rated them as “outstanding”. One of the key figures in the scandal was an Ofsted inspector, so it hardly has a stellar record of spotting extremism. Yesterday, I talked to Sir Michael Wilshaw, who is a very reasonable, able man and is clearly doing his best. I have no doubt that he has worked hard in the past year with his resources to root out radical jihadism, but because he has to look even-handed, he has to take part in this activity of controlling thousands of other groups.

Are British values the answer? One only has to say the phrase now and people roll their eyes. The consultation paper says that British values include “democracy, the rule of law, individual liberty and the mutual respect and tolerance of different faiths and beliefs.” That is too vague to provide a basis for state inspection of churches and scout groups. It is also sloppy. We cannot show respect and tolerance for all beliefs. Jihadism is a belief, and we certainly do not respect that.

The Government admit that their out-of-school plans will create a new burden on providers—the understatement of the year—but I do not think they have any idea of how big the bureaucratic monster they are creating is. The National Council for Voluntary Organisations—hardly an extremist group—says that there are more than 160,000 voluntary organisations in the UK. Many of them work with children and young people. For 37,000 of them, it is their core work. The NCVO counts only registered charities, but a vast amount of voluntary work is done without the formality of setting up a charity, so there are many thousands more groups not included in the NCVO figures.

I have several questions that I hope the Minister will reply to. How will those tens of thousands of bodies be notified of the new obligation to register, given that some of them do not even have a permanent address?

Whose responsibly will it be in the setting, especially if the group is informal and has no structure? What about venues with different groups operating on the same premises? How will ad hoc groups calculate whether they breach the six-hour threshold? How many will be forced to register just in case? How will they know what Ofsted is looking for if they ever get a visit? How will they prepare for a visit? Can football be played in a non-British values compliant way? Can a conservation club be intolerant? Should martial arts clubs be worried?

The whole thing is a ridiculous mess that will severely damage the big society—our big idea. Some groups will cut their provision to less than six hours to avoid having to register, and some will close down altogether. Groups that rely on teachers as volunteers will be especially vulnerable because teachers will not want to risk their career by being involved in an amateur outfit that might slip up with Ofsted. It is the children who will suffer, not us, Ofsted or the Government. There will be less provision, which means that in future there will be fewer footballers, swimmers, linguists, artists and other high-flyers, all because of this bizarre, unfocused, ill-thought-out, politically correct imposition on our freedom.

Mrs Gillan: I am also greatly worried about the cost and burden that the scheme will place on our already squeezed local authorities and on the Government. More taxpayers’ money will be spent on the scheme, and I think it would be unreasonable to expect local government to meet the cost.

Sir Edward Leigh: From talking to our local councillors, we know that the last thing we should do is impose more burdens on them.

To top it all, the scheme will not make children any safer from extremism; it will just tie up thousands of non-jihadi groups in red tape. The idea that jihadists will take the time to register is incredibly naive. Islamist extremists regard our laws as a total irrelevance. If they have no conscience about teaching children that Jews and Christians are worse than dogs, does anyone seriously think they will have a conscience about registering with the local authority? Are they really going to put themselves on the radar for an inspection? If they beat up children for not memorising the Koran, do we really think they are going to put their hands up and say, “Here we are—come and inspect us”? If Ofsted turns up to assess them, does anybody think that they would use the occasion to show their ghastly videos?

If we want to find extremists groups that put children at risk, we have to use good old-fashioned intelligence. We spend a huge amount of money on the intelligence services. We have to rely on intelligence, surveillance, common sense and the bravery of members of the public who blow the whistle on such groups, including the many good Muslims who are fed up with this, frankly, and the good Muslim mothers who do not want their children to go to such places.

We should use existing laws, of which there are plenty. If these groups urge children to do things that break the law, we should prosecute them for encouraging the commission of a criminal offence under section 44 of the Serious Crime Act 2007. If the children are at risk of significant harm, we should get a prohibited steps order or a supervision order under the Children Act 1989. If the premises are dangerous, we should invoke health
and safety law to close them down. If it is really an unregistered school, we should use the Education and Skills Act 2008 to close it down, as the DFE did last week to a school in Stamford Hill. We have the powers, and we should use them to deal with the genuine cases.

This out-of-school setting scheme is a total and utter distraction. We will end up with a list of tens of thousands of law-abiding, non-extremist groups, and Ofsted inspectors will try to justify their existence by picking on the occasional conservative religious group and brand them non-compliant with British values. It is a typical case of politicians and civil servants wanting to look as if they are doing something, rather than actually doing something. If they actually want to do something, they need to knock together the heads of the police, social services departments, Ofsted and all those with existing powers to make them use those powers properly.

This scheme is fundamentally illiberal. It is big government at its worst. It would do little or no discernible good, and an awful lot of harm, leading to false allegations. Ofsted knows that false allegations against teachers are a massive problem in the profession. A system based on “British values” and “undesirable” teaching is ripe for subjective, exaggerated and politically-motivated complaints, especially against religious groups. This will generate false flags and waste time. Finding extremists is already like finding a needle in a haystack. This system will just make the haystack much bigger.

Sir Michael Wilshaw tried to justify the new plans on LBC Radio last week by citing cases of unregistered schools where children were “living in appalling conditions in a filthy environment where there was homophobic literature, anti-Semitic literature and misogynistic literature”.

That summarises the difficulty. On the one hand, it identifies real problems such as educating children in filthy conditions, but talks about those problems as if we cannot tackle them without a new law. That is not true. We do not need a new scheme to do that. On the other hand, Sir Michael Wilshaw raises issues that involve highly subjective judgments, such as what constitutes “homophobia” and “misogyny”. People routinely use words such as homophobic and misogynistic to describe the contents of holy books of all religions. One can bet there are Ofsted inspectors who take that approach. I half wonder whether the homophobic, misogynistic and anti-Semitic literature found at unregistered schools was just some religion’s holy book. There is some pretty blood-curdling stuff in the holy books of all religions.

I absolutely accept that no religious person has the right to impose any violent language on anybody else, but we are talking about religious people. It does not matter whether they are Hindu, Sikh, Muslim or Christian—they believe their holy book. I am not saying that anyone has the right to enforce their holy book on others, but they do have a right to say that they believe that their religion is right and that others are wrong. That is why they are religious. That is real diversity and pluralism—not this ridiculous situation in which we all have to pretend that we believe the same thing.

The Minister may tell us that the Government have no intention of registering Sunday schools, chiefly because they do not like the sound of the headline, but Sir Michael Wilshaw told the LBC Radio audience last week that Sunday schools would have to register. He is right because Sunday school provision is just one aspect of a church’s work with young people. If a child spends two hours at Sunday school, another two hours at a youth group on Wednesday, and another two hours in choir practice on Friday, they have spent six hours receiving tuition and training from the church. It may have involved three different groups with three different sets of volunteers but it is all in one setting, so that church will have to register. Its Sunday school workers, youth group leaders and choir masters are all liable to British values inspections.

In 1787, it was estimated that a quarter of a million children were enrolled in Sunday schools. They were mainly non-conformist. Frightened by the French revolution, the then Archbishop of Canterbury denounced Sunday schools as “nurseries of fanaticism”. Prime Minister William Pitt almost introduced a Bill prohibiting the dangerous innovation—plus ça change. In conclusion, the Department must think again before it unleashes a whirlwind of destructive over-regulation on the voluntary sector.

9.53 am

Stephen Timms (East Ham) (Lab): I am pleased to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Gainsborough (Sir Edward Leigh) on securing the debate. I agree with a great deal of what he said, and I think there will be widespread agreement that the prospect of Government officials inspecting and supervising religious activity is not an attractive one.

We all understand—the hon. Gentleman set this out clearly—why the Government want to introduce the measure, but the way in which they go about doing so is very important. The Christian organisation CARE, in its briefing for the debate, rightly asks the question that he raised: what became of the big society? The approach being taken here is very different. It is the big state approach, which, as we have been reminded, the Conservative party’s election manifesto explicitly repudiated.

I am particularly uncomfortable about the idea that religious instruction should be placed under the authority of some vaguely defined British values administered by Government officials. Surely, in reality, it is the other way around. Admirable British values have been formed as a result of the practice of religious faith over hundreds of years. We need the practice of faith to renew and reinvigorate those values, and there is a good deal of that around the country at the moment—for example, in the extraordinary network of food banks that has developed over the past few years, a great majority of which are faith-based. That is where good values come from. Making religious instruction subject to a state-controlled version of values is deeply problematic.

There is a recurring theme in the Government’s efforts to address extremism. Of course, it is right that the Government address the problem, but that is a very difficult thing to do. Sometimes, one gets the feeling that the Government are coming up with ideas in order to be seen to be doing something. There is a worry that a view is emerging that a person who is deeply religious should be regarded in consequence as suspect. In reality, there is no correlation between those two things; it is not true for Christians, Muslims or others. Islamist extremists, on the whole, are people who are outside of regular mosque attendance because mosque attendance involves socialisation, which helps to protect against extremism. Therefore, in reality, the connection is mistaken.
Mr Gregory Campbell (East Londonderry) (DUP): The right hon. Gentleman is touching on the nub of the problem. In society, there are groups of people who are deeply religious and hold devout religious views. Does he agree that any Government initiative or change in legislation must not assume that those groups are in some way suspect and treat them in a blanket way to isolate and deal with the very small number of people who use devout religious views as a means and mechanism to achieve a more devious and illegal aim?

Stephen Timms: The hon. Gentleman is absolutely right. I very much agree with the way he has expressed that danger, which we are heading into at the moment. If the Government are determined to make some changes in this area, I wonder whether there might be a less problematic way of doing so than the one proposed in the recent consultation. As was mentioned earlier, there is not a good fit between the task proposed and the institution—Ofsted—proposed to undertake it. I am an admirer of Ofsted and, in particular, of its current chief inspector. I admired him when, years ago, he was a headteacher in the borough that I represent in the House of Commons. However, inspecting and holding to account publicly funded schools is a very different task from monitoring occasional problems in wholly voluntary settings. As one commentator has observed, the measure would, in effect, make Ofsted the state regulator of religion. It is quite surprising to see this idea from a Conservative Government. Ministers have used the original proposals or my right hon. Friend’s suggestion sounds interesting, but does it not fly in the face of what this Government have said?

Robert Flello (Stoke-on-Trent South) (Lab): My right hon. Friend’s suggestion sounds interesting, but does it not fly in the face of what this Government have said for many a year, which is that they do not want to see state bodies and apparatus put in place? Whether they used the original proposals or my right hon. Friend’s interesting ideas, all of it suggests further layers of bureaucracy, which they keep saying that they do not want.

Stephen Timms: My hon. Friend is absolutely right. I was attempting to propose a different way of doing things that might get around at least some of the serious difficulties in the Government’s proposals.

In conclusion, several of us received this morning an email from a man who writes:

“I’m a British born Muslim living in East London. I have a beard and pray five times a day and I can no longer walk down my street without being looked at strangely as a threat.”

In addressing the problem—a real problem, albeit one affecting only a tiny number of people—there is a danger of accidentally severely undermining the values that we are setting out to protect.

Several hon. Members rose—

Mr Andrew Turner (in the Chair): We have quite a job to do fitting everyone in. We are going to start the wind-ups at 10.30 am, which allows the Front-Bench spokespeople only nine minutes each to allow Sir Edward to conclude.

10.2 am

Fiona Bruce (Congleton) (Con): I will be brief, because the excellent speech of my hon. Friend the Member for Gainsborough (Sir Edward Leigh) has made most of what I was going to say unnecessary. The proposals are disproportionate and likely to be ineffective, and pose a real threat to freedom of speech, conscience and belief. They are also quite probably illegal, a point to which I will return in a moment.

Whatever reassurances the Minister may give us today that the proposals will not affect the salt of the earth organisations of which my hon. Friend spoke, we cannot be sure. The problem is that office holders change. Politicians change. Civil servants change. Once such regulations are in place, what guarantee do we have that they will not be interpreted differently in the future?

It will not do to say that we are being alarmist. We need only remember the plight of the Plymouth Brethren, which you will remember well, Mr Turner. They were threatened with the removal of their charitable status some three years ago over a difference of interpretation of the words “public benefit”. That came after reassurance had been given in the House during debates on the Charities Act 2006 that traditional religious charities need not fear the legislation. If I am correct, you were the shadow Minister at the time, Mr Turner, and you expressed grave disappointment in this very Chamber that, years after the passing of 2006 Act, an established charity with some 300 churches across the country was having its charitable status challenged following a different interpretation of the legislation. The reassurances that had been given were swept aside. The challenge cost the charity hundreds of thousands of pounds and was only averted after dozens of MPs stood up in this place and called for the outrageous attack to be stopped. That is why we are speaking out against the proposals today.

I now turn to the probable illegality of the proposals and the human rights issues. I thank Professor Julian Rivers, professor of jurisprudence at the University of Bristol and an expert on law and organised religion, for his advice. He describes the proposals as “astonishing”. He says that such a registration requirement, as it would apply to religious groups, would “be straightforwardly in breach of the UK’s international human rights obligations.”

Let us have a look at articles 8, 9, 10, 11, 14 and 18 of the European convention on human rights. Hon. and right Hon. Members will be relieved that I will not quote them all. The Human Rights Act 1998, which refers to
of a school. We cannot end up in a situation in which a Sunday school is declared a radical theatre or religious studies at a local primary school becomes a matter of national security. Such things are incredible.

David Simpson (Upper Bann) (DUP): Does my hon. Friend agree that it is sad that we could be looking at state-controlled faith in this United Kingdom in a few years?

Jim Shannon: Absolutely, I thank my hon. Friend for that point. I am on the record as saying that freedom of expression and of religion are essential to any free, modern and healthy democracy. I fully support that and think that other right hon. and hon. Members here support that. I want to ensure that that is how we consider the matter.

The Evangelical Alliance, an umbrella group representing some 2 million practising Christians in the UK, said that the proposals risk the “wholesale nationalisation of youth work and the indirect state regulation of private religious practice”.

Can you believe it! What a prospect!

Colin Hart of the Christian Institute described any enforcement of the so-called British values—incidentally, I am British and a British passport holder, British by birth and British by choice, but these values are not my values—on any faith group with any reasonable cause for concern as “an unprecedented attack on freedom of religion in this country”.

He warned that Ofsted inspectors not only could be sent into Sunday schools, but could end up investigating scout troops—this year it is the 100th anniversary of the Cub Scouts—and even bell-ringing clubs. My goodness, there will be people sitting on every corner with their black shirts on ready to do the business!

If this is the sort of Britain that we are on the road to, we are not on the road to a very good place. A serious re-evaluation is needed of whether it is worth eroding such civil and religious liberties in the name of those so-called British values. I hope that today gives the Government a chance to change that. This serious issue is important throughout the whole of the United Kingdom of Great Britain and Northern Ireland, and I urge the Minister to say clearly in his response, “It is not happening.”

I am not alone in having serious concerns raised with me by traditional faith groups and faith schools with no history of extremism whatsoever about the prospect of counter-extremism strategies potentially affecting them. That is what this is all about. Let me be clear. A framework needs to be put in place with safeguards to prevent the strategy from becoming a draconian measure.

There needs to be intelligence-gathering and reasonable suspicion before any investigations or the specific targeting
It is therefore right for the Government to address the problem, although we are not doing so correctly by introducing such sweeping proposals, which have been drawn up only to counter Islamic extremism, which threatens our national security. The Government, however, are pretending that there are extremists in other quarters in this country, such as in far-right groups. Yes, there are undesirable, revolting groups in this country, but they do not threaten our national security as it is being threatened by one group.

Gavin Robinson: That is an important point. The Government recently published a counter-extremism strategy. When I asked why Northern Ireland, which has a fair number of extremists, was not included in the strategy, I was told, “Don’t push the issue too far. It is really a counter-Islamic strategy.”

Sir Gerald Howarth: Indeed. Everything is being done so that the Government can pretend that they are being even-handed. We cannot be even-handed between those who do not threaten our national security and those who do. We have to be specific.

There is of course complete confusion about how the Government are approaching the issue. On 14 January Sir Michael Wilshaw said in an interview on LBC:

“We have got to deal with this in an even-handed way...all we’re saying is that if church groups or religious groups want to run out-of-school classes then they need to register so that the country and the Department of Education know they exist and that they’re being run properly.”

That is what he said.

Fortunately, on 15 January the Prime Minister wrote a letter to me, which I received yesterday. He said:

“I want to be clear: the Government is not proposing to regulate institutions teaching children for a short period every week, such as Sunday schools or the Scouts. Nor will it apply to institutions teaching children for a short period every week. It runs over two weekends, so for more than a week. It runs over two weekends, so for more than a week. We are looking specifically at places where children receive intensive education outside school, where children could be spending more than six to eight hours a week.”

Michael Tomlinson (Mid Dorset and North Poole) (Con): I am grateful that my hon. Friend read that out. I run, or help to run—I do not want to overstate the case—a Christian youth camp that runs for longer than a week. It runs over two weekends, so for more than a week. Will he join me in calling on the Minister to clarify that such camps that run for 10 days or two weeks will also not be included in the proposals?

Sir Gerald Howarth: My hon. Friend’s illustration exposes the complete absurdity of the whole regulatory process that the Government are seeking to introduce. I thank him for his helpful intervention.

We risk passing massive powers to Ofsted to define extremism and what constitutes British values. In conclusion, therefore, the scheme is hopelessly broad, covering vast swathes of activity with children and young people in respect of which there is not a shred of evidence of anything remotely resembling extremism. Any scheme must be evidence-based, intelligence-led and tailored to the problem that it is designed to solve, which is that of Islamic fundamentalism poisoning the minds of young people in this country. This scheme represents none of those things.

10.15 am

Gavin Robinson (Belfast East) (DUP): The previous time I spoke in this Chamber, we discussed the Donald. Since then I have had scores of emails from lively Americans who have described Members of our honourable House as jihadist-supporting and Christian-hating fundamentalists. Today I hope that faithfulness and truth shine out of this House and that the Government take on board the strong message that we are getting throughout the Chamber that the proposals we are discussing are far too wide and far too shallow, when really they need to be narrow and deep.

Mrs Helen Grant (Maidstone and The Weald) (Con): Does the hon. Gentleman agree that, in addition, the proposals are rushed, reactionary and very badly thought through?

Gavin Robinson: As well as completely unlawful and completely unworkable.

The hon. Member for Gainsborough (Sir Edward Leigh) indicated how bizarre the proposals would be for those they are really meant to affect. Which jihadist or fundamentalist would abide by the letter of the law? Even if they are radicalised or militarised, are they not capable of stopping their radicalisation lessons at five hours and 59 minutes per week? Are they not clever enough not to register or draw themselves to the attention of the grey bureaucrats in Ofsted? Of course they are. They will avoid all the good intentions that might lie behind the proposals.

We would be left in a bizarre situation. Section 48 of the Education Act 2005 allows faith schools to select their own assessors; the denomination selects the assessors. But churches, those single entities that house so much good work for so many organisations—the cumulative effect of the Scouts, the church groups, the Sunday schools and other lessons, and the Alpha courses for children—once they reach six hours, they will come a cropper under the proposals.

The hon. Member for Congleton (Fiona Bruce) fairly and helpfully illustrated the legal difficulties. I know that there is not an awful lot of love for the Human Rights Act but, underneath all the rhetoric about it, there has always been the confirmed principle that the European convention on human rights would be upheld, including the enshrined freedoms of religion and association. Moreover, the right to freely associate is protected from arbitrary state interference. There are scores of cases involving, for example, Moldova, Hungary and Russia—there was a case involving the Church of Scientology in Moscow and the Russian state. These proposals would fall foul of the European convention on human rights. In fact, we would be associating ourselves with such champions of freedom as Belarus or Turkmenistan, which the UN’s special rapporteur criticised for seeking unfairly to hinder the freedom to teach and educate on the basis of faith principles.

I recognise, Mr Turner, that I have gone well beyond the time you suggested and I will sit down shortly, but I want to highlight the promise made to the people of this country in the Conservative manifesto last year. On page 61, it states that a Conservative Government will “reject any suggestions of sweeping, authoritarian measures that would threaten our hard-won freedoms.”

Live up to that promise, Minister, and having considered the possibility of the proposals, set them aside.
The Second Church Estates Commissioner (Mrs Caroline Spelman): I congratulate my hon. Friend the Member for Gainsborough (Sir Edward Leigh) on securing the debate. Fortunately, we are discussing a consultation. Although it is closed, I urge the Minister to consider the contributions to the debate as part of that consultation.

I speak as the Second Church Estates Commissioner and I want to place on the record the position of the Church of England, which provides 500,000 children with out-of-school educational activities, involving 80,000 volunteers. The Church’s objections to the proposals should not be interpreted as a rejection of the Government’s aim of protecting children from harm. Of course not. It is simply that, if the Government do proceed, the Church wishes that the measures will be much more proportionate and avoid the unintended consequences.

If even-handedness is the concern of the Government, they should use existing laws that protect children and that the Church of England, its volunteers and its professionals are required to abide by. Everyone who works with children in such settings has to have CRB checks, which are now called disclosure and barring service checks—sometimes people have them again and again—but every church is also required to appoint a child protection officer, even if they do not have a Sunday school but aspire to teach some children in the setting. If the Minister wishes such things to be done in an even-handed way, that should also apply to other educational out-of-school settings.

One of the Church’s main concerns, which has been articulated by hon. Members, is the singling out of religious activity for new laws, which implies that religious activity is inherently problematic. That is likely to inhibit the religious freedom that the consultation aimed to ensure we protect.

Muslim mothers came to see me in my constituency before Christmas, beseeching me to ask the Government to do something about the teaching of their children in private madrassahs. They are fully aware that the Church and other religious groups are required to abide by this country’s laws, but they are also aware that that is not happening in private madrassahs. Laws already exist—for example, on the application of CRB checks and the childminding registration laws for domestic settings, which hon. Members know are quite onerous for childminders. I urge the Government to use the tools they have even-handedly so that all groups required to abide by this country’s laws actually do so.

Steve Double (St Austell and Newquay) (Con): I congratulate my hon. Friend the Member for Gainsborough (Sir Edward Leigh) on securing the debate. Just a few weeks ago, the Prime Minister stood up in the Chamber and declared that he believed we were a Christian nation and that, in fact, it was our Christian heritage and values that have made us the great nation that we are. I believe that those words were broadly welcomed, so, if that is true, what are we afraid of? We should be promoting the teaching of the Bible to our children, not seeking to restrict it, because the results of that produce an awful lot of good.

The Government are in danger of making a bad decision based on very bad evidence. Where is the evidence of any British citizen attending the local Methodist Sunday school and being incited to carry out acts of terrorism? Where are the Sunday school teachers who seek to inspire and incite young people to join terrorist organisations? I suggest there is no evidence whatever to impose such restrictions on Sunday schools and other church groups.

Graham Stuart: My hon. Friend is right. There also seems to be little evidence that the inculcation of ideas in madrassahs leads to extremism. We have had little from the Government to show an evidential link—it seems to be lonely teenagers looking on the internet rather than being taught in schools, officially registered or otherwise.

Steve Double: I thank my hon. Friend for his intervention and I wholeheartedly agree with him. We need to recognise that the vast majority of people of all faiths in this nation are decent, honest, law-abiding citizens who want only the best not only for their own children, but for our nation. We are in danger of applying onerous restrictions on the many to address the actions of a few. That is the wrong thing to do.

In this country, we have already sacrificed too much of our liberty in the name of equality. I fully appreciate that the Government are trying to walk a tightrope on this issue to appear even-handed, but, as my hon. Friend the Member for Beverley and Holderness (Graham Stuart) pointed out, we need to be clear about where the source of the threat comes from and target the Government’s response to address the source and not tie up tens of thousands of volunteers with unwarranted bureaucracy when they already have a hard enough job to do.

When young people attend Sunday school or other Christian events throughout the year, they often find not just faith but a mission in life to go and serve humanity. Thousands of young people attend Christian camps every summer and, as a result of the teaching they receive, they are inspired to travel the world, serving humanitarian causes. That is something we should be promoting, celebrating and encouraging, not restricting.

I implore the Minister and the Government to think again. There is clearly a degree of confusion over this issue, but there is no smoke without fire, so there is certainly something going on. I ask the Minister once and for all to quash the proposal to put onerous restrictions on faith groups, and churches and Sunday schools in particular. Let us celebrate our Christian heritage and not seek to restrict it any further.

Mr Andrew Turner (in the Chair): I call Caroline Ansell, who has one and a half minutes.

Caroline Ansell (Eastbourne) (Con): Thank you, Mr Turner. I will confine my comments because the hour draws near. I congratulate my hon. Friend the Member for Gainsborough (Sir Edward Leigh) on securing the debate. The strength of feeling expressed in the debate speaks loudly to the Government about the concern of our constituents.

As a former teacher, I think this has all the hallmarks of parents’ evening: it is only those parents who we really need to see who will not come. That point was made ably earlier. Just this morning there has been news about teacher recruitment, with issues about schools...
seeking to fill vacancies. Classes have cover and supply teachers because we are struggling to recruit the numbers we need. Many are the pressures in teaching, but Ofsted represents one of the most significant pressures for teachers. I know I speak for my colleagues in that. If we bring Ofsted into this setting, we will decimate the number of volunteers who give hour upon hour and add tremendous value to the young people they engage with.

I am deeply concerned about the proposal. It strikes me as statist. I am brought back to what the Prime Minister said:

“Whether it’s tackling crime and anti-social behaviour or debt and drug addiction; whether it’s dealing with welfare dependency or improving education outcomes—whatever the social issue”—I have the temerity to add extremism—

“the answer should always begin with family.”

These families choose the settings to which they send and entrust their children. The parents are often in that setting alongside the leaders. They are engaged, so parents are our best allies, not Ofsted inspectors. Should we go down the path of these sweeping authoritarian measures—that is how they appear to me—we will be letting terrorists win by sacrificing precious, hard-won freedoms.

10.27 am

Graham Stuart (Beverley and Holderness) (Con): I am struck by the parallel with the registration proposals of the previous Labour Government for home education.

The thought was, “There could be a problem. We don’t have enough data. We don’t know what’s going on. There could be issues—children could be being abused in their homes. So we must register every single parent,” even though the long-standing settlement was to respect that parents have the duty to educate their children, not the state. This is creeping statism.

I asked my hon. Friend the Member for Gainsborough (Sir Edward Leigh) not to add me to the list, but I am someone of no faith and there are lots of people in the Chamber with faith. This proposal seems to me a gross infringement of so many rights, including the rights of Muslims, and in a free society we need to respect families of whatever denomination and recognise where the line should be drawn by the Government, notwithstanding the risks.

If we go back, we think of the reds under the bed. It was not that there was not a clear and present danger from communism; it was the fact that a disproportionate, illiberal and un-American response was inappropriate. We can think back to when the leader of the Catholic Church—Islam has no such leader—was clearly opposed to the society and Government of this country, yet we recognised that Catholics were predominantly law-abiding and needed to be respected.

Sir Edward Leigh: Only predominantly?

Graham Stuart: Nearly exclusively. It is exactly the same issue.

I make one final point. If we go ahead with this, it will have the opposite effect on safety to what is intended. Forget all the other points my colleagues have made about how it will break down volunteering and all the rest of what is good—what about targeting Islamic extremism? If we take an organisation such as Ofsted, whose budget has been falling consistently over time—local authorities are in the same position—and ask it to register everyone, it will spend its entire time trying to do that and it will fail to get to the real problem.

With the Labour proposals on home education, we knew that the people who were really troublesome would never register and would evade the authorities with ease. Everyone else—every law-abiding, committed family—would be put through the hoops and subjected to a state imposition that was clearly and utterly inappropriate. That is what we risk here.

I have changed my mind on this proposal. At first, I thought it could be proportionate and reasonable, but I do not think it can be, so let us not do it. ContactPoint was wrong, and so is this—let us put a stop to it.

10.30 am

Carol Monaghan (Glasgow North West) (SNP): I congratulate the hon. Member for Gainsborough (Sir Edward Leigh) on securing the debate. I find myself in the strange position of agreeing with almost everything he said.

Like the hon. Member for Eastbourne (Caroline Ansell), I am a former teacher. I know the difficulties teachers have in recruiting people to help with out-of-school clubs and activities, and adding a further layer of bureaucracy will simply close those down, with all the benefits to our young people being lost in one foul blow.

As has been mentioned, anyone working with children already needs to undergo disclosure checks. Although those can take time and be problematic for people who want to get started, they are an important tool, and they are already in place.

The hon. Gentleman mentioned an atheist who said that teaching children the Bible was akin to child abuse. We must be careful about how we perceive teachers and what they do. People often think that teachers in particular settings are taking part in indoctrination or putting forward one view. Teachers in Catholic or other Christian schools do not simply teach one view—they teach different views.

Let me give an example from my experience. I was a science teacher. When we looked at the energy debate, we would give pupils the facts about renewables and nuclear and let them make their own decisions—we would teach them how to argue and how to think. The point here is that we are forgetting the professionalism that teachers show, whatever setting they are in. Teachers are not brainwashing pupils; they want to give them the knowledge to make their own decisions.

While we are talking about brainwashing and indoctrination, I should add that I am far more concerned about children who spend six-plus hours in front of the television, being fed soap operas and “The X Factor”, with all the lessons that those teach.

Kevin Foster (Torbay) (Con): The hon. Lady makes a great point. The proposed regulation could mean that more people in the communities where many churches operate—some of the most deprived communities in the country—are sitting indoors, doing less activity, which links to the debate we will have tomorrow about having a strategy to deal with the obesity that these things are resulting in.
Carol Monaghan: Absolutely. We need to look at the huge benefits that children—our future citizens—gain from these additional activities.

The hon. Member for Aldershot (Sir Gerald Howarth) talked about the need to tackle the threats to national security. We all share the responsibility to tackle extremism, but in doing that we must be careful not to throw the net too wide. Tarring every Muslim in Britain with the same brush because of the actions of those who carry out atrocities such as the recent Paris attacks or the 7/7 bombings is like tarring every Irish person with the same brush because of the Warrington bombing. We must be careful about the language we use so that we do not play into the hands of extremists. If we approach the Muslim community aggressively, we will simply cause anger and upset, and we will not get to the nub of the issue—the handful of extremists feeding poison to people.

Wendy Morton (Aldridge-Brownhills) (Con): Does the hon. Lady agree that the proposal risks being very heavy-handed? At its heart, it fails to take into account the fact that children and young people access so many out-of-school services and clubs and that those are at the heart of many communities across our country.

Carol Monaghan: Absolutely, and the same is true in the Muslim community. My local mosque, in Glasgow’s West End—the Ahmadiyya welcome centre—has children visiting every day after school to learn the Koran. It also opens its doors to the community and says, “Come and see what we do with these children. Come and see how they are benefiting. Come and find out about the values that are being taught here.” When we go in, we find happy children and a group of people who want to share what they are doing, and that is the experience in most mosques across these isles, so we need to be careful about these issues.

When an attack takes place, it is nothing to do with Islam, which is a faith of peace, or with our Muslim brothers and sisters, who contribute so fully, but it is everything to do with poisonous individuals and their individual agendas. We must continue to ensure that the Muslim community plays a full part in the wider community and that it does not find itself cut off or feel that it must cut itself off.

Many Members have talked about British values. Let me finish by saying that the values I hold dear are freedom of speech and freedom of expression, as long as people exercise them respectfully. Our values should include respect for people of all faiths and for those of none at all.

10.37 am

Nic Dakin (Scunthorpe) (Lab): The fact that more than 20 right hon. and hon. Members have contributed to the debate shows how big the concern is about the issues that have been raised. I congratulate the hon. Member for Gainsborough (Sir Edward Leigh), whose constituency neighbours mine, on securing the debate and on raising so many pertinent questions.

The first thing to be clear about is what problem the Government are trying to sort out. The main spur for their desire to review the registration system for out-of-school education settings seems to be the serious problems discovered in a number of unregistered schools in Birmingham. In July 2015, Ofsted warned the Department for Education that high numbers of pupils were dropping off the radar and potentially ending up in unregistered schools, where they could be exposed to harm, exploitation or the influence of extremist ideologies.

In early November, Ofsted identified and inspected several unregistered schools in Birmingham, finding a “narrow Islamic-focused curriculum” and the use of “misogynistic, homophobic and anti-Semitic material”, along with “serious fire hazards”, “unhygienic and filthy conditions” and staff who had not undergone suitable checks or who did not have clearance to work with children. It immediately informed officials at the Department. Yet, when it returned on 30 November, four weeks after the initial inspections, it found that all the unregistered schools were still operating.

Rather than immediately stopping the unregistered schools operating, the Department for Education seems to have advised the proprietors that they could register their provision. That suggests that the Department perceived what was taking place as acceptable practice. Ofsted expressed serious concerns that that could encourage others to open such schools. The illegal schools were closed down only after Ofsted inspectors remained at the premises until they were satisfied that the schools had ceased operating and that alternative arrangements had been made in registered schools for all the children, with the support of local authority officers. Ofsted says that that was achieved despite “confusing and unhelpful” advice from the Department.

Graham Stuart: My hon. Friend the Member for Gainsborough (Sir Edward Leigh) referred earlier to the ultra-Orthodox Jewish Charedi Talmud Torah Tashbar school in Stamford Hill, which apparently operated illegally for 40 years. The Department for Education, Ofsted, local authorities and others need to enforce the existing law before they are capable of extending it elsewhere. Let us enforce the existing law first and then consider extending it, once we can do what we are already supposed to properly.

Nic Dakin: Absolutely, Ofsted remains concerned that the number of children being educated in unregistered schools in parts of the country is far higher than is currently known by the Government.

When confronted with the real issue, the Government were slow to act, allowing children to remain exposed to a narrow and negative curriculum in unsafe premises, in the care of staff who had not been cleared to work with children. Every day that children remain in such a setting is a day too long. The Government have a basic responsibility to ensure that children are kept safe, yet despite warning after warning, they failed to act swiftly and deal with the issue.

The prohibited list of activities in paragraph 3.19 of the consultation document seems highly appropriate. I agree that action should take place immediately to investigate genuine concerns and evidence of out-of-school settings engaging in prohibited activities. That seems common sense, but as many Members have pointed out, there are lots of ways in which it can be done already under current legislation.

The question remains: does the direction of travel in the consultation document deal with the actual problem? As I said earlier, it seems that the main spur for the
Government to review the registration scheme for out-of-school education settings is the serious problems discovered in a number of unregistered schools. I am sure the Minister will take time tomorrow to explain why the Department failed to act as swiftly and effectively back in November as we all would have wished it to.

When Ofsted investigated those unregistered schools, it found timetables suggesting that teaching was taking place in institutions for at least 20 hours a week, despite the fact that anywhere offering more than 20 hours of teaching a week is legally obliged to be registered as a school. The reality is that those institutions should therefore have already been registered under current legislation and subject to inspections and safeguarding requirements that ensure children receive high quality education and are well looked after.

Before we even begin to examine the appropriate threshold for registering schools, the most important question to answer, in my mind, is: why were those institutions, which should have already been registered, allowed to go under the radar? Without explaining that and what is going wrong in the Department for Education, the Government are wholly unable to justify the changes they propose as being the robust action needed to tackle the real problem.

As the situation in Birmingham demonstrates, the Department for Education is evidently unable to monitor and ensure that all provision that breaches the threshold set is actually registered in the first place. That issue goes to the heart of what is wrong with the Government’s approach to our schools today. There is an obsession with school structures, at the expense of driving improvement in education for all children, which has created such a fragmented system of oversight for schools that some children are dropping off the radar and ending up in harm’s way.

The report published today by the Select Committee on Education supports that. It finds that oversight of our schools is not being carried out by Whitehall effectively. The model of eight regional schools commissioners, each responsible for thousands of schools across very large areas, is not working well to identify problems and to challenge and support schools to improve, let alone to spot the provision going under the radar, which is at the heart of the problem.

At the same time, local authorities are not empowered with the responsibility and capacity to act when inappropriate things are happening and children are potentially at risk. They do not have the resources to ensure they have strong intelligence about what is happening on the ground and that appropriate action is taken when things go wrong. Further cuts to local authority budgets, as promised by the current Government, will only weaken that situation even more.

The truth is that the Department for Education is currently failing on all its route 1, basic duties. Are we recruiting enough teachers? As the hon. Member for Eastbourne (Caroline Ansell) pointed out, there are chronic shortages of teachers up and down the country. Are we providing enough school places? Instead, some families applying last week will go straight on to a waiting list with no offer of a school place, and soaring numbers of children are being crammed into ever expanding classes.

Graham Stuart: Stick to the point. Stop this political partisan stuff.

Nic Dakin: It is the point. It is important that we concentrate on the key issues, and at the heart of this is a failure of oversight. Are we ensuring that all children are safe and out of harm’s way when they are in school or out of school?

As we have seen time and time again since 2010, this Government are not delivering on the big issues. There is real concern in the wider community that the Government are using a sledgehammer to crack a nut, tying up many voluntary organisations and faith groups in more red tape that makes it look as if the Government are doing something. They already have the powers to act, but they have a track record of being slow to use them.

I fear that this is all about activity, rather than action. As the hon. Member for Belfast East (Gavin Robinson) said, what is being proposed is wide and shallow, when what we need is something narrow and deep. That is very pertinent to the debate. It is rather like a teacher keeping the whole class in at break to teach them a lesson, when just one pupil had been misbehaving. It is better to use our energies and finite capacity to deal with the actual problem in a focused way.

Will the increase in red tape make it more likely that people running unregistered provision get it registered—which is part of the problem—or will it end up putting an administrative burden on various voluntary and charitable organisations running youth activities, including Sunday schools? If so, for what purpose? I would be grateful if the Minister—who is a very good Minister, I have to say—focused on the following questions when he responds. How many registered out-of-school settings are there under the current system? What is the Government’s estimate of the number of unregistered settings that should be registered under current legislation? What steps are they taking to register those settings? What is the Government’s estimate of the number of out-of-school settings that would need to be registered if the proposals in the consultation were where we ended up?

10.47 am

The Minister for Schools (Mr Nick Gibb): It is a pleasure to serve under your chairmanship, Mr Turner. I am grateful to the hon. Member for Scunthorpe (Nic Dakin) for his kind comments. I was going to criticise him for his wider criticism of the Government’s education policy on school places, to point out that we have increased school places by 445,000 since 2010, in stark contrast with the 200,000 primary school places cut by the Labour Government when the birth rate was increasing. I also would have pointed out that we have had to tackle the grade inflation we inherited from his party’s Government, that we have had to improve the curriculum, which was deeply damaged by his party’s Government, that there are 1.4 million more pupils in good and outstanding schools today than there were in 2010, that 120,000 more six-year-olds are reading better today than they were in 2010, and that there are 13,000 more teachers in our schools today than there were in 2010.

Mrs Grant: Will the Minister tell us whether the Government have done an impact assessment of the proposals? If so, will he tell us the financial cost of the registration and assessment process?

Mr Gibb: Those impact assessments will be done as we come to produce firm proposals. We, of course, assess the cost of all proposals as we develop policy.
May I congratulate my hon. Friend the Member for Gainsborough (Sir Edward Leigh) on securing this debate on the proposals for regulating out-of-school education settings? I welcome the constructive debate we have had and the thoughtful and passionate speeches from my hon. Friends the Members for Congleton (Fiona Bruce), for Aldershot (Sir Gerald Howarth), for St Austell and Newquay (Steve Double), for Eastbourne (Caroline Ansell) and for Beverley and Holderness (Graham Stuart), as well as my right hon. Friend the Member for Meriden (Mrs Spelman). We also heard very good speeches from the hon. Members for Glasgow North West (Carol Monaghan), for Strangford (Jim Shannon) and for Belfast East (Gavin Robinson), and the right hon. Member for East Ham (Stephen Timms).

All of the speeches made today will be taken into account as we consider the responses to the consultation, which closed on 11 January after six and a half weeks and to which we received more than 10,000 responses. Notwithstanding the valid points made by my hon. Friend the Member for Congleton, the consultation has been widely heard and responded to, and we will now consider all responses as we develop the policy in more detail.

Ensuring that parents have the freedom to decide how best to educate their children is a fundamental principle of our society and our education system. My hon. Friend the Member for Gainsborough referred to the long history of the churches’ role in education which, of course, predates that of the state.

Parents have always valued the education provided by religious organisations. They choose faith schools for their high academic standards and ethos and they appreciate the religious faith of those schools, which gives them confidence that their children will be taught to understand and respect the traditions and values of their faith. Responding to that demand, we have opened more than 300 free schools since 2010, of which 76 have a religious designation or ethos.

Out-of-school settings can also be of immense value. As my hon. Friend pointed out, many of those are run by religious groups and provide a distinctive education or activities that supplement and enhance that provided in mainstream schools. Such settings, including Sunday schools, can enrich children’s education and deepen their understanding of their own culture and heritage.

My hon. Friend made a powerful argument that the providers of this broader education, which is often staffed by dedicated volunteers, should be supported by the Government and not stifled by excessive regulation. I can assure him that we share that objective. The Government do, however, need to balance the need to protect and encourage high-quality out-of-school education with the need to keep children safe from any harm. That includes not only extremism, but the risk of physical punishment, unsuitable individuals working in some out-of-school settings and children being educated in unsafe or insanitary conditions.

A clear regulatory framework exists to protect children from those risks in childcare settings, and in state and independent schools. The call for evidence on out-of-school education, which closed last week, invited submissions on how to ensure that we are similarly able to safeguard children attending such settings—supplementary education while avoiding disproportionate regulation. It reflects a commitment made in the Prevent strategy, published in June 2011, to reduce the risks of radicalisation occurring in out-of-school settings. It is the latest step in implementing the Prime Minister's announcement in October last year that, if an institution is teaching children intensively, we will, as with any other school, make it register so that it can be inspected. He was also clear that, in addressing the risks that we have identified, we will uphold parents’ right to educate their children about their faith.

The call for evidence highlighted the fact that many settings already have robust measures in place to ensure safety. They may work under umbrella organisations that set high standards, be part of voluntary accreditation schemes or receive support from the local authority. However, that is not universal. We are therefore considering how best to address failures in the minority of settings that fail to meet their obligations while preserving everything that has made the vast majority of supplementary education so successful.

The responses to the call for evidence included many from Christian, Muslim and Jewish groups, and we will continue to discuss our developing proposals with those groups and others to ensure that they are proportionate and effective. Any final proposals will, of course, be subject to further discussions with interested parties.

At this stage, I hope I can provide assurances on some of the specific concerns raised by my hon. Friend and others.

Graham Stuart: Will the Minister deal with one of the practical points made by my hon. Friend the Member for Gainsborough (Sir Edward Leigh)? Those who wish to teach in this extremist way will effortlessly elude any regulation system that we set up. We will therefore have an expensive and burdensome system that captures so many organisations, but does not capture the very organisations that we need to capture. Is that not the central point? To me, it seems to be a rocket that explodes this whole policy and should cause the Minister to think again.

Mr Gibb: Well, no, because by not registering, such organisations are liable under strict liability to an offence, and we can then take much swifter action when we are made aware of those settings through our usual intelligence routes. That is why this has a double edge: we register the settings and only inspect settings where risks are identified; and we have very real powers to tackle the settings that do not register.

Let me go through some of the specific concerns that have been raised.

Gavin Robinson: Will the Minister give way?

Mr Gibb: If I may, I will continue for a little while, then give way to the hon. Gentleman.

First, I can confirm that the Government are not proposing to regulate settings teaching children for a short period every week, such as Sunday schools or the scouts, nor will it apply to one-off residential activities, such as a week-long summer camp. We are looking specifically at places where children receive intensive education outside schools, where they could typically be spending more than six to eight hours a week.
Several hon. Members rose—

Mr Gibb: I will give way in a moment, but I want to go through these four specific points in the time available.

Secondly, providers wishing to set up and run out-of-school education settings will not need to seek the Government’s approval to do so. Although our proposals envisage that such settings operating intensively should register, the aim of that is simply to improve the visibility of such settings. There would not be an application process and registration would be automatic. We have no intention of tying up voluntary and private sector organisations in red tape.

Thirdly, we are not proposing that settings eligible to register should be routinely inspected. This would be wholly disproportionate and an inefficient use of resources. We think that an inspection should only happen when there is evidence that certain prohibited activities might be taking place within a particular setting. Settings that provide a safe environment for children to learn in could legitimately expect never to be inspected.

Fourthly, we have no intention of seeking to regulate religion or to interfere in parents’ right to teach children about their faith and heritage. Protecting religious liberty is a fundamental principle. Out-of-school settings will not have the same obligations as schools actively to promote fundamental British values. Although out-of-school settings of all types can, and do, impart positive values to children, they are not the main providers of children’s education, and it is certainly not the state’s role to prescribe what they should teach, just as we are not seeking to prescribe other aspects of how they operate. I can therefore confirm to my hon. Friend the Member for Gainsborough and other hon. Members that Sunday schools will not be under any requirement to teach any other religions.

Gavin Robinson: I am grateful to the Minister for giving way, and I am glad that he has indicated he will consider the contributions as part of the consultation. He has reiterated the Prime Minister’s point that Sunday schools will not be included, but will he consider the cumulative effect of all the activities taking place under one church roof? That includes Sunday schools, youth clubs, the scouts, worship, choirs and whatever else people may be engaged in. It will all add up to more than six hours.

Mr Gibb: The plans are for the threshold to be hit when a child attends a setting for more than six hours a week and that activities run by one setting would be aggregated but, following the call for evidence, we are considering a range of issues and how to take forward the proposals. We will look at whether it is appropriate to disaggregate particular activities or indeed, exempt particular activities altogether. That question was in the call for evidence.

Fiona Bruce: The Minister says that the Government do not wish to inhibit religious freedom, but is he aware that the very existence of such regulations could have a serious impact? The proposals carry the risk of a so-called chilling effect on free speech, and they could shut down debate because of the fear, on the part of, say, youth workers teaching young people, of speaking on issues that might not be mainstream. They may fear that someone is listening who, perhaps out of mischief or with a particular agenda, may report them as undesirable—as not being in line with British values—and in itself, that would shut down free speech and debate.

Mr Gibb: That is not the intention of the regulations. They are not a way of regulating religion. We are not infringing on people’s freedom to follow particular faiths or hold particular beliefs. In fact, the mutual respect and tolerance of those with different faiths and beliefs is one of our core British values, alongside democracy, rule of law and individual liberty, and nothing in the proposals infringes on that.

In view of time, I will finish by saying that we welcome the suggestions that a number of faith organisations have made about how to ensure that any system of regulation is targeted, proportionate and focused on those settings that are failing to safeguard and promote the welfare of children. We wish to continue that dialogue and, once again, I am grateful to hon. Members for their contributions today.

10.59 am

Sir Edward Leigh: In conclusion, I thank the perhaps up to 20 people—friends and colleagues from all parties—who have turned up this morning. It is not often that we have a debate such as this in Westminster Hall, and we have heard some very powerful speeches and very powerful points.

I will sum it all up: we have sacrificed too much of our liberty in the name of equality, so I beg the Minister to bear in mind the places that are under the radar, as the hon. Member for Scunthorpe (Nic Dakin) mentioned. Bear in mind the cumulative hours. Bear in mind that there is very little extremism—indeed none at all—ever practised in Methodist Sunday schools. This is the point we are making, and we are doing so powerfully and strongly. We are not a party that intends to further state regulation and control; we are a party of liberty, freedom and religious tolerance. I will leave it there.

Motion lapsed (Standing Order No. 10(6)).
Concessionary Fares: Blackpool North and Cleveleys

[SIR EDWARD LEIGH in the Chair]

11 am

Paul Maynard (Blackpool North and Cleveleys) (Con): I beg to move.

That this House has considered concessionary fares in Blackpool North and Cleveleys.

It is a pleasure to serve under your chairmanship, Sir Edward. I am disappointed to see so many colleagues leaving and not staying for my debate. I simply cannot understand it, but I thank the Minister for his time.

Blackpool tramway needs no introduction from me. I am sure many of the hon. Members who are leaving have also left Blackpool after a party conference. The tramway has been there for well over 100 years, connecting Fleetwood in the north to Squires Gate in the south and linking the pleasure beach, the tower, Cleveleys, Fleetwood and many of our tourist attractions, which 10 million people visit every year. The tramway is a major reason for visiting Blackpool.

It is worth pointing out to the Minister that the tram is not just about tourism. It is particularly beneficial for my constituents who live near the Fylde coast. It is a major means for people to get to and from work in central Blackpool, where parking may be limited and more expensive than the cost of using the tram. It is particularly important for many of my elderly constituents who use it to go into the town centre and to go shopping. They may have chosen to live in this part of the world because of access to the tramway.

The usefulness and value of the tramway is coming under threat for two reasons that I want to cover today, both of which relate to the concessionary fare schemes. We were grateful that the previous Labour Government, before 2010, agreed to invest in upgrading the tramway to meet modern standards. As much as we all loved and cherished the antique, heritage trams—many of them still trundle up and down to this day at weekends and during the holiday season—they were fast becoming not fit for purpose. There were serious issues with meeting modern accessibility standards, and it was right to invest in and improve them to bring them up to date.

In 2012, it was a great day for the Fylde coast when the new tramway was launched and I travelled on the first new tram. Blackpool Council took a brave and visionary decision to ensure that, notwithstanding national legislation on concessionary fares, anyone coming to Blackpool in possession of a concessionary card could use it on the trams and travel anywhere on the network free of charge. That certainly helped ridership levels as the tramway came back into use. The ridership levels built up again, but things are now changing.

There has been an alteration in local government financing—we have to recognise that. Blackpool Council has decided that it can no longer afford to make that generous offer to all UK residents. That has had a major impact in my constituency, where residents of Cleveleys—which is in Wyre Borough Council’s area and immediately adjacent to the tracks, surrounded by houses on both sides—must now pay full fare to travel on the tramway as it passes through Wyre, even though they may have a concessionary card. That has had a direct impact on the transport choices they have to make about where they go, what they do and how they live. That is a concern.

[MR ANDREW TURNER in the Chair]

I entirely understand the perfectly rational argument that a transport authority should fund concessionary fares only for those who live within their area. I do not expect Blackpool Council to fund a national tram concession for everyone. It would be great if it did, but I entirely understand that it must work within its own budgetary limits, and its residents would criticise it if it chose to be more generous. However, it is worth pointing out that under the previous scheme Lancashire County Council, which is the transport authority for the northern part of my constituency, was paying £36,000 a year towards some of the concessionary travel for Lancashire residents on the tramway.

Removing that money was the trigger for the overall deconstruction of what had been a perfectly simple and straightforward scheme that everyone understood. If someone had a concessionary fare card—it is called a NoWCARD in our part of the world—they could go anywhere on the tram. Everyone understood it and no one was caught out, but its removal was pernicious to my constituents and illogical. For example, a resident of Blackpool can travel on the tram free of charge between Cleveleys and Fleetwood, without entering Blackpool territory and remaining wholly within Lancashire County Council territory. They travel free of charge. However, a resident of Cleveleys wanting to go into Blackpool to spend money in the local Blackpool economy would have to pay full fare on the tram. That is simply illogical, and angers and frustrates many of my local residents.

We have to think about what we can do to ameliorate the situation.

It is worth explaining the local geography. People may think that because I represent Blackpool North and Cleveleys, they are two separate and distinct geographic areas with a green belt separating the two communities. Far from it. It is one solid, cohesive urban block. I have read somewhere that it is the most densely populated constituency outside central London. There is very little green space, apart from one or two golf courses and one farm. The boundary between Blackpool and Wyre is but a line on a map and divides bedrooms, living rooms, greenhouses and back gardens. It goes through people’s houses, creating the ultimate postcode lottery. On many roads, residents on one side still have full and unfettered access to the whole tram network, while those on the other side have been hit by the changes. There is a fundamental illogicality.

An even greater concern is the impact on disabled passengers. A major reason for upgrading the trams at around the turn of the decade was to improve disabled access. Every station platform was raised, the new trams had level access and new flexi-trams were commissioned to ensure that wheelchair users had no problem getting on them. Blackpool has a valued reputation among disabled tourists for being somewhere they can get around easily because of the tram network.

A consequence of Lancashire Council’s decision to remove what limited concessionary fares it provided is that disabled passengers cannot now access the tram other than by paying full fare. Moreover, there is no
guarantee that any parallel bus service will be accessible. Although Blackpool Transport is updating its fleet as fast as it can, no one could stand at the bus stop and be confident that the next bus would be able to accommodate a wheelchair. Will the Minister look at how the network is constructed and funded, and whether that complies with disability access rules?

The solution is relatively simple: Blackpool Council should fund concessionary travel for Blackpool residents and Lancashire Council should fund concessionary travel for Wyre residents. The estimated cost would be around £170,000. I have been unable to obtain a precise figure, much as I would like to, but that is what I have been told is a rough, ballpark figure. In the context of Lancashire’s multimillion pound budget, that is not a significant amount, although it is to many of us.

That is a simple solution. It should not be difficult to agree to it—it is certainly not difficult to understand—yet I can think of no issue that has been more controversial or provoked more partisan arguments in recent years than how we deal with it in our constituency. It was a major defining issue at the last election. Today I am trying to remove the partisanship from the debate—I am not referring to the political control of the individual councils involved.

Numerous arguments are deployed against what I think is the correct solution. Many rightly point out, for example, that there is a parallel bus route to the tram network—the No. 1 bus, which goes, just like the tram, all the way from Fleetwood down to Squires Gate. Of course, there is an element of common sense in that. If someone has to pay full fare on the tram but can use their concessionary card on the bus, why do they not take the bus? However, there is a reason why the bus and tram coexist in the first place: the level of demand. There has been no increase in bus provision on the route. As I discussed earlier, there has been no change in the buses serving the No. 1 route.

More important is the seasonal demand on the route. Numerous hotels line the promenade, as anyone who has been to Blackpool will have seen for themselves. When the No. 1 bus stops at the 480-bed Norbreck Castle hotel, half way between Cleveleys and Blackpool, a large number of the guests want to get on. Indeed, the queue can be dozens long, so that when the bus gets nearer to Blackpool there is no room on it, even if it is accessible to wheelchairs. Further down into the town centre there are more hotels, on what is known as the cliff stretch of the promenade. Once again, bus queues develop rapidly there, both for buses going north into Cleveleys and those going south into Blackpool. People can have only quite limited confidence in their likelihood of getting a bus service at peak hours. The expansion of the bus service would naturally require greater investment by both transport authorities. It is surely far better to restore the concessionary travel scheme on to the trams, where there is currently excess capacity. That would make far more sense.

Another argument is often put, which may sound plausible on first hearing. Why, it is asked, if I want concessionary travel fares for Wyre residents, does not Wyre Council, the borough council, pay for them? Superficially that sounds eminently plausible, but of course Wyre is not the transport authority. It is a small borough council, one of about 16, I think, in Lancashire. I have been told that providing funding of £172,000 for the concessionary fares scheme would increase Wyre’s council tax by roughly 3%—a considerable increase for every council taxpayer in the borough. Because Wyre is not the transport authority, I believe it does not have an obligation to meet that funding request.

There are many things that Lancashire is trying to offload on to the boroughs at the moment. For example, it is seeking to stop the ferry from Fleetwood to Knott End—it expects someone else to pay for it. It is keen to get Wyre to part-fund lollipop ladies. Wyre already part-funds police community support officers. It would set a dangerous precedent for Wyre to keep agreeing to fund everything that the council decided it no longer wanted to fund, despite having an obligation to do so. Therefore, I am not convinced by that argument. Wyre could pay the bulk of their council tax to Lancashire County Council, the transport authority, which has an obligation to provide public transport and should meet that.

The whole argument is at risk of being overshadowed, because Lancashire is going beyond concessionary fare restrictions. It argues that it will stop paying for the maintenance of the tramway altogether. That would make this debate almost pointless. There will be no trams to Cleveleys or Fleetwood. They will turn around at the Little Bispham turning loop and not enter Wyre or Lancashire territory at all. That would be devastating for towns such as Cleveleys and Fleetwood. Fleetwood in particular went through hell during the tram upgrade. The central road of Fleetwood, Lord Street, was basically shut down during the work, with a major impact on local businesses. To have gone through all that and had the tramway open for a couple of years, it would make no sense now to have the tramway cease operating.

I continue to be deeply concerned about what is going on with our trams on the Fylde coast. I have held rallies in Cleveleys, launched petitions and made protests. I have had extensive talks with the Department, and it would make my day if I could force the Government’s hand in some way and encourage them to extend the national regulations to include trams. I make no apologies for asking once again for the Minister to do just that. I live in hope; I always do. Will the Government at least look again at my ten-minute rule Bill from a number of years ago, on extending the concessionary fare scheme to community transport, which can take up some of the slack created within the tram network—particularly for those disabled passengers who cannot always gain access to bus travel?

I would also welcome the Minister’s views on how the Government can help Lancashire to meet its public transport obligations. What assessment has he made of the human rights implications of Lancashire’s various decisions, particularly on disabled access? Would he be prepared to encourage Lancashire County Council to discuss further how devolution might allow it to find a way out of the problem it has created for itself? We have Transport for Lancashire—no one is quite sure what it does, least of all Transport for Lancashire itself, I fear. We have the new Transport for the North, which I heartily welcome. The direction of devolution is towards giving greater control to local areas to craft their own solutions on public transport. What help can the Department give to the various bodies in Lancashire, as they journey at varying rates towards a combined authority, to enable them to find a solution with a single common
travel area of Lancashire, Blackpool and Blackburn? An arbitrary divide and a postcode lottery make no sense, as I have said.

What advice can the Minister offer the many thousands of my constituents in Cleveleys who have been left marooned because they cannot use trams without paying full fare and may not be able to afford it? Does he agree that it is perversely for the county council to spend £150,000—almost the amount of one year's worth of concessionary fare travel—on looking at whether the tramway should be extended to Lytham St Annes, at the same time as it is trying to restrict concessionary fare travel? I have no objection to the tramway going to St Annes—it is a lovely destination—but what does that say about the priorities of the county council at the moment?

What assessment has the Minister made of the implications of the decisions and proposals for the Government's generous agreement to help to fund the £16 million upgrade to extend the tramway in Blackpool town centre up to Blackpool North station? There will inevitably be fewer people riding on the trams if everything I have outlined comes to pass. Does that mean that we have to re-examine the business case for the proposal and does it call it into question? I would be highly concerned if that were so, and I would welcome some reassurance from the Minister.

In the interest of time, so that the Minister has a chance to reply, as I know he is keen to do, I will just stress once more that, although in the bulk of constituencies tramways might seem to be a peripheral issue, they are literally at the heart of my constituency. They are at the heart of our daily life. I would find it hard to conceive of the Fylde coast without them. At a time when the county council is sitting on reserves of £400 million, for which it cannot identify a specific use, is it really prudent financial management for it to say it cannot afford £172,000 just to keep the concessionary fares going each year? That is artificially dividing my community, and has a detrimental economic impact on the towns of Cleveleys and Fleetwood. It is causing continued anger in my constituency. Can I look to the Minister for some reassurance?

My hon. Friend asked whether we could extend it to tramways. I will do some costing, but we do not have tramways just in his constituency; they are a growing feature of urban transport in our country. They are successful, and they are being extended in Nottingham, Manchester and other areas. They are popular and well used, so extending the concessionary fare scheme into our tramways nationally would be an extremely expensive undertaking.

Local authorities have the power to enhance the national offer with discretionary concessions according to local need and funding priorities; I will come back to funding priorities at the end. That may include extending the times of the concession to include peak-time travel, offering a companion pass for people who need assistance to travel, or offering concessions on different modes of transport, such as trams. As we have heard, it can also include concessionary arrangements between neighbouring local authorities, such as the arrangement between Blackpool Borough Council and Lancashire County Council to accept NoWcards from other Lancashire residents on the Blackpool tramway. I am aware of the changes to the administration of that enhancement.

Although I fully understand my hon. Friend's disappointment and that of his constituents, the provision of such discretionary concessions is a matter on which local authorities must work together to try to solve such problems, based on those authorities' assessment of local need and funding priorities.

Trams and light rail are a convenient, regular and reliable way for people to get to work or school, or to travel around their area with ease. Well planned systems in the right location can enhance the reputation and ambience of an area. However, I do not think it is for the Government to dictate what extensions should be made to particular schemes, because such decisions should be taken locally to reflect the individual needs and circumstances of an area. That is entirely in the grain of Government thinking about devolution, about local authorities taking responsibility for their own communities and about ensuring that decisions are made as close as possible to where a service is delivered. As a consequence, such services will be better tailored to local need and, therefore, better services.

On the joint funding arrangements between Blackpool Borough Council and Lancashire County Council for tramway maintenance, I understand that discussions may already be taking place, and I do not wish to pre-empt any outcome. It is, however, my sincere hope that a speedy and satisfactory resolution can be reached, with the best interests of the community at heart.

It is worth taking a moment to consider funding for rural services, because we have had many requests for further support for transport in rural areas. Calls have been made for Government to provide a dedicated fund to maintain and improve bus services in rural areas. I assure the House that we fully recognise the extra pressure placed on local authorities to provide services in more isolated areas. If communities are disconnected from transport, they may wither and die, so transport is fundamental to community health. That is why we have introduced the rural services delivery grant, which is a non-ring-fenced grant paid to the most rural councils. Last year, the Government added £2 million of additional funding to the £9.5 million of rural services delivery grant already provided, and I am sure we all welcome the recent announcement made by my right hon. Friend the Secretary of State for Communities and Local Government that he intends to increase the support for the most sparsely populated rural areas by quadrupling the rural services delivery grant from £15.5 million to £65 million in 2019-20.

Transport in rural areas is not just about the levels of public funding; it is about how and where that funding is used. Where commercial operations are not feasible, local authorities have a vital role in supporting rural bus services. Indeed, around one fifth of bus mileage in predominantly rural areas is operated under contract to the local authority. We believe that local authorities are best placed to decide what support to provide in response to local need. That is why we devolved £40 million of the £250 million paid in the bus service operators grant subsidy to councils outside London last year to support bus services in England, so that they can decide for themselves how it is spent. It is vital that those local authorities maximise the return on every penny of the funding that they provide.

Paul Maynard: Does the Minister recognise that many urban bus services in the centre of Blackpool originate in rural areas? The proposals for Lancashire County Council to reduce rural bus subsidies will also reduce the frequency of bus services in central Blackpool. It is not just about rural or urban, because many rural bus services also support urban areas.

Andrew Jones: My hon. Friend makes a valuable point, and I entirely agree with it. The distinctions are very blurred, and both things clearly have a knock-on effect on each other.

I want to highlight an initiative called Total Transport. At present, some £2 billion of public funding for transport services every year is provided by a number of different agencies. For example, I have mentioned the bus service operators grant of £250 million. DCLG provides support for local bus services of £317 million, and home-to-school transport funding of £1 billion. Non-emergency patient transport worth £150 million is provided by the NHS to local clinical commissioning groups. All that funding is provided from different sources. That is why last year we launched the £7.6 million Total Transport pilot scheme across England to explore how different authorities working together can potentially deliver a much better transport solution. It is about working collectively and pooling services where there is common interest. We seek to avoid the duplication of commissioned services, to allow networks to be designed to complement each other, to reduce administrative costs and to focus on how a more comprehensive offer can be delivered by working together.

My hon. Friend mentioned community transport, which is fundamental in many parts of our country, both urban and rural. I hope that he is aware of our strong support for it. We have supported it with a recent community minibus fund of £25 million, which will help elderly residents by providing, I think, 310 new minibuses to groups up and down our country. So far, £1.3 million of grant has been paid to organisations to buy their vehicles, and the procurement of the remaining vehicles is well under way. That will make a difference to the whole sector.

On the specific issues that my hon. Friend raised, I will certainly write to the councils concerned, because the point is partnership solutions to deliver a result for residents. I will highlight to the councils the strength of feeling that has been shown in the debate and urge them to work together. The solution has to lie in councils working in a non-partisan way. In my letter to Lancashire County Council, I will ask it to consider the impact of changes on disabled people, in particular. That is an area of personal interest to my hon. Friend and of significant personal interest to me. I do not want disability access to our public transport to be compromised in any area. I want it to be improved, not the opposite.

I hope that the message that goes from here to the councils is that we want to see a solution that will continue to offer tramway access and support Blackpool’s trams. They are an iconic part of Blackpool, and they are one of the reasons why visitors go to Blackpool, particularly at certain times of the year. That is something I have experienced, as a visitor to Blackpool. They must be understood to be a driver of the local economy, so there is an economic and a social reason why a swift resolution would be helpful. That is the message that I will send to the councils, and when I hear back from them, I will report back to my hon. Friend. They will, I am sure, be acutely aware of the strong case he has made and continues to make.

Question put and agreed to.

11.30 am

Sitting suspended.
Safety in Youth Custody

[PHIL WILSON in the Chair]

2.30 pm

Judith Cummins (Bradford South) (Lab): I beg to move,

That this House has considered safety in youth custody.

Thank you, Mr Wilson, for allowing time for this most important of debates. I am most grateful. The safety of our children and young people is of great and continuing interest to many Members of this House, and has been for many years. The question of safety has been discussed in numerous debates here and in the other place. In addition, it has been explored in numerous Select Committee inquiries—most recently by the Select Committee on Justice in 2013—and has been the subject of a tide of media attention, often following shocking revelations arising from the dedicated work of journalists. It is worth reflecting for a moment and asking ourselves why so many Members, people in our society, charities and third-sector bodies, and those in the media, are so tireless in their determination to protect the safety of our children and young people.

John Howell (Henley) (Con): I thank the hon. Lady for giving way so early in her speech, which I am listening to very carefully. Has she considered the situation of young adults? The Justice Committee is doing an inquiry about that at the moment, and we have learned that the development of the brain means that many young adults are still effectively children when they are sent into prison.

Judith Cummins: I thank the hon. Gentleman for raising that interesting point, which I hope to cover later.

My belief is that, no matter what someone’s upbringing is, and whatever their political affiliation and perspective on law and order, there is a shared and enduring view that the safety of children and young people is of paramount concern. Each and every one of us believes that we must ensure that each and every child and young person is able to feel safe, wherever in the country they live. As we all know instinctively, each child and young person deserves to grow up in a nurturing, encouraging and, most importantly, safe environment. That is true in all settings—in the home, in schools or, as we are debating today, in our custodial institutions. The setting does not matter because whatever the circumstances that so many children find themselves in, however challenging, whatever the development of the brain means that many young adults are still effectively children when they are sent into prison.

With those thoughts clear in our mind, it is worth reminding ourselves of what this House passed into law in 1998. The Crime and Disorder Act 1998 did two important things. First, it stated that the youth justice system’s principal aim was to prevent reoffending by our children and young people. Secondly, it established the Youth Justice Board, which was given the job of making that noble aim a reality. The Youth Justice Board, in setting its strategic objectives for 2014 to 2017, recognised that an undeniable cornerstone of successfully helping children back into society is “to promote the safety and welfare of children and young people in the criminal justice system”.

In recognising that safety and wellbeing is a fundamental cornerstone of the successful rehabilitation of children and young people, the Youth Justice Board acknowledged in clear and unambiguous terms what we all know instinctively as parents, as brothers and sisters, as aunties and uncles and as other family members: where children and young people feel unsafe, insecure, intimidated and under threat of violence, everything else becomes background noise. Efforts to help children to socialise, learn and become confident in themselves stop and begin to regress, as do efforts to teach children the values and principles of choosing to live respectfully, humanely and in a law-abiding manner in society and communities.

If the principal aim of the Youth Justice Board is to prevent reoffending, safety in custodial institutions is not only key, but imperative. Without it, helping children and young people to become respectful, humane and
law-abiding adults is an empty hope. Everything else is simply background noise. The question is: what success is the youth justice system having in ensuring that children and young people are being held in a safe environment while they are custody? Sadly, from the statistics provided by the House of Commons Library, the picture is depressing and worrying. That remains the case for the use of restrictive physical intervention—in layman’s terms, when staff restrain children—incidents of self-harm by children, assault on children and young people in custody or, most damningly and depressingly, deaths in custody.

Thankfully, the number of children who have been committed to custody in recent years has steadily fallen. All hon. Members would surely welcome this improving position but, although the number of each type of incident has dropped over recent years, the number of each type of incident per hundred children and young people in custody—the most accurate measure—has steadily increased. Whichever way we look at it, those in custody are becoming proportionately more likely to find themselves in an unsafe environment. With the “Panorama” revelations of the past weeks in mind and the erosion of safety in our custodial establishment only serving to bring the issue into sharper focus, it prompts the question: what are this Conservative Government doing to improve the safety of children and young people, and to help them to re-enter society, equipping them to become law-abiding, respectful and humane members of our communities?

In recent years, there have been a number of expert reports that have explored the safety of children and young people in custody. Inquest, alongside the Prison Reform Trust, released a report in 2012 raising important questions about the number of self-inflicted deaths in our custodial institutions. More recently, in 2015, Inquest released another report raising unsettling questions about the number of self-harm by children, assault on children and young people in custody—the most accurate measure—has steadily increased. Whichever way we look at it, those in custody are becoming proportionately more likely to find themselves in an unsafe environment. With the “Panorama” revelations of the past weeks in mind and the erosion of safety in our custodial establishment only serving to bring the issue into sharper focus, it prompts the question: what are this Conservative Government doing to improve the safety of children and young people, and to help them to re-enter society, equipping them to become law-abiding, respectful and humane members of our communities?

Marie Rimmer (St Helens South and Whiston) (Lab): Does my hon. Friend agree that probation and pre-sentence reports should consider the impact of maturity on a young person’s ability to cope with prison? There should be up-to-date information on local alternatives to prison, which should also be considered. We should consider transforming sentencing policies; radically restructuring the training of the judiciary; and introducing far-reaching and well-resourced alternatives that are well staffed by individuals who are properly trained to address the complex issues that confront many young people. We should develop a criminal justice system in which prisons for young people are used as a last resort, as the Harris review said. Does she agree?

Judith Cummins: I agree wholeheartedly with my hon. Friend. Her Majesty’s inspectorate of prisons, to its credit, has remained committed, as it has under previous Governments, to continuing scrutiny of the safety of children and young people in custody. Today, I will focus on one element of the Government’s responsibilities—their responsibility to ensure that restraint in our institutions is limited to an absolute minimum and is used solely when all other avenues fail. As I said earlier, although it is only one element of the Government’s responsibilities, restraint is arguably one of the most important. When children and young people are unnecessarily restrained, they will inevitably feel unsafe, threatened and intimidated. In such circumstances, everything else is background noise, progress ceases and children regress.

In 2012, the previous coalition Government set up the independent restraint advisory panel, which, among other things, was responsible for rolling out across all custodial institutions a new restraint system called “Managing and Minimising Physical Restraint.” That was the coalition Government’s commitment to improving the unsafe environment of all those in custody. By setting in train that cultural shift in which unnecessary restraint would become unacceptable, they displayed laudable ambition, for which I commend them.

As seems to be the case with many initiatives under this Government, despite laudable ambitions and promises of much-needed cultural shifts, the ambition and promises have not been borne out in reality. As has recently become clear, the much-needed change on the ground has been, and continues to be, painfully and unacceptably slow. In November 2015, Her Majesty’s inspectorate of prisons published a report on behaviour management and restraint of children in custody, which objectively measured the Government’s progress in rolling out their new restraint system. Depressingly, Nick Hardwick, Her Majesty’s chief inspector of prisons, offered a damning indictment of progress under this Government:

“The implementation…is taking place against a backdrop of a substantial fall in the number of children in custody, the decommissioning of beds…and staffing shortages…This has caused significant delay in the roll out”.

It is not only Her Majesty’s inspectorate of prisons that has challenged the Government on their complacency in driving improved safety in our custodial institutions. The Joint Committee on Human Rights recently conducted an inquiry into the UK’s compliance with the UN convention on the rights of the child. Children in custody was one area that the Joint Committee rightly considered to be deserving of scrutiny. Although the Joint Committee welcomed the Conservative Government’s progress in recognising children’s rights in law and policy, it said in no uncertain terms that there is no room for complacency and that much more needs to be done. On child custody, the Joint Committee said:

“We remain very concerned about the use of force on children in custody and believe that the recent provisions with regard to secure colleges in the Criminal Justice and Courts Act cannot be considered compatible with the UN Convention on the Rights of the Child.”

Worryingly, despite those critical remarks not only from the Government’s own independent inspectorate but from a cross-parliamentary Committee, the Government continue to act with disturbing complacency. In response to an urgent question granted by Mr Speaker following the “Panorama” revelations, the Justice Secretary offered nothing more than cursory assurances about the safety of our children and young people in custody. There were no firm guarantees and no commitment to action.
[Judith Cummins]

One line of his response underlines that the Government’s commitment to laudable ambition is backed up by little to no substance:

“my Department and the Youth Justice Board—under the determined leadership of my right hon. and noble Friend Lord McNally—will do everything we can to assist the police and the local council.”—


Why do I say little to no substance? Well, the Justice Secretary failed to mention the financial backdrop—a 5%, or £13.5 million, in-year budget cut to the Youth Justice Board, the very institution that he believes will be front and centre in helping the local council to respond to the scandalous revelations of the past week. He also did not mention that £9 million of the £13.5 million, the lion’s share, is to be found by cutting the youth justice grant, the very grant that is used by local councils to fund their local youth justice teams.

The Justice Secretary recently announced the Taylor review of youth justice. The stated purpose of that review, due to report in summer 2016, is to explore whether the youth justice system remains fit for purpose in these modern times. Following today’s debate, it will be clear to the Government that, despite their ambitions and the Justice Secretary’s warm words, many believe that there is a distinct lack of substance and that there is wide-ranging evidence of complacency. That serves no one, particularly not our children and young people, who so very much need our help and support, especially to ensure that they are safe while held in our custodial institutions. I urge the Justice Secretary and the Minister to reflect on today’s debate and on the recommendations of the Taylor review later this year.

2.47 pm

John Howell (Henley) (Con): It is a great pleasure to follow the hon. Member for Bradford South (Judith Cummins), and I am glad that she has secured this debate. As I mentioned in my intervention, the Select Committee on Justice, including the hon. Member for St Helens South and Whiston (Marie Rimmer), has been investigating the experience of young adults in custody. A key point raised in that inquiry is that the distinction we make between young adults and youths is meaningless. The development of the brain is such that, at times, there are many people who are much more mature for their age and many people who are less mature for their age. Although those people will be treated as young adults in the prison system, they should be treated as if they were much younger. That is an important point that the hon. Member for Bradford South needs to take into account.

Yesterday we held an important informal seminar that was attended by a number of parents of people who were under 18 when they first committed their offences, some of whom have died in custody. It was very sad and moving to listen to their testimony. There were also young people who had been in custody, and it was clear that some of them should really have been treated as youths during that period.

One of the key points to come out was the issue of mental illness. I do not think that the prison system understands mental illness in its complexities or recognises it in individuals when they present with it. We even heard examples of where people had presented with some form of mental illness to start with and their records had been flagged up, but where nobody had had the time to check what the flag meant. If someone had checked that, they would have seen that there was some mental illness attached to that person and would have taken different action while they were in custody.

As I am sure the hon. Member for St Helens South and Whiston would agree, it was a very moving experience to listen to those testimonies from individuals and to hear the real experience of people who had been through the loss of a son or a daughter—in many cases they were sons rather than daughters—and the reasons for that. The point the hon. Lady made about mental health is a very good one, and it is one that we need our prison system to be more flexible in identifying, picking up and dealing with.

With that, I will leave my remarks there.

Jo Stevens (Cardiff Central) (Lab): My hon. Friend made a valid point.

John Howell: Sorry, I will happily give way.

Jo Stevens: I am grateful to the hon. Gentleman for letting me in at the last minute. I am glad that he has raised the issue of the mental health of prisoners, because the prison ombudsman’s report, which I think came out today or yesterday, has highlighted that very issue—in relation, obviously, not only to children in prison, but to adults as well—and the lack of mental health services for prisoners. Does the hon. Gentleman agree that it should be a priority for the current Government to address what are clearly failings in the current system?

John Howell: I thank the hon. Lady for her comments. I do not want to make this a party political piece; it is a duty of all Governments to identify the need for mental health services and to take that issue forward. She makes a valid point.

We also met some people who were dealing with this issue—for example, an organisation called A Band of Brothers—by taking young people in, giving them a role in life and helping them to overcome some of the difficulties they had experienced, including some of the mental health difficulties. I am therefore not saying that it is a forlorn hope that mental health will be dealt with: there are many different ways of dealing with it, and we saw some of those yesterday. I hope that the report we produce will be able to address some of them in the future.

2.52 pm

Kelly Tolhurst (Rochester and Strood) (Con): I would like first to thank the hon. Member for Bradford South (Judith Cummins) for securing this debate in Westminster Hall today. As hon. Members will know, the Medway Secure Training Centre is in my constituency, and for me it was heart-breaking and horrifying to witness the “Panorama” programme and watch the activity that was taking place. We knew this programme was going to be broadcast, but what I saw was not what I had expected to see. I say that because, on an individual level and prior to becoming an MP, I did a lot of work with looked-after children, particularly children with foster carers or in children’s homes, so I understand not only some of the challenges that some of our young people face when they are looked after, but the upbringing that some of them have had prior to arriving in a place such as the Medway Secure Training Centre.
I know that we will not go into detail, because the investigation is ongoing and there are still questions that need to be answered, but one of the concerns for me is about how we can support the workers in these particular institutions to enable them to carry out their role in a safe manner, to make sure that the young people under their control are looked after and safe. Having worked with some very challenging young people and experienced what I would call situations that have not always been pleasant or easy to manage, I know that the people working in the service and dealing with young people are in an incredibly pressurised environment. It is extremely intense, and sometimes we do not quite know how we will deal with a particular situation.

I absolutely accept that that is not an acceptable excuse for how some young people are treated when they are in our care. However, as an outcome of this process I would like to consider how we support the officers who work with these young people to do that job effectively, including from a mental health perspective, because obviously some of the things they might be subjected to and the backgrounds of some of the young people they deal with might be awful for them to understand.

In Medway, we have three secure units up at the Medway Secure Training Centre site. One of the challenges I have seen, both as a constituency MP and as a local councillor for the ward where the unit is, is that we have struggled to recruit people into the youth justice element of the secure centres—because, fundamentally, working there is very different from working in an adult prison and the pressures are much more strenuous. I would welcome it if the Government looked at ways to support those officers far more effectively—that would probably have national implications—and also to encourage people to come into the service and work. As we know, however, we are struggling to recruit social workers and other such workers.

**Marie Rimmer:** Does the hon. Lady agree that if prison is to be justified as a last resort, it must operate in a small, rehabilitative and therapeutic environment, rather than having big prisons? What we need is a well structured induction programme, adapted to suit each individual—many children do not see anyone in the first 24 hours after they go in—with thorough background checks carried out; risk assessments; well attended safeguarding and daily morning meetings, allowing for effective and robust measures to be applied; strong monitoring of bullying and support for prisoners who are victimised—

**Phil Wilson (in the Chair):** Order. I remind the hon. Member that she is making an intervention and not a speech.

**Kelly Tolhurst:** I thank the hon. Lady for her intervention; she makes a valid point. My concern is about the support given to those particular officers. Unless someone has been in that environment and worked with some of these young people, it is very difficult to understand some of the pressures—it might be something as simple as shift lengths—and how intense the environment is.

I was contacted by a number of people who work within the service after those revelations, who are concerned that the public view will now be that people who work in the youth justice system are all like that, which we know is completely untrue. In fact, they include some marvellous people, whom I have had the privilege to meet.

**Jo Stevens:** I am sure we can reach cross-party agreement on this, but I wonder whether professionalising the work of these staff—who, as the hon. Lady has outlined, work in very challenging conditions—and trying to recruit people who want to go into the profession would raise public perceptions and help to raise standards.

**Kelly Tolhurst:** Absolutely. We must value the work that people in these centres do; in fact, it can be one of the most rewarding things that anyone can do.

As someone who had worked in commerce, my experience of working with young people who had such terrible backgrounds and were facing such severe challenges was one of the best things I have ever done. The staff do go through a training programme, but again there are things that perhaps cannot be learned quickly, and things come up along the way. Every single child—young person, I should say—is different. Every single young person has a completely different set of circumstances that has led to their being in the system. I absolutely agree that this should all be about outcomes.

**John Howell:** Does my hon. Friend have a view on whether institutions for young people are a valid option or whether greater integration of young and adult institutions is a better option?

**Kelly Tolhurst:** Speaking from experience, I absolutely believe that institutions are the right place for some young people. For example, it may not necessarily be easy for them to be in a family. It is absolutely right that we have institutions where adults can be mentors, there to look after those young people on a daily basis and to work with them to rehabilitate them. My personal view is that young people should not be integrated with the adult prison service. They have different requirements, and sometimes the offences are different for particular reasons.

My biggest concern is that all these young people will eventually become adults. Whether they are looked-after children who have had a difficult background in different institutions, or whether they are unfortunate enough—maybe through fault of their own—to end up in a secure training centre, for me there is nothing more important than ensuring that we are doing all we can to ensure that the outcomes for those young people as adults are improved. The Government’s aim is to achieve that. I welcome Charlie Taylor’s review of the system. I would like to see a review in particular of the Medway centre and some of the safeguarding. I point out that I definitely have not seen all the footage and I have not been privy to the information that “Panorama” picked up during recording, but the centre is broken up into different units, and I believe that we are only looking at one element. I would like to hear some of the better stories that have come out of that centre, which I am sure exist.

Fundamentally, I welcome the debate and the review that is taking place. From a local council perspective, I was impressed as a local Member of Parliament by the immediate response that my local authority made to
deal with the allegations. The local authority is carrying out due diligence in following through on the investigations in the local authority-designated officer review and in co-operating completely with the police.

Wayne David (Caerphilly) (Lab): What the hon. Lady is saying from her experience and her contact with the Medway centre is very important. In general terms, does she agree that it is partly about the ethos and professionalism of the members of staff, but also partly about the ratios between the young people and the members of staff? Generally speaking, the more staff who can devote time and attention to young people, the better things are.

Kelly Tolhurst: I thank the hon. Gentleman for that intervention. Personally, I still think it is a matter of the individual young person’s needs. There is no system that fits all. I am not so sure that the issue is ratios; it is about the particular care plans around those particular children or young people, the reasons why they are in the centre and the individual support they need. That is obviously just my view, but staff build up relationships with young people who may have been exposed to some desperate situations and who may have seen and witnessed things that have affected their development. Some of the challenges affecting the young people—whether those are mental or in terms of decision making—are not always evident when the staff start working with them. It is harder for young people, because adults can articulate things more easily. Sometimes it is a big challenge for young people to articulate some of the things that have happened to them and some of their thought processes.

My honest belief is that there is not an easy solution. I am pleased that this issue is on our radar, but I wish that it had not had to be brought forward by BBC “Panorama”. I am desperately sad that young people have been affected by what has been shown to have happened there, but we have an opportunity to move forward and do what we can. As an MP who has three secure units in my constituency, I will be taking an interest in the issue, not just because of my interest in looked-after children and wanting the very best outcomes for our young people, but because I want a constituency where my constituents are happy that what is going on in our patch is right. I welcome the debate and I welcome the information that will be released in the coming months by the review.

3.6 pm

Angela Crawley (Lanark and Hamilton East) (SNP): It is a pleasure to serve under your chairmanship, Mr Wilson. I congratulate the hon. Member for Bradford South (Judith Cummins) on securing this important debate. Today’s debate was anticipated by the exposure by “Panorama” of the Medway secure training centre earlier this month. The prison abuses it broadcast, which we have discussed today, are shocking and to be condemned, and I thank Members for their valuable and knowledgeable contributions.

It is important to acknowledge that youth justice is a devolved policy area, and the Ministry of Justice is responsible for justice policy in England and Wales only. My brief contribution to this debate will therefore acknowledge the importance of promoting the safety of children and young people in the criminal justice system more generally, and I will refer to how youth justice is administered in Scotland to provide some experience of an alternative strategy that the UK Government may wish to consider.

If we are to prevent young people from going down the wrong path in life, we must be proactive in making timely, appropriate and effective interventions to address offending behaviour at the outset. That will keep our communities and children safe from crime, including protecting young people when they are detained. We must ensure that action is taken by all agencies so that adequate safeguards and structures are put in place to prevent abuse.

The hon. Member for Bradford South rightly questioned the safety of young people in these institutions. It is only fair to acknowledge that children and young people facing the desperate circumstances that she referred to rightly deserve the safety and wellbeing that can and should be provided by these institutions. As she said, that is key to their rehabilitation. We must ensure that young people are at the heart of that. This could be a moment in time in their lives, and they could move on to much greater things with the right support. I hope that all Members in the room acknowledge that.

The hon. Member for Henley (John Howell) rightly emphasised that young people are in many ways still children. He took the time to emphasise the impact that mental health can have on young people’s experiences in the institutions, and that point should be highlighted.

The hon. Member for Rocher and Strood (Kelly Tolhurst) spoke of her personal experience, as the Medway centre is in her constituency. She spoke of the heart-breaking and horrifying experience she had learning of these things. I am sure that no Member in this room takes any pleasure in or would choose to politicise such an important and truly atrocious example of bad practice. I am sure there are many more examples of good practice across the country, but we must in this instance take stock of bad practice and look at what we can do across the country to make the experience better and to ensure that these young people go on to better and positive destinations.

The hon. Member for St Helens South and Whiston (Marie Rimmer) said that safeguarding young people and children should be at the heart of the work we do. She also made the constructive and important point that bullying should be monitored. These children and young people experience the day-to-day issues other young people face, and institutions must ensure that their experiences are not damaged by bad practice or bad management in those institutions.

As I mentioned, youth justice is a devolved matter in Scotland. The youth justice strategy for Scotland from 2015 to 2020 focuses on taking a whole-system approach, improving life chances and developing the capacity for improvement. An holistic approach to youth offending and rehabilitation allows us to reverse negative trends and curb the statistics, to prevent offending from happening again. Indeed, in Scotland, there has been a substantial reduction in offence referrals to the Children’s Reporter, as well as in the number of young people committing crimes and the number of 16 and 17-year-olds in custody.

Partnership working has been crucial to that, and it will remain integral to the delivery of the strategy, with consideration of course given to the role of alternative measures.
The Scottish Government’s vision is to promote Scotland as the best place for children to grow up. That was outlined in 2008 in “Preventing Offending by Young People—Framework for Action”, marking a significant shift towards prevention and early intervention, combined with procedures to manage high risk and build community confidence. In particular, the children’s hearings system is a unique feature of the Scottish youth justice system, providing special protective measures for children and dealing with offending alongside the child’s needs and best interests. Fundamentally, the hearings recognise that children and young people who offend and who require care and protection are equally deserving of being considered as children in need.

In conclusion, all children and young people have the right to be cared for and to be protected from harm, and we cannot forget that. They must be allowed to grow up in a safe environment, and the duty of child protection is shared among all of us in society, not just core professionals. In the case of the Medway secure training centre, that duty was completely breached, and I hope the Minister will take my points on board and ensure that further action is taken. I thank all Members for their contributions.

3.12 pm

Christina Rees (Neath) (Lab): It is a pleasure to serve under your chairmanship, Mr Wilson. I congratulate my hon. Friend the Member for Bradford South (Judith Cummins) on securing a timely and much-needed debate on this subject, and I thank all hon. Members for their contributions.

It is agreed that the safety of children in custody is paramount. The investigation by the BBC broadcast on 11 January, which uncovered serious and shocking incidents at Medway secure training centre, must be my starting point. Those incidents have once again highlighted the need for urgent action specifically at that centre, but they are also indicative of failures across secure training centres and the prison estate as a whole.

For those hon. Members who have not viewed the programme, I should say that it makes for extremely disturbing viewing. There are allegations of guards unnecessarily using restraint techniques, hitting a teenager, pressing heavily on young people’s necks, using intimidating language and taking concerted action to conceal their behaviour by avoiding CCTV cameras and misreporting incidents. That is simply unacceptable. Since the broadcast, four G4S staff members have been dismissed and four other staff members have been suspended, including one person employed by the healthcare provider.

As hon. Members may be aware, the Labour party called on the Secretary of State to take immediate action to put all G4S-run prisons, secure training centres and detention centres into special measures and to prevent G4S from being considered for bidding for other Government contracts. He responded that the allegations must be treated with the “utmost seriousness”, and police and child protection teams are investigating. However, we should not believe that that is the end of the matter. Running a centre such as Medway requires staff who are well trained and properly motivated and who have a full appreciation of their role in the youth justice system, as the hon. Member for Rochester and Strood (Kelly Tolhurst) mentioned.

Just last September, G4S was stripped of its contract for managing a separate STC—Rainsbrook, in Northamptonshire—following an inspection revealing that there had been a doubling in the number of assaults since the last inspection; that 15 young people had required medical attention following assaults, with one requiring hospital treatment; and that the number of assaults on staff was higher than at the previous inspection, averaging nine per month. Let us not forget that G4S is still the subject of an ongoing investigation by the Serious Fraud Office.

Such incidents raise serious questions as to whether G4S is a fit and proper organisation to run youth facilities. However, the debate is about not only what happened at Medway, but youth custody generally. Unfortunately, the problems underlying recent incidents are echoed across the prison estate. Ministry of Justice figures show that deaths, incidents of self-harm and assaults in prison are at their highest level in a decade, with assaults up 13% in a year, serious assaults on prison staff up 42% in a year, self-harm up 21% from last year and seven prison murders in the last 12 months—the highest number recorded since 1978.

In 2012, the Prison Reform Trust and INQUEST jointly published a report entitled “Fatally flawed: Has the state learned lessons from the deaths of children and young people in prison?” The report considered the deaths of 143 children and young adults between 2003 and 2010. It concluded that many young people whose deaths were self-inflicted shared common traits and that successive Governments had not learned the lessons from those deaths.

A further INQUEST report in March 2015 studied the deaths of 65 young people and children between 2011 and 2014. It concluded that institutions had not learned the lessons from previous deaths, stating:

“The vulnerabilities of young prisoners have been well documented, yet they continue to be sent to unsafe environments, with scarce resources and staff untrained to deal with, and respond humanely to, their particular and complex needs.”

The report concluded that “too many deaths occur because the same mistakes are made time and again.”

Last July, the Harris review published its report “Changing Prisons, Saving Lives: Report of the Independent Review into Self-inflicted Deaths in Custody of 18-24 year old”. Soon after the report was published, another report, from the Children’s Commissioner for England, revealed that a third of young offenders experience isolation and segregation for up to 22 hours a day, particularly in larger institutions. The report found that the children who are isolated are nearly 50% more at risk of suicide. It called for an end to solitary confinement and urged that large secure units for children be replaced by smaller units.

Overcrowding and a widespread lack of staff resources across the Prison Service is leading, not surprisingly, to widespread problems. Temporary staff are used to fill quotas, but they often do not have the requisite experience to carry out such a challenging yet important role. As my hon. Friend the Member for Caerphilly (Wayne David) said, prison officers simply lack the time to do anything more than carry out the most straightforward security functions, with no time to talk to inmates or to assist in their rehabilitation. There is no time to spot mental ill health, or drug issues. The hon. Member for Henley...
(John Howell) has already mentioned how concerned he is that prison staff do not have time to follow through in flagging up issues that may affect a young individual. There is insufficient time to escort inmates to and from the classes and programmes on offer.

Instead, long periods of lock-up and inactivity lead to increasing frustration, making violence more likely. The Government proclaim that they recognise the importance of rehabilitation. If what I have been saying sounds familiar, it is because Labour has long said that prisons should be measured by their success on rehabilitation, and our manifesto at the general election stressed the importance of increasing the amount of time prisoners spend learning and working. Nowhere is that more important than in youth justice, where young lives can be turned around, with the right intervention.

**Kelly Tolhurst:** Does the hon. Lady agree that some of the young people who arrive at these institutions are there only for short periods, depending on the challenges that they have had before arriving at the centre, and that we should perhaps consider what happened to them before they arrived at the centre or the unit? In some cases, the young people are there for just a short period, and finding the opportunity to complete a really good rehabilitation is sometimes a challenge.

**Christina Rees:** I agree. I think a partnership approach is needed. The hon. Lady spoke about the local authority in her constituency and its important role in youth rehabilitation and the care of children. The whole approach must be one of across-the-board partnership. I agree that sometimes a short time in prison does not allow for any beneficial turnaround.

**Jo Stevens:** On that point, taking preventive measures was one of the recommendations in the Harris report about how to stop young people going into custody in the first place. Perhaps my hon. Friend will ask the Minister how many of the Harris recommendations have been implemented.

**Christina Rees:** I thank my hon. Friend. Friend for her intervention.

The Government must understand that a fundamentally different approach to youth justice and custody is needed. Young people and children need to be supported and helped. The idea that young offenders should be punished, locked away and forgotten about or, worse, mistreated, is morally reprehensible and entirely counter-productive. However, just months ago, the Chancellor announced cuts of £9 million to the Youth Justice Board, despite warnings from the Local Government Association, the Association of Youth Offending Team Managers and the Association of Directors of Children’s Services that that would lead to an increase in the number of young people in custody. Coincidentally, the £9 million that is being taken away almost exactly matches the amount that the Government have wasted on a failed procurement process to outsource fine collection—a clear case of misplaced priorities and ideology taking precedence over sound, evidence-based policy making.

The Crime and Disorder Act 1998 states that the principle aim of the youth justice system is the prevention of reoffending. However, currently two thirds of offenders under the age of 18 reoffend within a year of release. Behind every one of those figures is a victim, or victims, of crime. How can young people be rehabilitated when there are so many failings within the youth justice system—when it is not even a safe environment for them?

The media reports of what happened at Medway clearly demonstrate a deeper crisis in our youth custody system. Government cuts and a refusal to address the issues properly are creating a perfect storm of overcrowding, understaffing and poor resources. First and foremost, we urge immediate action to put all G4S-run prisons, secure training centres and detention centres into special measures so that the safety and competence of each facility can be urgently assessed.

The Government have the power, under the Criminal Justice and Public Order Act 1994, to intervene in contracted-out STCs. Therefore, as we outlined in our recent letter to the Secretary of State, we urge the Minister to put in management teams alongside existing staff at those facilities—teams with experience of working with vulnerable children. The reforms to youth justice made by a Labour Government, requiring agencies to collaborate in preventing youth offending, reduced both youth crime and the numbers of young people in prison. We would further extend that model by piloting a new approach for 18 to 20-year-old offenders. That would incentivise local authorities, the police and the probation services to work together, to identify those at risk of engaging in criminal activity and to divert them on to a more constructive path.

I want to pose the following questions to the Minister: how many children are currently in Medway STC; and have any been sent there since 30 December? What action did the Ministry of Justice take between 30 December and 8 January? Since 2010, how many times have contract breaches occurred at secure training centres run by G4S under contract with his Department? What was the budget of the Youth Justice Board in 2009-10 and 2014-15; and what is the estimated budget for that body in 2015-16? Has the Minister considered writing to the local safeguarding children board to see whether it will order a serious case review of the allegations regarding abuse at Medway secure training centre? I also remind him of the question put by my hon. Friend the Member for Cardiff Central (Jo Stevens) in her intervention.

3.27 pm

**The Parliamentary Under-Secretary of State for Justice (Andrew Selous):** It is a pleasure to serve under your chairmanship this afternoon, Mr Wilson. I congratulate the hon. Member for Bradford South (Judith Cummins) on bringing this important debate before the House. She said that complacency is never an option in such matters, and she is absolutely right. I assure her that that is exactly the attitude we have in the Ministry of Justice. We also made the broader point that, if we want people to behave well in custody, we should treat them well. She is absolutely right as far as that is concerned.

The hon. Lady spent quite a lot of her speech talking about “Managing and Minimising Physical Restraint”—understandably, following the shocking revelations we saw in the “Panorama” programme. Her Majesty’s chief inspector of prisons described “Managing and Minimising Physical Restraint” as a significant step forward; but of course we acknowledge that more needs to be done. However, I can tell the hon. Lady that detailed action
plans are being agreed with individual sites on its implementation, and additional training and support are being provided. We want to get things to a really high standard, and of course it is not good enough just to have good training; we must ensure that the officers on the ground actually implement what they have been trained to do.

The hon. Lady and the hon. Member for Neath (Christina Rees), who spoke for the official Opposition, mentioned the Youth Justice Board budget. The YJB has, as part of general Government savings—as, unfortunately, the country continues to live beyond its means—reduced its administrative expenditure by restructuring to become more efficient; but in doing that, it has been able to focus more resources on monitoring in the youth estate, despite falling numbers of people in youth custody. It is important that that should be on the record.

Jo Stevens: The Minister said there was more monitoring of secure children’s centres in youth custody services. If that is the case, why and how did what we saw at Medway on the “Panorama” programme happen?

Andrew Selous: The hon. Lady asks the central question of the whole debate. I can tell her that I have thought long and hard about it since the “Panorama” revelations. I do not know whether she was in the House for the urgent question when my right hon. Friend the Lord Chancellor and Secretary of State for Justice set out in some detail the considerable monitoring arrangements we have. Yet the fact is that they did not detect mistreatment and prevent it from happening. As the Minister responsible for youth justice, I have absolutely fully taken that on board and can assure her we will continue to review seriously how we monitor to ensure we do not find out that terrible things are happening from an investigatory television programme. I will elaborate further during the course of my speech.

My hon. Friend the Member for Henley (John Howell), who is a valued member of the Justice Committee, rightly drew attention to the issue of mental health. I can tell him and other Members who properly drew attention to that issue that a comprehensive health assessment is completed for every young person on arrival in custody. This includes an immediate assessment of needs during the first day or night, followed by a more comprehensive assessment as part of their induction programme. If an alternative placement is deemed appropriate, this will be referred back to the youth justice board placement team for consideration in consultation with healthcare professionals.

I can also tell the House that each site has healthcare teams and in-reach teams that provide appropriate treatment for young people with mental health issues. I get the seriousness and importance of this issue and will continue to work with colleagues in the Department of Health to ensure we keep a relentless focus on mental health.

John Howell: When he gets back to the office, will the Minister look at the transfer of people and how often the transfer of the information about their mental health does not actually follow them on time?

Andrew Selous: My hon. Friend also made points about young adult provision. I know the Select Committee is looking at that at the moment, but I can tell him that a Government consultation on the management of young adults was paused while the Harris review was completed. This is now being reconsidered as part of our wider prison reform strategy work and alongside the youth justice review, about which I will say more in a few moments.

The hon. Member for St Helens South and Whiston (Marie Rimmer), who is also an extremely diligent and engaged member of the Justice Committee, asked a general point about the threshold for custody for children. The threshold is high and the courts must state in open court why a youth community sentence with high-intensity supervision and surveillance is not appropriate. I will point out, as have others during this debate, that the under-18 youth custody population has halved in the past five years.

I thank my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) for her contribution to the debate. She is not only the local Member of Parliament who represents Medway, but a ward councillor in that area, so she has detailed local knowledge that we all respect. I have had frequent dealings with her since the revelations came to light. I also thank her for praising the vast majority of decent staff who work very hard in a challenging environment. She was right to put that on the record, and I do so as the Minister as well. We will be relentless in dealing with staff who fall below the very high standards that we rightly expect of them and will continue to demand.

I thank the hon. Member for Lanark and Hamilton East (Angela Crawley) for her contribution. She pointed out that my domain as the Minister extends to England and Wales, and not to Scotland, but generally we take a serious interest in what happens in criminal justice matters and in the youth estate north of our border with Scotland. I have spent time with Scottish academics and others trying to learn what we can from the Scottish prison system, so I thank her for her contribution this afternoon.

The hon. Member for Neath, who speaks for the official Opposition, asked me a large number of questions, which I will do my best to answer this afternoon. I will write to her if I do not answer them all—she posed her questions just before my own contribution, so I will not manage to answer all of them. In general, I repeat what the Secretary of State for Justice said during the urgent question:

“the care and supervision of young offenders in custody is not good enough.”—[Official Report, 11 January 2016; Vol. 604, c. 573.]

We recognise that. That is why the Secretary of State has commissioned the youth justice review. There will be an interim report in due course and a final report in the summer. It is the right thing to do.

The hon. Member for Cardiff Central (Jo Stevens) asked her hon. Friend the Member for Neath to ask me how many of Lord Harris’s recommendations had been implemented. The answer is more than half, but I would ask the hon. Member for Cardiff Central to look at the wider prison reform strategy, more of which will be unveiled over the coming months. She and others will see much in that that speaks to the important points that she and others have raised this afternoon.
The allegations made by the BBC in the “Panorama” programme on 11 January were profoundly disturbing and have quite rightly generated concern about the safety of young people detained at Medway. Let me put on the record, as the Justice Secretary did, my thanks to the BBC for the work it has undertaken to bring the serious allegations to light, although it should not have taken an investigatory television programme to do so.

We take all allegations about mistreatment of children in custody extremely seriously and make sure that they are swiftly referred to the local area designated child protection officer for immediate action. Although it would be inappropriate for me to comment on specific allegations while the investigation by Kent police and Medway Council is under way, I can assure Members that we place the highest priority on the safety of the children and young people committed to our care in custody.

It may be helpful for me to outline in further detail the action taken since the contents of the “Panorama” investigation were first reported. First, G4S suspended all seven staff members named by the BBC on 30 December 2015 and referred the allegations to Medway Council’s local authority designated officer, who is responsible for overseeing safeguarding concerns about children across the local authority, and to Kent police. G4S has subsequently dismissed five staff members, and three more are suspended.

Kent police and Medway Council’s child protection team have launched an investigation that will determine whether there is any evidence to justify criminal proceedings against anyone involved. Five members of staff have been arrested and bailed while police inquiries continue. It is important that the police are now able to complete a full and thorough investigation into each incident and to pursue all necessary lines of inquiry. I can assure Members that the Ministry of Justice and the Youth Justice Board will support and co-operate with their inquiries to the fullest possible extent.

Our immediate priority has been the safety of the young people in custody at Medway. As the Secretary of State indicated in his statement to the House on 11 January, we are meeting Lin Hinnigan, the chief executive of the Youth Justice Board, regularly to make sure that all necessary action to ensure the wellbeing of young people at Medway is being taken. Her Majesty’s Inspectorate of Prisons and Ofsted also visited Medway on 11 January to meet representatives of G4S, Medway Council and the Youth Justice Board, as well as the children detained there. The findings of HMIP’s report are being considered carefully by the Secretary of State and me.

The YJB, which is responsible for commissioning the youth secure estate, has also taken immediate steps to safeguard the children and young people placed in Medway. It might be helpful for me to outline those steps to the House. The YJB has, with immediate effect, ceased new placements of young people to Medway until further notice—that addresses one of the shadow Minister’s questions. The YJB sought urgent assurance from the G4S director of Medway that the centre had safe staffing levels following the suspension and dismissal of staff. That assurance was received on 31 December and is being kept under review. The YJB has increased both its monitoring activity at the centre and the presence of other of its staff members, including senior managers.

I am concerned that the allegations were not readily identified by the checks and systems that we already have in place. It is clear that my Department and the YJB need to work together to make sure that monitoring in the youth secure estate is more effective and robust. We expect the highest standards from all the providers who operate the youth secure estate. We expect staff to want to work with children, to have the skills and training to engage with children positively, and to act with professionalism and integrity throughout. We expect our providers’ management teams to rigorously supervise their staff and drive a positive culture throughout their organisations.

Jo Stevens: There will be children in Medway and other secure training centres who are repeat offenders, but it seems to me that the real culprit here is G4S, which is a persistent offender in failing to deliver Government contracts to the required standards. I am concerned about whether G4S should be awarded any further contracts, or should even be bidding, until all the outstanding issues with the company—the Serious Fraud Office inquiry and the investigation into Medway—are resolved. Will the Minister please address that specific point?

Andrew Selous: I hear what the hon. Lady says, and, given what has happened, I understand the strength of feeling on this issue. Nevertheless, I repeat what I said earlier: it is important that we allow Medway Council and Kent police to investigate fully what are, at the moment, allegations, albeit extremely serious ones. We should wait for the results before we do anything else.

The YJB has increased the availability of the independent advocacy service provided by Barnardo’s. It will now be available on site six days a week, compared with three days a week previously. All youth offending teams that are responsible for those currently held at Medway secure training centre have been contacted and asked whether they have any concerns about individual children or young people. The YJB will consider, on a case-by-case basis, any specific action that needs to be taken to meet the particular needs of each individual child or young person, including, where appropriate, reviewing their placement at the centre. The YJB has also contacted the families of each child and young person at all three secure training centres to explain the actions we have taken and to give them a contact point at the YJB.

I shall outline the key safeguarding and monitoring arrangements that already exist in secure training centres, which we have now reinforced at Medway in the light of the recent allegations. First, YJB monitors are appointed at all STCs to monitor and report on the performance of the establishment. Monitors will investigate and report on allegations made against custody officers and, where necessary, suspend and revoke custody officers’ certificates to work. Barnardo’s staff are also in place at all STCs to provide independent support and advice to young people through its independent advocacy service. Young people can raise any issues or concerns through either the YJB monitors or the advocacy service provided independently by Barnardo’s. There are clear processes in place that enable staff to raise concerns.

The YJB’s service specifications and commissioning arrangements for the secure estate make it clear to providers that there is an expectation that children’s welfare and safety is paramount when they are in custody. That expectation has been strengthened and reinforced.
in the specifications for new STC contracts and as part of the provision in young offender institutions. All persons in charge of secure establishments have a statutory duty to ensure that their functions are discharged having regard to the need to safeguard and promote the welfare of children. They must also participate as a member of their relevant local safeguarding children’s board. In line with statutory safeguarding guidance, each secure establishment must have an annually reviewed safeguarding policy and a member of the senior management team with responsibility for implementation of the policy. The policy should promote safeguarding and wellbeing by covering issues such as child protection, risk of harm, restraint, separation, staff recruitment and information sharing.

Each local authority has a designated officer to whom concerns about children’s safety that arise from the behaviour of adults must be referred. That is in addition to the requirement for those working with children to report to the local authority any concerns about a child they believe to have been harmed or at risk of harm. All safeguarding managers in young offender institutions are expected to attend the Working With Young People in Custody training programme, which includes modules on child protection and safeguarding. The head of safeguarding will be supported by an establishment-based qualified social worker from the local authority.

As many Members know, there is now a higher concentration of violent and high-risk offenders in the youth secure estate who present complex risks and needs. The level of violent incidents remains a concern, and one to which there is no simple, simple solution. For that reason, we have in place a wide range of measures to manage safety and stability. That begins with the placement of young people. The YJB actively manages where young people are placed to support custodial providers, who in turn manage their regimes locally to keep children safe. In young offender institutions in particular, we are working to use more mental health support and psychological services to better manage and support those detained. We are also implementing a range of tools for staff to manage conflict more positively and deal with challenging and complex children. All the while, we have a zero-tolerance approach to violence and are seeking to increase children’s engagement in education to give them a greater opportunity of making progress during custody and on release. For example, in young offender institutes we now require 30 hours of education a week, which is a significant increase.

Wayne David: I welcome many of the positive proposals that the Minister is making, but will he give us a commitment that, if it is clearly demonstrated that certain organisations that run STCs are in breach of their duty of care to young children, they will be formally excluded from future bidding processes?

Andrew Selous: As I said earlier, for now, we should wait for the result of the investigation by the local authority and the police. I have already said that we have the power to strike off someone from being a custody officer. We have statutory powers and we are not afraid to use them in pursuit of our serious duties regarding the care of these young people.

The managing and minimising physical restraint policy that I mentioned earlier sets out that robust local governance arrangements should be in place to enable those running secure establishments to identify any poor practice. A weekly use-of-force meeting takes place in all establishments using the MMPR policy, and it is regularly attended by a YJB performance manager. During the meeting, which is attended by senior managers in the establishment, along with the YJB, CCTV footage of all incidents is reviewed, anything that happened in the lead-up to an incident is discussed, and any training that might be required to handle incidents better in future can be identified. Those arrangements were already in place at Medway. If there is an incident that warrants referral, we would expect an establishment to refer it to the local area designated officer at the local authority. If that is not done by an establishment, the YJB’s performance managers can make referrals themselves.

As the Secretary of State made clear in his statement on 11 January, it is a matter of record that there have been earlier examples of where G4S has let down the Ministry of Justice and those in our care. But there are also examples of innovative and high-quality institutions run by G4S. I recognise in particular that unacceptable incidents and practices were identified in Ofsted’s inspection of Rainsbrook last year. In that case, the monitoring arrangements in place were effective. The YJB monitor was aware of each of the incidents as they occurred, took the appropriate action and highlighted them to the inspection team. The YJB immediately required G4S to address the issues swiftly and effectively. G4S put in place new leadership, and the YJB agreed an action plan to improve recruitment and training.

I am pleased to tell colleagues that Ofsted’s latest inspection of Rainsbrook shows significant improvement, with improved findings for both safety and care of young people. Although the report identified two serious incidents of staff misconduct since the previous inspection, in both cases, G4S took action and dismissed the members of staff involved before the latest inspection took place.

Jo Stevens: Although the problems at Rainsbrook have been identified and welcome steps have been taken, the Government allowed G4S to renew its contract at Medway. Will the Minister explain why the Government allowed G4S to renew that contract when it has a history of problems running a secure training unit at Rainsbrook?

Andrew Selous: There was a competitive bid to run the contract. Ministry of Justice officials, who are wholly independent from Ministers, scrutinised all the bids using set criteria. They demanded higher standards than we currently have in the STCs. We are satisfied that there was a robust, proper, independent and legal process.

Following the re-tendering of the Rainsbrook STC last year, we selected a new provider, MTCnovo, to take over the running of the centre from May 2016. The YJB put in place an enhanced monitoring plan that aims to support G4S to continue to make the required improvements, as well as supporting MTCnovo as it takes over delivery. We are clear that standards must continue to rise before MTCnovo takes over the contract.

Although youth offending has fallen, reoffending rates have remained high, particularly for those leaving youth custody. We acknowledge that violence in custody has risen and that we are dealing with an increasingly challenging cohort of young people in our custody. As I said earlier, there are no simple solutions to that, which
[Andrew Selous]

is why the Secretary of State and I agree that the youth justice system requires reform.

As Members will be aware, we asked Charlie Taylor, the former chief executive of the National College for Teaching and Leadership, to conduct a review of youth justice. He is looking at the evidence and current practice in preventing youth crime and rehabilitating young offenders; how the youth justice system can most effectively interact with wider services for children and young people; and whether the current arrangements are fit for purpose. The review will publish an interim report shortly and conclude this summer.

I recognise and share Members’ concern about the allegations featured in the “Panorama” programme, but hope I have reassured colleagues that young people’s safety and wellbeing will remain central to how we look after young people in custody. As my hon. Friend the Member for Rochester and Strood said, the vast majority of those working in the youth justice system display high levels of professionalism and dedication in working with young people from particularly complex and challenging backgrounds. They are committed to the rehabilitation and support of the young people in their care.

Marie Rimmer: Will the Minister please consider introducing a duty of candour for custodial institutions, as has been introduced in the health service?

Andrew Selous: I am aware that a duty of candour has been introduced in the NHS to good effect. I believe I commit to look carefully at the lessons learned from its introduction in the NHS to see whether one could be applicable to the youth justice system.

I am clear that the provision of safe, decent and secure environments is an essential foundation for achieving our objectives to protect the public and reduce reoffending. We will continue to challenge the youth justice system to provide the best possible support and the highest levels of care for young people in youth custody.

3.44 pm

Judith Cummins: I thank all Members who spoke in this debate. Their contributions reflect the seriousness and importance of the issue of ensuring the safety of children in custodial institutions. We all acknowledge the need for high professional standards when looking after our children and young people in custodial institutions. I ask the Minister to take very seriously the concerns that were raised about the continuation of G4S’s contract.

When looking at the issue of child safety in our custodial institutions, the concerns about children with complex needs or mental health problems must be looked at in detail and treated appropriately, particularly those pertaining to the issue of restraint in our custodial institutions. It is important that the Minister addresses our concerns about the cuts to the budgets of the Youth Justice Board and local authorities. Thank you, Mr Wilson, for treating me kindly today. I thank all Members present.

Question put and agreed to.

Resolved,

That this House has considered safety in youth custody.

IVF: Welfare of Women

[Sir Alan Meale in the Chair]

3.48 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I beg to move,

That this House has considered the welfare of women undergoing IVF treatment.

I want to draw attention to the Human Fertilisation and Embryology Act 1990, which is also known as the HFE Act. It contains worrying failures that are endangering women’s lives and long-term health. As a result of the failures, it is time for Parliament to take action to protect the welfare of women undergoing IVF treatment. IVF is a huge industry, estimated to be worth some £500 million, with most treatment taking place in the private sector.

The Human Fertilisation and Embryology Authority code of practice, which follows from the 26-year-old HFE Act, rightly requires clinics to take into account the welfare of the child before providing IVF treatment, but the HFEAs narrow interpretation means that women’s welfare is not considered. IVF treatment works by stimulating the ovaries of a woman to grow multiple follicles through the use of a drug identical to the natural stimulating hormone called follicle stimulating hormone or FSH. In turn, the growth of such follicles causes a rise in oestrogen in a woman’s bloodstream.

However, if levels become too high, there can be a profound and adverse effect on a woman’s health. Indeed, extensive research has shown that the high stimulation given to women during IVF can significantly compromise their health. The most common adverse effect following the use of such hormones during IVF is ovarian hyperstimulation syndrome or OHSS, which can be mild, moderate or severe. Mild OHSS can occur in up to 33% of IVF cycles, while 3% to 8% of IVF cycles are complicated by moderate to severe OHSS. Women with severe OHSS are hospitalised, some in intensive care, needing intravenous infusions and drugs to save their lives. In its most severe form, OHSS can be fatal and women have died in the UK as a result of the complication.

Joan Ryan (Enfield North) (Lab): Given the serious health risks that can arise from women being treated with too much hormone medication during IVF, does my hon. Friend agree that the HFEA must collect and publish information on the type and amount of drugs given to women so that they can make a more informed choice about the treatment they may receive?

Siobhain McDonagh: I wholeheartedly agree with my right hon. Friend and hope to expand on that point in my speech.

John Howell (Henley) (Con): I thought I would get an intervention in while the hon. Lady was in the mood for taking them. I appreciate that she is talking about women who are going through IVF, but has she considered the health effects on women who want IVF but are prevented from doing so due to their age?

Siobhain McDonagh: I have no comments in my speech that address the hon. Gentleman’s concerns about age and effectiveness. I mostly want to ask the Minister,
and through her the Department of Health, to consider how figures are recorded, what the practice is and how we can improve on what is now a 26-year-old Act.

It goes without saying that OHSS has a huge emotional cost to women and a huge financial cost to the NHS, but it is preventable. It is widely known that there are modern OHSS-free protocols that can entirely prevent the syndrome from manifesting, but they are underused. In a 2011 article in The BMJ, authors Bewley and Braude reported on women’s deaths as a result of the complications around IVF treatment. The article states:

“The last Confidential Enquiry into Maternal Death recorded four deaths directly related to IVF via ovarian hyperstimulation syndrome and three deaths related to multiple pregnancy after IVF. Thus, more deaths were related to ovarian hyperstimulation syndrome than to abortion…despite many fewer procedures (for example, 48,829 IVF cycles v 198,500 abortions were performed in the UK in 2007). IVF associated maternal deaths may be underestimates, because record linkage is not allowed by the Human Fertilisation and Embryology Act”.

The article worryingly concludes that:

“infertility treatment now poses a higher risk for maternal death.”

Despite the potentially fatal risks to the health of women going through IVF, there is little accurate or complete information regarding the incidence of OHSS. Indeed, the HFEA records it only via a flawed self-reporting system. In practice, that means that clinics must indicate when a patient has been admitted to hospital with severe OHSS when it is entirely induced by their IVF treatment, but that system of self-reporting is inadequate, for obvious reasons. The HFEA’s own data suggest that there is gross under-reporting of the condition.

We know that the number of eggs collected is a predictor of OHSS. The collection of more than fifteen eggs significantly increases the risk of OHSS, without improving the live birth rate. Bearing that in mind, over the first half of 2013, there were over 1,700 IVF cycles in which more than 20 eggs were collected—cycles that therefore posed an increased risk of OHSS. Yet, that same year, only 46 cases of severe OHSS were reported. Between 2010 and 2012, only 60 cases of severe OHSS and 150 cases of moderate OHSS were reported. During the same period, however, there were more than 3,000 IVF cycles in which more than 20 eggs were collected per cycle. Those examples demonstrate the worrying, and dangerous, trend of under-reporting. We also know that the stimulation dose given in IVF is negatively correlated to live birth. In other words, the higher the stimulation, the lower the rate of live births. Research has also shown that a high number of eggs collected increases rates of prematurity and low birth weight in babies. The risks are clear when considering how many cycles feature high stimulation and high numbers of eggs collected.

The HFEA database demonstrates that, between 2008 and 2013, more than 20 eggs were collected per egg collection procedure in more than 18,000 IVF cycles, more than 30 eggs were collected in 2,285 IVF cycles, and more than 40 eggs were collected in 313 IVF cycles. It cannot be stressed enough that those figures show a very worrying trend in IVF treatment in the UK, potentially placing women in real, and avoidable, danger. The evidence also demonstrates the pressing need for a change in legislation and for reliable data to be collected by an empowered regulator.

Furthermore, research from last year has observed an increased risk of ovarian cancer among women undergoing IVF in the UK compared with national averages. That was based on the HFEA database of more than a quarter of a million women who have received IVF treatment between 1991 and 2010. Similarly, a large Dutch study from 2011 of 20,000 women who had received IVF treatment concluded that ovarian stimulation for IVF may increase the risk of ovarian malignancies, especially borderline tumours. The link between ovarian cancer and IVF treatment, as well as the many health risks I have outlined, so obviously justifies the collection of reliable data by the HFEA.

As if the risks were not enough, several clinics are using a cocktail of drugs off-label in a manner for which they were not intended. It is most common in the use of drugs and intravenous infusions during IVF treatment and pregnancy that affect a woman’s immune system. However, they are often used without any supporting scientific evidence, posing significant risks to women. Both the Royal College of Obstetricians and Gynaecologists and the US Food and Drug Administration have issued warnings about the use of drugs off-label. The HFEA, while stating on its website that it is necessary to report such practice, has admitted that it has no powers to stop it from happening despite being aware of the considerable potential harm posed to women. That clearly needs to change.

Despite the potential threat to women’s safety, the HFEA states that it does not have the statutory authority to take action in the so-called areas of clinical judgment and drug administration. Indeed, in relation to the HFEA’s limited response on the incidence of OHSS, the Minister stated the following:

“They have no express powers concerning the administration of drugs, which is a matter of clinical judgment. Although the HFEA does not collect data about the overall incidence of OHSS, clinics are asked to report when a cycle has been abandoned because of risk of OHSS. Severe OHSS is treated as an incident and depending on the nature of incident and the patient outcome, the HFEA will either expect an incident report or conduct an incident review itself”.

Given the severity of the risk to women that I have outlined, however, that response is clearly inadequate.

Considering the evidence, the absence of comprehensive data collection seems to be the result of a bizarre regulatory remit. That limited remit seems to see the safety of women as secondary. The McCracken review into the HFEA, the recommendations of which were entirely accepted by the Government, argued that the balance of HFEA activities was unacceptable. Recommendation 10 stated:

“The HFEA should conduct a review of the balance of its regulatory focus to ensure that it reflects the relative risks of the different activities that it oversees. Its approach should reflect the relative maturity of the sector it regulates…the need to ensure appropriate oversight of technical developments in the field of ART”—

assisted reproductive technology—

“the need to ensure that appropriate standards of practice are implemented consistently throughout the sector, and the continuing need for a high degree of public assurance regarding the sensitive activities that it oversees. This should not lead to any overall increase in regulatory activity or cost, but a rebalancing of activity.”

Further, as part of the preface to the recommendation, McCracken stated:

“Similarly where there are well known side effects of ART techniques, such as…OHSS…the HFEA should make sure that
appropriate standards in managing them are being adopted across the sector...It is worth noting here that the work that the HFEA led in reducing multiple births, the ‘One at a Time’ project, is universally praised and may provide a model for addressing some of these other topics.”

To reiterate, the report states that reviewing the HFEA remit should not lead to an increase in regulatory activity or cost, but simply a rebalancing of its activity. However, the HFEA has not taken any specific action on OHSS or on the other interventions so desperately needed. That is why we need Parliament to act.

What can be done? I have a number of recommendations that I hope the Minister will be able to implement to address the risk to women’s health. First, an explicit commitment to the protection of the welfare of women urgently needs to be added to the Human Fertilisation and Embryology Act 1990 in order to give powers to the HFEA to regulate and monitor drug administration to safeguard the short and long-term health and welfare of women undergoing IVF.

Secondly, the HFEA must immediately start collecting information about all drugs, dosages—whether daily or cumulative—and off-label drugs administered to women during IVF treatment and pregnancy. The HFEA already collects extensive data about embryos, including the use of consumables or culture medium. In other words, what is administered to eggs, sperm and embryos is regarded as of primary importance, but what is administered to women is deemed to be of limited importance. We urgently need to redress that imbalance. Adequate information is desperately needed to gauge the adverse effects of the drugs on gametes and embryos, and to assess their threat to women’s health. Those data are already collected in the USA, Australia and across Europe. It is about time the UK followed suit.

Thirdly, the HFEA should introduce a campaign and licence condition expressly focused on reducing the incidence of OHSS, which can be fatal. That could be modelled on the HFEA’s successful multiple births minimisation strategy.

Finally, the HFE Act should be amended to link the HFEA registry with the hospital, cancer and death registries. That would allow accurate recording and publication of the links between IVF treatment and incidence of severe OHSS, cancer and mortality among women. The HFE Act has typically used patient confidentiality as a reason to have a hands-off approach to collecting important information. Links between IVF treatment and such incidences, however, have already been established in other developed nations by using such data. I am sure the Minister will agree that the more we understand such links, the more we can do to prevent unnecessary harm to women.

We urgently need a regulatory body that has the powers to monitor drug administration during IVF treatment, and to take action where needed to protect the welfare of women. We need to have adequate information to assess the safety of fertility treatments. Indeed, it seems absurd to have a regulator that is dedicated to licensing and monitoring clinics that carry out IVF, but that is unable to take action because it lacks statutory authority.

According to the McCracken report, such changes can be cost-neutral, and the HFEA has already achieved success in other areas. By including the welfare-of-women protection in the HFE Act, alongside the “welfare of any child”, we can finally act on the issue. By doing so, Government can oversee the collection of information about drugs administered to women during IVF treatment and pregnancy. What I am calling for is not unusual elsewhere in the world, and such systems of data collection are prevalent in so many developed countries. Changing the Act will also enable the HFEA to implement fully the recommendations of the McCracken report, in particular that “appropriate standards in managing...are...adopted across the sector.”

That should include the use of modern OHSS-free protocols that prevent the incidence of potentially fatal OHSS.

Patients undergoing IVF treatment are often vulnerable, forced into paying for treatment themselves, and they desperately need someone to protect them. As more and more people use IVF treatment, the issue is no longer one for only a minority. It is time to give the safety of women the recognition that it desperately deserves in the Act. Let us not sit back and allow another woman to suffer or die unnecessarily during IVF treatment.

In the HFEA, we have a body dedicated to regulating IVF. Let us give it the tools to fulfil its duty. Twenty-six years since its creation, it is time to maintain what is good about the HFE Act and to reform what is inadequate. I hope the Minister will recognise the opportunity for the Government to pioneer a new chapter in the young history of IVF treatment.

4.16 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is a pleasure to serve under your chairmanship, Sir Alan.

I thank the hon. Member for Mitcham and Morden (Siobhain McDonagh) for raising this important subject for debate. I will take the opportunity to offer, I hope, some assurance to interested Members about what is being done to safeguard women’s health in the area.

IVF has been an amazing gift for millions of people throughout the world, bringing the joy of a child to those who would otherwise not have been able to have one. The treatment was a groundbreaking one that we can be proud to say was invented and developed in the United Kingdom.

Recognising the special ethical approach needed for the creation of human life, the Government introduced the Human Fertilisation and Embryology Act in 1990 to bring a strong legislative framework to the provision of fertility treatments, establishing the HFEA as the specialist regulator. That legislation was supplemented by a review and amendments in 2008, providing a legislative settlement agreed by Parliament, and it has served the United Kingdom well since then.

The hon. Lady eloquently outlined the effects of OHSS, which is a well recognised side effect of the use of ovarian stimulatory drugs. In its most severe form, it can be fatal for the patient if not treated, although thankfully that is rare. There are more than 60,000 cycles of IVF each year, with between 150 and 200 instances of what would be regarded as more serious incidents, known as grade A and grade B. That represents about 0.33% of all cycles.
The prescription of stimulatory drugs is not an activity regulated by the HFE Act 1990, as amended, or by the HFEA. Prescribing is a matter for clinical judgment, taking account of professional guidance, of which there is a considerable amount, and the individual circumstances of the patient. All patients who undergo ovarian stimulation as part of their IVF treatment are given information on the symptoms to look out for and are advised to contact clinics immediately if they suspect they may be developing the condition. That includes being given contact details for out-of-hours arrangements, so that they can report immediately. In addition, it is a requirement under the 1990 Act that a woman shall not be provided with treatment services unless she has been provided with information relevant to the treatment, including the potential side effects, and a suitable opportunity to receive counselling about the implications.

Although the HFEA does not collect data about the overall incidence of OHSS, clinics are asked to report treatment cycles to the HFEA where a cycle has been abandoned due to there being a risk of the patient developing OHSS. All severe cases of OHSS must be reported to the HFEA as a serious adverse incident. Depending on the nature of the incident and the patient outcome, the HFEA will either expect an incident report from the clinic or will conduct an incident review itself. The HFEA publishes a detailed annual analysis of the data it receives, and information is also available on the HFEA’s website on outcome rates for each clinic, including information on live birth rates as a percentage of embryo transfers.

I reiterate that the administration of drugs is a matter for clinical judgment. The HFEA’s code of practice advises licensed fertility clinics to provide women seeking treatment with information on the likely outcomes of the proposed treatment and the nature and potential risks of that treatment. That includes the risk of children conceived having, for example, developmental defects, as well as the potential side effects and risks for the woman, including OHSS. That requirement is examined as part of the HFEA inspection regime. The HFEA also asks to see a clinic’s OHSS management protocols before a licensed renewal inspection, so it is part of the regulatory process for each clinic.

In its fertility guidelines, the National Institute for Health and Care Excellence advises clinics that they should inform patients about any potential long-term safety implications associated with IVF. That includes specific reference to limiting the use of ovulation induction or ovarian stimulation agents to the lowest effective dose and duration of use. In addition, the HFEA code of practice sets out the expectation that clinics should follow relevant and appropriate professional guidance in the care of patients, which obviously includes NICE guidance. Clinicians must have the clinical discretion to make decisions about the care of individual patients, taking account of their individual circumstances.

I want to give the hon. Lady assurance about some of the work the HFEA has in the pipeline. In its business plan, the HFEA sets out an intention to increase focus on learning from incidents and adverse events through, for example, publication of a report on clinical incidents between 2010 and 2012; dialogue with the sector about how best to learn from incidents and adverse events; and exploring, with professional groups, whether more data need to be collected better to understand factors contributing to ovarian hyperstimulation syndrome, in order to reduce its incidence. That is in the HFEA’s business plan, which is publicly available.

I would like again to thank the hon. Lady for raising this important and complex subject. I understand and appreciate the concerns she rightly has about the possible impact on women’s health of a reaction to stimulatory drugs during the process of fertility treatment and the consequences. However, I believe that the existing UK regulatory system is second to none in its approach to safeguarding women’s health. I am assured that, within its statutory and regulatory remit, the HFEA is taking proportionate action.
I know that the debate must end here, Sir Alan, so I will write to the hon. Lady with responses to additional points made in her speech.  

Question put and agreed to.

4.37 pm

Sitting suspended for Divisions in the House.

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Storm Eva: Local Authority Support

Holly Lynch (Halifax) (Lab): I beg to move, That this House has considered support for local authorities after Storm Eva.

I am delighted to serve under your chairmanship, Sir Alan, even if it is later than scheduled. The first challenge of debating the flooding that devastated parts of Cumbria, Lancashire and Yorkshire over the Christmas period is that just one Department can respond. In considering what support local authorities will require as they seek to emerge from these difficult times, nothing short of co-operation from almost every single Department will be sufficient. In calling on the Department for Communities and Local Government to hear the challenges that we face, I hope the Minister will be working with his colleagues across Government to respond as comprehensively as possible.

For the purpose of today's debate, I am representing Calderdale Council, which includes both my constituency of Halifax and the neighbouring Calder Valley constituency. Areas around the Dean Clough Mills complex in Halifax town centre, and particularly Sowerby Bridge and Copley in my patch, were devastated by the floods on Boxing day in weather that had not been seen in living memory. However, the devastation further down the valley in Mytholmroyd and Hebden Bridge, with further damage in Elland, Todmorden and Brighouse, has put Calderdale Council under unprecedented pressure of a primarily financial nature.

I attended a transport working group meeting at Halifax town hall on Friday with my friend, the hon. Member for Calder Valley (Craig Whittaker). The chief officer for highways and engineering, John Lamb, who is doing a fantastic job, described the River Calder as having become “weaponised” over Boxing day, picking up everything in its path and using it to smash its way through the valley, taking on the bridges, roads, homes and businesses in its path.

To give Members a quick overview and to demonstrate the breadth of the range of problems, 2,781 residential properties and 1,635 businesses have been affected by Storm Eva in Calderdale. Nine electrical substations were flooded, resulting in widespread power outages, with some properties without electricity for four days. Eight schools across the district were damaged, and at least two of them will be closed for a prolonged period. The police station in Sowerby Bridge and the fire station in Mytholmroyd were flooded, and general practitioners' surgeries, Sowerby Bridge leisure centre, libraries and Sure Start centres along the river all sustained damage.

With that in mind, I hope the Chair and the hon. Member for Calder Valley will grant me the freedom to speak about the needs of the local authority as a whole, taking into account the challenges facing our constituents, who will traverse both constituencies on an almost daily basis. I start by thanking the Government for their announcement earlier this week that £5.5 million will be made available for the rebuilding of Elland bridge. Having to rewrite this speech in the wake of that good news was a welcome inconvenience. The floods envoy, the Under-Secretary of State for Transport, the hon.
Member for Scarborough and Whitby (Mr Goodwill), hit the nail on the head when he said during the announcement:

“A good local transport system is the lifeblood of the region, and key to a thriving economy.”

As the Minister may already know, the communications network that crosses Elland bridge is essential to businesses in the area, so discussion now moves from funding to the speed with which we can get it back up and running. Partly due to the bridge’s status as a grade II listed building, it is estimated that a replacement bridge will not be in place until December 2016.

Elland bridge will not be the only damaged structure with listed building status. Although, as a history graduate, I appreciate the significance of listed buildings in principle, where a listed structure is no longer fit for its intended purpose and, conversely, presents a danger to the public, what power do the Government have to work with Historic England to consider lifting that status, thereby giving local authorities, or in this instance, the Canal and River Trust, the greatest range of options for reconnecting communities as quickly as possible? I hope the Minister will consider looking into that.

Although the £5.5 million for Elland bridge is extremely welcome, new problems resulting from the flooding are arising on an almost daily basis, which is increasingly worrying. New landslips are compounding the existing damage. The combined cost of damage to infrastructure as a result of that weaponised river and the broader impact of Storm Eva—just to be clear, this excludes the money allocated for Elland bridge—is now in the region of £18.5 million. I am not saying that for impact or effect, and I am not rounding up. That is what we are facing in the cost of highways alone, and it is financially terrifying. I hope the Minister recognises that Calderdale Council will need support to cope with the scale of damage to infrastructure and that constructive dialogue on how to do that will follow today’s debate.

On where some of that money might come from, like many of my colleagues and constituents, I am confused as to why the Government have not yet applied to the EU solidarity fund for financial support. The Prime Minister said that he had looked carefully at the question of EU funding but decided that it was “quicker and better” to give the people the help they need from our own resources. Although it is a relief that we must have ground, where they are most needed.

I visited several businesses in Sowerby Bridge immediately after the floods. Some are big employers in my constituency that have never flooded before, but the cost and devastation caused by flooding just once means that they are thinking long and hard about whether they want to rebuild in the same premises or to leave the valley altogether. I met small and medium-sized enterprises that had struggled to find affordable insurance due to their proximity to the river. At least one of the bigger businesses that I visited had business interruption insurance, but it is anxious about whether that same protection would still be available at an affordable price if it were to rebuild in the same location.

I mentioned in the recent floods debate in the main Chamber that Pulman Steel, a business in Sowerby Bridge that was visited by the Chancellor twice in the run-up to the 2010 and 2015 general elections, is faced with completely refitting its factory, and it is battling to be up and trading at full strength as soon as possible. I have written to the Chancellor inviting him on a return visit to Pulman Steel. He will be aware that Pulman Steel is a supplier to a number of key northern powerhouse infrastructure projects, so it is of strategic importance to the north and beyond that it is up and running. I ask the Chancellor to put his high-vis and his hard hat back on and to come and discuss with Pulman Steel how its situation has changed and what his team could be doing to support it as a key player in our local economy.

A shot-blasting company at Lee Bridge in Halifax and its neighbours were flooded three times in four weeks over the Christmas period due to a complicated culvert system that runs underneath the small industrial estate. Calderdale Council has identified that 800 businesses, which employ 4,588 people, will need financial support following the floods. The grants of £2,500 from Government funding are going out to businesses and are making a difference, but businesses such as the ones I have mentioned need specialist business support—they need not only cash but expertise. They face dilemmas around how to hold on to customers whilst they deal with the impact of the floods, or around how to remain competitive when they are faced with increased insurance bills, or quite simply around how to keep trading when the back wall of their premises and half their stock have ended up in the River Calder, as was sadly the case at some of the businesses that I saw at Tenterfields business park.

The local authority can provide some of that support, but I am here to echo Calderdale Council’s request to the Government that staff from the Department for Business, Innovation and Skills get out to flood-affected areas and work with the local enterprise partnerships to bolster the specialist business support that could make such a big difference. I hope the Minister is in a position to give us assurances today that he will work with his colleagues in DBIS to send those delegations out from our central offices and to get experts’ boots on the ground, where they are most needed.

Everyone in this room will also appreciate that we cannot talk about business support without pressing for affordable insurance. The Federation of Small Businesses has carried out research that suggests that 75,000 smaller businesses at risk of flooding had found it difficult to find flood insurance, and that 50,000 had been refused cover.

Later this year, Flood Re is set to provide access to affordable insurance for around 350,000 households. Whether it is through an extension of Flood Re or through an alternative scheme, we must look long and hard at how we can offer the same protections to businesses that we have been able to offer to residents. The Association of British Insurers does not believe that extending Flood Re to businesses would be the answer. However we do it, we must find a way of delivering affordable protection, and I hope the Minister might be able to update hon. Members about any progress that has been made in that regard.
I appreciate that the issue of flood defences has one foot firmly in the Department for Environment, Food and Rural Affairs, but in this instance I believe that the other foot is firmly in the Department for Communities and Local Government. In an article written by the Secretary of State for Environment, Food and Rural Affairs that was published in the *Yorkshire Post* on 30 December, she suggested that £280 million in Government funds will allow flood prevention schemes to go ahead in a number of areas, including Calderdale. Calderdale Council and the Environment Agency have worked closely together to identify which schemes would be required and where. Under the current funding formula, however, once the maximum Government contribution has met the maximum possible funds available from the local authority and any other funding streams, there is still a £15 million shortfall in delivering those projects.

Andrew Percy (Brigg and Goole) (Con): Of course, the flood defence formula that we are dealing with is the one that was changed just before 2010, and it causes particular problems for many people in our area across Yorkshire and the Humber, and particularly for a number of houses. I make that point not to be political—both Governments have operated under it. Does she agree that we need a root-and-branch review of the whole formula because it does not work in the way that people hoped it would, and are now ending up with situations in which schemes will not be funded because they do not have match funding?

Holly Lynch: The hon. Gentleman might be right. Actually, what we have got to look at is those schemes that were in place and how much they were going to cost. Will they work? Will they be effective in the light of the new models and the damage that we have seen this time? What would the cost of those schemes be, and how do we consider meeting that cost from Government and local authority funding?

I know that at least one scheme in particular would benefit the shot-blasting business that I mentioned, which sits directly above the culvert at Lee Bridge, and so I plead with the Minister to speak to his colleagues at DEFRA to seek clarity on behalf of the local authority, so that work can begin on those schemes—where they are now appropriate—without delay.

On a very pragmatic note, a proposal that I do not believe would cost a great deal at all is a national floods conference. It would be a meeting for all the affected local authorities to come together to discuss their experiences with the Government, but more importantly with one another. They could share best practice, and examine what worked and what did not work in terms of both flood defences and the emergency response to the flooding.

I genuinely believe that Calderdale Council responded as quickly and efficiently as was possible, but I hear from other hon. Members that they did not necessarily have the same experience with their local authorities. Further down the valley from Halifax in Hebden Bridge, there is a volunteer flood warden scheme, for example. Flood wardens have not been necessary in my constituency before now, but I am keen to explore this possibility, which may also be useful to other areas. What training have those wardens in Hebden Bridge had and how did the local authority mobilise them over the Christmas period? Would Calderdale benefit from more emergency planning? Do other local authorities, in Cumbria for example, already have emergency plans in place?

If there are examples of best practice that can be shared and lessons that can be learned following Storm Eva—and following Storms Desmond and Frank, for that matter—will DCLG consider organising such a national conference sooner rather than later, so that we can all learn from these recent experiences as we start to plan for the future?

Andrew Percy: I thank the hon. Member for giving way again, precisely because my area floods so consistently. Does she agree that one thing we should consider is organising from the bottom up rather than from the top down, through local parish councils where they exist? In my area, many of the parish councils now have emergency plans—they have been provided with funding from the local authorities to develop those plans. Actually, it was the people on those councils who, after every flooding incident we had, were the people out there on the ground. They have the connections into the local authority and the Environment Agency. That model exists already and we need to spread it across the country. That bottom-up approach, through parish councils, emergency plans and emergency committees, can be really effective.

Holly Lynch: I completely appreciate that intervention and those local schemes are very effective. For example, in my constituency—I am not aware of what the hon. Gentleman is doing in his constituency—such schemes might be effective, and that is why some oversight and some co-ordination might be helpful to get them off the ground. That is all I will say on that.

Finally, I return to the issue of volunteers and the at-times heroic efforts of local council officers and the emergency services. It was overwhelming to see the number of volunteers who came out to help following the worst of the rains on Boxing day. Ordinary people—most of them from the local area, but some from much further afield—came to play their part in the clean-up. The staggering generosity and compassion of those volunteers, who gave up time over the Christmas period that would otherwise have been spent with family and friends, allowed us to make a great deal of progress in the hours and days immediately after the floods. Volunteers took the lead on cleaning up the streets, and on helping homeowners and businesses with the removal of ruined and contaminated goods and furniture, which freed up council officers to deal with the most serious incidents. The depth of the community spirit that got us through the worst was staggering.

There were also acts of outstanding bravery from our emergency services, who worked around the clock to remove people from harm’s way. A local authority cabinet member told me this week that she had taken car keys from a council officer who had worked four days straight with barely any sleep and called him a taxi, because she was worried that he was too exhausted to drive himself home. That is not an exceptional case. Council officers and staff came in to work over the Christmas period without a moment’s hesitation.

Will the Minister consider recognising outstanding contributions where local authority staff went over and above and served with distinction? Will he ask his
colleagues at the Home Office to extend the same recognition to the emergency services and the volunteers who gave so much to their communities in what were desperate times? I appreciate that more could be done locally to recognise key individuals and key contributions.

I could go on, but I am aware that several hon. Members want to put their “asks” to the Minister. I will leave it there and I look forward to hearing from my colleagues and the Minister’s response.

Several hon. Members rose—

Sir Alan Meale (in the Chair): Order. Before we proceed, I advise Members that we will have Back-Bench Members’ contributions until about 5.48 pm. We can continue to 6.12 pm because of the delays that preceded this debate, and I intend to call the Front-Benchers to make their winding-up speeches from about 5.48 pm. You can all do the mathematics in that, and could you please try to be succinct to give proper leeway to the mover of the motion at the end of the debate, so that she can have a minute just to speak about how the debate has gone?

5.28 pm

Craig Whittaker (Calder Valley) (Con): Thank you, Sir Alan, for calling me to speak. As always it is a pleasure to speak under your chairmanship.

I thank the hon. Member for Halifax (Holly Lynch) for securing the debate on a subject that has affected both of our constituencies on a horrendous scale. In total, 2,700 homes and 1,635 businesses were flooded; three bridges are down; four schools were affected; there was a landslide that affected 17 homes, and a school was closed as a result; and there was major damage to vital roads and other infrastructure all over Calder Valley and indeed all over Calderdale. So far, the total bill for the infrastructure damage alone is in excess of £20 million, which is massive, and that is not to mention the pain and misery suffered by many of our constituents.

The Government response to date has been rapid and welcome: a £12 million package for households and businesses to help with initial costs; Bellwin at 100%; and, as has already been mentioned, £5.5 million for Elland bridge, which is in Calder Valley. We have also had £2 million in match funding, which I know has been welcomed by a lot of people locally.

As my neighbour, the hon. Member for Halifax, has already said, we need further help, but I will not go over the ground that has already been covered. Instead, I will raise two main points on relieving pressure on local authorities. First, insurance is a problem for most people in businesses. We know Flood Re takes effect from April. Sadly, it will not help homes that could not get insurance this time before the floods, but it will in future. The major issue is that Flood Re does not include businesses. So many of my well established businesses, despite paying for flood insurance, in some cases for decades, are now finding that they have not been covered for flooding. The results are catastrophic for many. It will mean many businesses in Calder Valley will not reopen, and many jobs and much expertise will be lost.

In reply to a question a couple of weeks ago during Question Time, the Prime Minister said that the insurance industry says all businesses will be offered insurance. That may be the case in some instances, but it is not the case for many.

Those that were offered insurance saw phenomenal premiums with equally high excesses. A local sandwich shop was offered insurance for £10,000 with a £10,000 excess. A local factory owner was offered insurance, but with a £30,000 excess for flooding. A world-renowned British furniture manufacturer in Mytholmroyd was insured for stock but not equipment, and lost more than £600,000. Christmas orders were massive, but there were no facilities to fulfil those orders.

A destination retailer lost £650,000. A fireplace manufacturer and retailer, offered no option of insurance, is facing ruin. A major supplier of coir mats to supermarkets and hardware stores all over Europe lost all its stock. It had no insurance; no stock to supply ongoing; penalty charges for non-delivery; and it is tied into its current lease for three years. If those businesses manage to get up and running again, they face no prospect of being able to get insurance and no prospect of getting out of leases to relocate. If they do relocate, our local valley bottom towns will die: places such as Todmorden, Hebden Bridge, Mytholmroyd and Elland. We need our businesses to stay to feed our local economies and keep the skill set that has grown up with these businesses over decades and generations.

Julian Sturdy (York Outer) (Con): My hon. Friend is making a powerful argument. He is absolutely right to focus on business insurance and the problems that local businesses face. However, is it not also true that many businesses have not been flooded, but are hugely affected because the wider regional economy is affected? Is it not right that we send out a clear message that Yorkshire is open for business? My area and that of the hon. Member for York Central (Rachael Maskell) are certainly open for business, and I know that my hon. Friend’s constituency is definitely open for business.

Craig Whittaker: My hon. Friend is absolutely right. I had a call only this morning from a local farm business—Porcus—that supplies pork sausages far and wide, not only in Calder Valley but in many of the flood areas as well. The business is down 75%, even though it has not been hit by the floods.

We are supporting private homes with Flood Re, but to not support businesses with insurance is criminal. Will the Minister consider urgent talks with the insurance industry and look again at Flood Re—if not Flood Re, something else—to include businesses as well? If no urgent progress can be made, will he look at introducing secondary legislation to force insurers to insure companies for floods at a level that is affordable and fair to all?

As I have said, the pain and suffering of Calder Valley residents over Christmas has been horrendous. To have the possibility of losing their jobs as well as their homes and businesses is a bridge too far—if you can find a bridge in Calder Valley still standing. The situation is dire, and the Government could help in a way that would help far more than a simple cash injection. On behalf of Calder Valley business owners, please, please, please can we sort out their plight with insurance? That would also alleviate many pressures that the local authority is currently picking up on.

My second point—I will be brief—concerns planning and co-ordination. The floods happening on Boxing day meant that many people were at home, and help among communities and neighbours was humbling and...
incredible to see in action. A multitude of agencies and Government Departments were very difficult to contact and get hold of because they were not working, because it was Christmas, or they were on holiday.

Local farmers were saying in November that the moors and hilltops were saturated with water after record rainfalls in November. Some were warning that if we had severe rainfall in December, we would be in trouble, as the only place for water to go when the land up above is saturated is downhill. That is exactly what happened.

It took several days for the recovery to get fully under way because of the lack of agency co-ordination among Yorkshire Water, the Environment Agency, the National Grid, utility companies, including mobile phone providers—we had areas with no phone coverage at all—Calderdale Council, the Canal and River Trust, Network Rail, highways, police, fire, ambulance, the Army, the Department for Environment, Food and Rural Affairs, and the Department for Communities and Local Government. I am sure there are many more.

In areas such as Calder Valley, where we suffer from flooding on a fairly regular basis and where the floods are getting far more frequent and severe—we had floods in 2000, 2007, 2012, and of course recently in 2015—we need one individual or one individual agency to take responsibility on behalf of all agencies, not just to mobilise all agencies as a co-ordinated response, but to flag areas where flooding can be reduced. For example, if Yorkshire Water had released some capacity from reservoirs in November, the flow downhill could have been slowed. The Canal and River Trust could have opened locks at strategic points. The Environment Agency could have warned residents to move cars, for example, in multiple parking areas that were flooded. All that needs co-ordinating through one person or one body. Although it would not have prevented all the flooding, it would have prevented some of it and would have saved millions of pounds’ worth of damage to infrastructure and personal possessions.

To sum up, may we have a serious look at having one person or one body that will be responsible in areas such as Calder Valley for co-ordinating a rapid response from all agencies during disasters like the one we have just experienced, and that will also hopefully help to prevent them on the scale that Calder Valley has just experienced?

5.36 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Sir Alan. I thank my hon. Friend the Member for Halifax (Holly Lynch) for securing today’s debate. There have been different experiences, but we are hearing very much from Yorkshire today. Many aspects of the operations in York are to be highly praised—the mountain rescue team, the Army, the public sector workers who gave up their Christmases, and the awesome response from volunteers across the city, mainly co-ordinated through one person, Chelle Holmes, and her Facebook page, “York Floods 2015: Help for the affected”, with its 14,000 members, which put together the operation.

That, together with BBC Radio York, became the mainstay of communications.

Other parts of the operation have been heavily criticised by people on the ground. Much of this has boiled down to communication and co-ordination during the flood period. It has now become clear from a meeting in the city last Friday that the local authority had no plan for the Foss catchment should flooding occur, despite the council’s strategic flood risk assessment highlighting a greater than one-in-10-year risk of the capacity of the River Foss exceeding the capacity of the pumps at the barrier. To give some context, the River Foss is protected from the far larger river, the Ouse, by a sixteen-and-a-half-tonne steel barrier. When flows of the Ouse rise, the barrier is closed to protect the Foss catchment, and eight pumps are switched on to pump up to 30.4 tonnes a second.

The capacity of the water was 35 tonnes a second over Christmas. The pumps could not cope, and water surged up into the pump house, where the power for the pumps and operations for the barrier were. The decision was therefore to switch off the power supply and lift the barrier in the belief that this was the least worst option and could save 1,000 homes. Reports from the Environment Agency going back to 2004 show that there was a risk of this happening. In the 30 years of the barrier, there has been no attempt to raise the level of the electrics, which are at a low level. There was a plan to lift them higher, but planning permission was denied to the agency at the time.

The revelation that there was no plan should the barrier fail and not be able to cope is quite astounding, and it has left people in York angered, upset and certainly with a host of questions that still need answers. I have been inundated with correspondence. I have been going door to door, and I have held a series of community meetings with residents and with business to ensure that we drill down on the issues and raise them, as we now are, with the various agencies.

I want to raise various points about action for the future. The first and perhaps most vital is that I want to see all local authorities having flood plans externally audited. This will ensure that we will have the right support in place at the right time and that local authorities are not left with the burden of marking their own homework. We know that there were certainly some serious flaws in York during the flooding. Vulnerable people, particularly those in an elderly residential complex and an area where Travellers live, saw no one at all from the council. People self-evacuated when the waters rose. There were also difficulties with the sandbag operation—not only were there problems filling them, not enough shovels and not enough personnel to fill them, but there was no distribution plan. That must be addressed.

There were problems with phones even before 45,000 phones went down—an issue that is the subject of a different inquiry. If someone whose home was being flooded called the number that the Environment Agency gave to the council, they got an answer machine message saying that the council was returning to work on the Tuesday morning. That is not good enough. When the phones at the council came back into operation, just four people were answering calls. We need proper plans in place.

Rachel Reeves (Leeds West) (Lab): I am listening with interest to what my hon. Friend is saying about the response of her local council. In my city, Leeds, the council
responded to the floods amazingly. Nevertheless, the council is worried about the future and what the additional cuts to its budgets will mean, not only for its day-to-day capacity for things such as keeping gullies clean, but for how it will respond in emergency situations. Does my hon. Friend share those concerns?

Rachael Maskell: Absolutely. Part of the inquiry I am carrying out is about how much cuts to date have affected the resources available to the plethora of agencies involved and how that will be addressed in future, what with further cuts planned, including to the fire and rescue service, which was overstretched over the Christmas period.

People gave up their Christmases, but there was no one to direct them to where they should volunteer. Again, that was a serious problem. I could discuss other issues, such as electrics being switched on in residential council accommodation without sockets being checked and people being denied their £500 despite their properties being flooded. The list is enormous—it is six pages long—but the Minister probably gets the gist: things must be improved. The council has said that it will carry out its own independent investigation. It is incredibly important that it truly is independent, that all questions are asked and that no stone is left unturned.

I want to share some of the other questions and issues that people have raised. We must recognise that the agencies came together and ensured that nobody died, but important questions have been raised. First, the suggestion from my hon. Friend the Member for Halifax that we hold a conference to try to share best practice was excellent. We are learning a lot at the moment, so it is important that we share best practice in a structured way to ensure that local authorities draw on it to respond to communities.

Secondly, I ask the Government to hold an inquiry into the communications failure. Elderly residents who depend on their Lifeline personal alarms were left without any communications at all. I explained earlier the situation with the phones. When phones go down in an emergency, we should be able to switch systems. Even the ambulance service did not have a system to call on. We should be able to switch call centres to enable a continuous response. We must even look at the basics on the ground. Someone with a loud hailer or a siren could have made such a difference to people’s lives.

Thirdly, I very much support the point made by the hon. Member for Calder Valley (Craig Whittaker) about expediency in responding. We have a local barracks, but we had to wait for a process to be gone through before soldiers were mobilised. It could have been done a lot quicker. I am going to meet Brigadier Strickland to discuss future military involvement.

Fourthly, we have heard about the success of the flood wardens on the ground who were able to bring things together. There is now a real appetite among the community to ensure that flood wardens are part of the future strategy. It is really important to draw on that experience.

Fifthly, there is concern about drainage, which relates back to the point about local authority resourcing. Gullies, drains and ditches must be cleared. Surface water was a factor in the flooding in parts of the city, so we need to ensure that the right resources are in place to address it. We must also ensure that drainage and sewage are dealt with appropriately, because Yorkshire Water suffered a breach when its pumps failed and sewage went into the mainstream water supply.

Sixthly, we must ensure that there is better flood literacy. There is an assumption that people know how to address issues appertaining to floods and how to build resilience for the future. We cannot make assumptions in these situations, so it is vital that we ensure that there is proper education around floods—what people need to do, how they should respond and how they can protect themselves for the future.

Holly Lynch: On that point, because volunteers were so enthusiastic—so keen to get involved and help people where they could—there were issues with education and keeping safe volunteers who were almost too keen and were potentially exposing themselves to risk. That is part of the education that might be required for the future.

Rachael Maskell: My hon. Friend makes a very valid point that is true not only for during the flooding, when people are trying to save lives and protect the public, but for the clean-up operation. Clearly, when people are dealing with sewage, they are also dealing with risk. People need to be made aware of the risks and how best to protect themselves.

Seventhly, we have heard very clearly that businesses really do require support. Last Friday I brought together the local chamber of commerce, the Federation of Small Businesses and the local enterprise partnership to discuss how we can support business better at times of flood. It is clear that our city centre, like so many towns and cities, is experiencing a downturn in trade, so it is important that we get more support to local authorities to help with plans to build capacity back into the city.

Rachel Reeves: My hon. Friend mentions the impact on businesses. In my constituency, around 250 small businesses have been affected by the floods, but those businesses employ 2,500 people, most of whom have not been working since Boxing day. That is a real worry. As well as talking about the businesses, we should be mindful of the people who work for them and think about the support we can provide to them, both to regenerate the places where they work and to support them in the interim.

Rachael Maskell: I totally agree.

Finally, I want to raise the issue of personal finances. So many people in my constituency who were flooded could not afford any insurance at all. They just do not have the resources to pay for insurance, and £500 does not stretch far. All I have been told is that they need to draw on charitable sources. We need a more structured approach to support people who, in their poverty, have lost even more.

There are so many things that I could raise; this is just the start. I hope that there will be an opportunity for MPs to gather together to share their intelligence and concerns and to raise issues that they believe could help future operations. As we gather that intelligence, between us we could ensure that sufficient plans are in place to address the need, should such floods occur again. With climate change on its way, there is a high possibility that that could be the case.
Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): As seems to be in keeping with proceedings in Westminster Hall, this has been an enlightening and constructive debate. I congratulate the hon. Member for Halifax (Holly Lynch) on kicking it off so perfectly. Her description of the River Calder as becoming weaponised is something I can relate to. I walked through very shallow flood water in Hawick in my constituency and was taken by the sheer power, even of shallow water. The sheer force was incredible, which means all the more credit should go to those who went out and worked for days and nights to try to help people to save properties and businesses throughout the UK. We thank them for their commitment and hard work.

The hon. Lady made a number of excellent points that brought home the incredible damage and range of costs that have resulted from the flooding. I echo her thoughts on the EU solidarity fund. The fact that it might take a while to get the money suggests to me that perhaps they think we will be out of the EU by the time it comes through. I do not care: let us get the money, because it should all help. Everything helps, and every pound is a prisoner nowadays, so absolutely, let us apply and have some benefit from the EU instead of continually complaining about it.

The hon. Lady made an excellent point about Flood Re. I realise that there are some challenges and that we have to be careful, but if there is a will, there is a way, so I am sure we can do something.

Andrew Percy: I sat on the Bill Committee that debated Flood Re, so I can tell the hon. Gentleman that if a business is also a residence, it falls within the scheme. The problem is that Flood Re is paid for by other consumers. Nobody of any party in the Bill Committee talked about the need for business, because the cost would be passed on to other consumers. That is the rub.

Calum Kerr: Absolutely. That is a great articulation of the challenges, but as I said, if there is a will, there is a way. Let us look at what schemes we can put in place, even though there will be limitations.

The hon. Member for Calder Valley (Craig Whittaker) talked about the importance of insurance for businesses. He brought the issue alive with some detailed figures about the impact on businesses. It is easy to talk about things conceptually, but personalised stories enable us to really understand how important this is.

Having a single agency is an interesting idea, but the approach in Scotland is different. Granted, we have a considerably smaller population, but the structure of the agencies is different, so we have an opportunity to share lessons and experiences and learn from one another.

The hon. Member for York Central (Rachael Maskell) talked about the importance of learning lessons. Although floods happen too often, thankfully they do not happen very often. Whenever they happen and cause people trauma and disruption, we need to look for lessons that we can learn. As the hon. Lady said, we already knew some things from past problems. Let us ensure we do not say the same thing when the next event happens, as it surely will. She came up with a number of great suggestions as a way forward.

The reality is between December and January—certainly in Scotland—we had the greatest rainfall in the past 100 years of available records, and there were 50 new record river levels across Scotland. We will probably not get used to climate change, but it means that we need to look at how we manage severe weather in the future.

Local authorities in Scotland were at the centre of the relief operations. They worked in partnership with the Scottish Government and other agencies to distribute funds and plan for future risk.

In Scotland, the draft budget provided £4 million of extra funding for the local authorities most affected by flooding, including my constituency, which was one of the worst hit. The Scottish Borders Council got nearly £2 million. Earlier this month, Nicola Sturgeon announced an additional £12 million of funding to help affected areas, including capital funding of up to £5 million for local authorities to replace infrastructure severely damaged by flood waters. An additional £5.8 million has been allocated to households and businesses, including a provision for local authorities to make payments of £1,500 to households, businesses, charities and communities affected by flooding. A flat-rate grant payment of £3,000, which will be funded separately by the Scottish Government, can also be made to businesses to offset clean-up costs.

Earlier this month, I was in Selkirk with the Scottish Environment Minister to launch our first ever flood risk management plan, which includes 14 local strategies. In June, local authority-led partnerships will set out a detailed action plan with details of how that plan will be delivered up to 2021. The Scottish response has been rapid, comprehensive and effective, with partnership and local authority action at its heart, but we still have lessons to learn, and we strive to do so. We recognise that there are severe challenges across the UK. We welcome all UK Government investment in flood prevention, not least because it led to Barnett consequentials, which we gratefully received.

Flooding is not going to go away, so the Scottish Government have prioritised prevention. We need to share best practice across the UK and in the regions and develop a fuller understanding of the issue. The UK and Scottish Governments can and should learn from each other. That is an example of how the whole can be greater than the sum of its parts.
defences around electricity sub-stations. The major issue
in my area was not the flooding, but the power cuts that
left 20,000 homes in the borough of Rochdale without
electricity for a long time, so the Government must
improve flood defences around our power stations.

An important point was made about the listed building
status. I would like to hear the Minister’s thoughts on
what we should do when a building or structure becomes
unfit for purpose. I fully appreciate the problems that
my hon. Friend, who is a history graduate, has with that
issue. We need to pay a lot of attention to it.

Let us apply for the EU solidarity fund. I do not
understand why the Government keep saying, “It’s difficult;
it’s a lengthy process.” Prevaricating makes the process
even lengthier.

Several Members talked about business support. I fully
concur with my hon. Friends the Members for York
Central (Rachael Maskell) and for Leeds West (Rachel
Reeves), and with the hon. Member for Berwickshire,
 Roxburgh and Selkirk (Calum Kerr). Every Member in
the Chamber mentioned business insurance, and my
hon. Friend the Member for Leeds West made a very
important point about people who are still out of work
because damage to their business has made it unable to
operate.

I fully support the idea of getting Department for
Business, Innovation and Skills staff to bring their
expertise to flooded areas. We have been called on to
work with other Departments. It is really important
that we use our expertise to advise businesses that are
struggling with ruined stock and problems with insurance.

The idea of a national floods conference is excellent.
Everyone in the Chamber said that we need to learn lessons
and that local councils can learn from best practice. We
heard about some brilliant examples of good practice
and some not so good examples where there were delays
in communication. In York Central, there were problems
with the phone lines.

We could spend three hours on this debate, but I will
wind up to give the Minister sufficient time to respond.
Will he consider the example of the Somerset Rivers
Authority? It has been given the power to raise a shadow
precept from April 2016, which enables it to raise additional
funding for flood risk. Will the Government allow other
areas to use a similar mechanism where there is local
agreement to do so?

Sir Alan Meale (in the Chair): Before the Minister
starts, I want to say that we have had a full and frank
debate. Members on both sides have been very kind in
being here for the whole of this very serious debate and
restricting themselves to making interventions. This is a
very difficult subject, and we are grateful for that. I ask
the Minister to leave a little time at the end for the
mover of the motion to respond to the debate.

6 pm

The Parliamentary Under-Secretary of State for Communities
and Local Government (James Wharton): Thank you,
Sir Alan. I will of course take that request on board and
eavour to do so. The debate has been constructive,
and I congratulate the hon. Member for Halifax (Holly
Lynch) on bringing it forward.

Those whose constituents have been affected know
just how devastating flooding can be and the impact
that it has on individuals, businesses and communities.

Whether an area has a small number of homes or, as we
have sadly seen in some areas during the recent storms,
a significant number of homes, that makes little difference
to the person or business affected by flooding. We need
to look right across all areas to see what we can do to
support them now that we have passed through the
immediate response phase. We must ensure that recovery
starts, that businesses are protected as best we can, that
homeowners are given the support that they need, and
that we recognise the good response work that so many
different agencies, local authorities and volunteers have
done. We must do everything that we can to mitigate the
flooding’s impact.

December was a record-breaking month for rainfall
in some parts of the UK, with exceptional amounts of
rainfall falling on to already saturated ground. Over the
weekend of 5 and 6 December, we experienced the
highest levels of rainfall ever recorded in a 24-hour
period in the UK. Around 7,000 properties were initially
reported as flooded. Over Christmas and new year, we
experienced more heavy and sustained rainfall, which
resulted in widespread flooding across the north of
England. At the height of this second incident, 32 severe
flood warnings were in place and around 9,000 properties
were initially reported as flooded. It has been a major
series of incidents and the impact has been significant,
as we have heard in hon. Member’s comments today.

We deployed resources and personnel to where they
were most needed in what was a fast-moving, complex
situation. The multi-agency response to the flooding
was rapid, with the army deployed from day one and
with assets deployed and money paid out to local
authorities in record time. We wanted to ensure that
local authorities had the financial support that they
needed to respond quickly, and without hesitation and
concern as to what would follow. Cobra met 14 times,
including daily between Christmas eve and new year’s
eve, to assess impacts and to co-ordinate where and how
most effectively to deploy further resources from across
Government to support affected communities. The
Environment Agency, local authorities, fire and police,
military personnel, the voluntary sector, utility providers,
communities and a range of individuals came together
to respond to what was such a significant incident.

I also include in that list many Members of Parliament.
I know that my hon. Friend the Member for Brigg and
Goole (Andrew Percy), who is in the Chamber, was out
in his constituency delivering sandbags to those who
needed them during the Christmas recess. He was working
hard to look after and protect his constituents and to
ensure that they were given every support. Members
were not only out doing things on the ground. Many
were also talking to Ministers, responders and their
local authorities, feeding in what was going well and
what they wanted done differently, ensuring that the
response was as informed as it could be, so that it could
do what was needed to minimise the impact of such a
significant weather event.

It is appropriate to put on the record the scale of the
response and the scale of what we were responding to.
The Government have announced support packages
worth around £200 million. Money has been given out
in record time. There have been concerted efforts to
cordinate across Government Departments and agencies.
We have seen so many individuals work so hard throughout
the period.
I want to address some of the specific points raised by hon. Members. The hon. Member for Halifax made specific reference to Elland bridge and the welcome £5.5 million for its repair. She asked about its listing and what that means for the repair work. Listed buildings are complex, and it is sometimes difficult to know the right answer. The list of listed buildings is maintained by the Secretary of State for Culture, Media and Sport, and if consideration is to be given to delist a building, it would be done in consultation with Historic England to ensure that it is the right thing to do. If the hon. Lady wants to pursue the matter, I am happy to assist in facilitating that. I do not know what the outcome will be, because we will have to look at the impact and at the bridge’s contribution and consider Historic England’s views, but if she feels that it is an avenue worth pursuing, we should discuss it further.

The hon. Lady and several other hon. Members have asked about the European Union solidarity fund and I want to make the Government’s position absolutely clear. We have not ruled out applying for such funds, but we need to understand what that would mean, what sums of money we are talking about, which incidents are eligible, and what resource would need to be put in to the complex process of applying—it is an incredibly complex fund.

However, we have not yet reached a deadline by which a decision whether to apply would have to be taken, so we are looking to understand the impact across the board to see how it breaks down and what making an application would mean. A decision will be made at the appropriate time as to whether it is the right thing to do. It is true that it takes a long time for such funding to be paid. I believe it is in the region of six to seven months from the date at which we can make an application, which has not yet arrived. It would not therefore provide the immediate relief that many areas are looking for, but if going through that process is the right thing to do, it is of course what we will look to do. We want to understand exactly what it would mean and exactly what sums we are talking about before giving a black or white answer, which some Members may seek, because the picture is not as simple as some—not anyone who has contributed to the debate today—in public discussion have occasionally attempted to present it.

The hon. Lady also mentioned the cases of specific businesses and the level of Government business support. My hon. Friend the Member for Calder Valley (Craig Whittaker) also referred to several businesses in his constituency about which he has concerns. The Department for Business, Innovation and Skills has teams located across the country, and our teams covering the north-west, Yorkshire, Humber and the north-east are working closely with local partners on business recovery. Where specific expertise or additional support is needed, I encourage hon. Members to contact me with the details. Our teams can be deployed to try to provide support, advice and guidance, and we will look to direct them to any businesses in Members’ constituencies that have been specifically affected. I am happy not only to take on board the comments that have been made during the debate, but to take something constructive and proactive away from it should hon. Members want to contact me.

The proposal for a national floods conference has merit—it would be foolish of me to say we would not consider it. At this time, we have to support local authorities with their significant ongoing work dealing with the situation, but in the longer term I see no reason why we would not want to consider such a conference.

Andrew Percy: I agree with the Minister that that is something to consider, but we have been here before, through such lesson-learning exercises—guidance was issued years ago to local authorities about the need for emergency plans. My contribution, which I hope to make in this intervention, is that they are not top-down only. The 2007 event hit my area, as all those other events have, but we are in exactly the same position with resources. The response has to be bottom-up, with strategic sandbag stores in the localities, run by parish council emergency committees, such as the one established in my area, and with local flood warnings. We have to have a bottom-up approach. I commend to him North Lincolnshire and the East Riding of Yorkshire for the funding that they have provided to parish councils to do just that, so that the parish councils are the people who respond to an event.

James Wharton: My hon. Friend makes an important point. I hope that I have shown in many different kinds of debate my support for devolution and for allowing people at the appropriate level to make decisions and to drive forward responses, whether to flooding or in other areas of local government. We have seen some of the lessons learned in the Government response to the events of recent weeks and months. We have seen funding transferred quickly to local authorities, but control over how it is spent has also been devolved to them. They have had much greater flexibility in how they deliver schemes, in how they support local areas and in what they do. We have looked not only to support but to empower local authorities to do what is needed with that £200 million of funding on which I have already commented.

Rachel Reeves: Will the Minister give way?

James Wharton: I will give way, but I then want to make quick progress.

Rachel Reeves: I agree with the hon. Member for Brigg and Goole (Andrew Percy) that a bottom-up approach is needed. Floods are an example of an area in which we have to pool risk and share resources, including for flood defences. In 2011, the Government scrapped the flood defence scheme in Leeds that would have protected the area from the city centre and the train station up to Newlay bridge. Had that scheme been in place, the Boxing day floods would not have had the same devastating impact on Kirkstall. I urge the Minister to take the opportunity to learn the lessons from the floods and to put in place the comprehensive defence schemes necessary if we are to create a northern powerhouse.

James Wharton: I gave way hoping that the constructive nature of our debate would continue, but I fear that we are starting to venture into broader points of a party political nature, which I had hoped we would avoid. In 2005, the Government spent £1.5 billion on flood defences; the coalition Government in the last Parliament spent £1.7 billion; and in this Parliament £2.5 billion is to be spent—a real-terms increase in each consecutive Parliament.
We need to learn lessons, however, and we need to look at what the areas can do. We need to listen to what local communities understand about their areas and about what has to be done.

Rachel Reeves: Will the Minister give way?

James Wharton: I have given way to the hon. Lady once, but now I must wrap up so that the Member who introduced the debate may conclude it.

It is important that we recognise that MPs from across politics and the areas affected have worked well in and with their communities. Lessons have been learned from what has happened before, and we have seen evidence of those lessons in the route that Government response has taken recently. We ensured that funding got out more quickly and we gave local authorities as much flexibility with it as we could to ensure that they could respond properly. We are continuing that in the nature of the resilience funding that we are providing, which is up to £5,000 per flooded household. Furthermore, only last week at a meeting in Manchester, we gave guidance to local authorities that gave them flexibility on how they will deliver their schemes, because we recognise that different areas need different things.

Hon. Members have raised a number of important issues, some of which I have been able to touch on, including insurance. We need to continue to look, to listen and to learn lessons from what has happened. A lot is being done, but we can always ask, “Can we do more?” My hon. Friend the Member for Calder Valley wanted a single responsible person, but we have already seen great improvements in how Government respond and bring Departments together. We have seen the appointment of flood envoys by the Prime Minister in response to some of what we have seen happening recently. We always ought to look at where we might go further and what else we might do, however, and my hon. Friend’s ideas are valuable.

Julian Sturdy: Will the Minister give way?

James Wharton: I will give way to my hon. Friend, but then I must conclude and allow the hon. Member for Halifax to sum up.

Julian Sturdy: In the spirit of bringing people, Departments and local authorities together, does the Minister not agree that, when we are talking about spending money on flood defences, we have to look at the whole catchment area? That might mean spending money to defend York outside the city in the wider catchment area.

James Wharton: My hon. Friend makes an important point that will of course form part of our considerations. I hope I have been able to answer some of the questions asked by hon. Members. I am always happy to have further discussions and meetings, whether in debates or outside the Chamber. I am conscious that the hon. Member for Halifax who introduced the debate might wish to add a further comment.

6.11 pm

Holly Lynch: I thank the Minister for his comments. I will follow some issues up with him in more detail, if that is okay. I thank all hon. Members who contributed to the debate today, and I thank you, Sir Alan, for your chairmanship. I hope we can all work constructively together to prevent some of the damage we have seen recently in future events.

6.12 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
Stephen Kinnock (Aberavon) (Lab): I beg to move, That this House has considered the future of the UK steel industry.

It is a pleasure to serve under your chairmanship, Mr Walker. I thank the Backbench Business Committee for granting this important debate. I also thank the Minister and all my colleagues for coming to support it—it is a fantastic turnout.

As we all know, this has been a big week for the British steel industry—but, unfortunately, for all the wrong reasons. Yesterday, jobs were lost at Sheffield Forgemasters, and the week began with Tata Steel’s announcement of more than 1,000 job losses across the country. That was bad news for everybody, but it was particularly devastating for my constituency, where the Port Talbot steelworks are located. Some 750 people who woke up with a job at the Tata steelworks in Port Talbot on Monday morning no longer have a job. The steelworks are the beating heart of the economy and the community in Port Talbot, and the job losses will affect not just those being made redundant, or those in connected industries, but their families, their friends and the entire community.

What immediate action will the Government take to support those who have been made redundant? There will need to be training and support so that they can make the transition into other jobs, and the local community will need help to support those affected and their families, as well as those in connected businesses. If the Government do not act, my community will pay the price for generations to come.

However, this is not just about Monday’s announcement. The Government must act to support the steel industry and to prevent further job losses, and they must do so now. There are a number of things that I, my colleagues inside and outside this Chamber and, most notably, the Community union and Tata Steel itself want to know. We want to know why the Government have done nothing. They have talked a big game, but their warm words have been matched by frozen actions.

First, we have called for changes in UK business rates, which are up to 10 times higher than those of many of our European competitors. Will the Minister commit to consulting the Welsh Government and other devolved bodies on cutting business rates for capital-intensive industries such as steel by removing plant and machinery from business rate calculations?

Secondly, the promised Government compensation for energy-intensive industries has still not materialised. In the light of Monday’s announcement, will the Minister commit to consulting the Government on the more rapid implementation of measures on energy-intensive industries and to a deadline by which moneys will actually be available? We cannot have more of the cheque being lost in the post.

Thirdly, on procurement, we asked the Government to introduce guidelines that properly recognise social issues, local value for money and local content in projects with a major steel component. However, all that their November procurement policy note says is that steel requirements should be “openly advertised” to allow UK firms to compete. Will the Minister explain why they will not go further in using Government procurement to support the British steel industry?

Paul Flynn (Newport West) (Lab): Can my hon. Friend begin to understand what got into the Government’s mind when they handed over the nuclear industry in perpetuity to the Chinese? Because of their infatuation with them, they are allowing them to prosper, while our industry crumbles. We have a policy of deindustrialisation, with our industry being colonised by the Chinese.

Stephen Kinnock: I pay tribute to my hon. Friend’s long and illustrious history in the steel industry. He was a steelworker himself, so he speaks with particular experience and expertise. I absolutely agree with his point about the nuclear industry. I would bring everybody’s attention to the outrage of EDF telling a well-known British steel producer that it was not allowed to tender to make turbines that it is absolutely qualified to provide, thus denying it the opportunity of a multimillion-pound contract. The idea that this country’s procurement policies are somehow changing is a myth, and that experience of EDF and that steelmaker is a case in point.

Andy McDonald (Middlesbrough) (Lab): While my hon. Friend is on the issue of procurement, will he say whether he is as dismayed as I am that the Ministry of Defence is commissioning steel hardware from Scandinavian plants? Does that not speak to a lack of joined-up thinking and a lack of Government focus on innovation, and on research and development, into new products needed by the MOD?

Stephen Kinnock: My hon. Friend makes an excellent point. What is interesting about the MOD angle is that we are talking about national security. The steel industry plays a critical role as a foundation industry, whether we are talking about the homes we live in, the offices we work in, the knives and forks we use to eat our meals or the incredibly important contribution the industry makes to our armed forces across the world. This is, therefore, not just an issue of the economy or of pounds, shillings and pence. Our national security is at stake.

John Woodcock (Barrow and Furness) (Lab/Co-op): I, too, congratulate my hon. Friend on securing this important debate. Is he aware of the contribution that steel makes to the submarine supply chain? That led the Community union to argue forcefully that the Labour party should continue to support it. Furthermore, Graham Honeyman, the managing director of Sheffield Forgemasters, is clear that the company cannot survive if it loses the order for the Successor submarine programme.

Stephen Kinnock: My hon. Friend makes an excellent point. He will be aware that a debate is taking place in the Labour party, but I can assure him of which side of that debate I fall on. There are a number of reasons why I fall on that side of the debate, but saving our
Manpower—up to 20,000 jobs rely on the nuclear programme to which he refers—is critical. I will certainly contribute forcefully to the debate in our party from that perspective.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I congratulate the hon. Gentleman on securing the debate. The estimated capital cost of Trident could be up to £165 billion. Is he seriously saying that if the UK Government redirected that amount of capital investment, we would be able to produce only 20,000 jobs?

Mr Charles Walker (in the Chair): Order. I am not allowing Members to get into a debate on Trident. Mr Kinnock, can you continue, please?

Stephen Kinnock: Thank you, Mr Walker. I defer to your better judgment, but I would be more than happy to continue that debate outside the Chamber.

In the light of what we are discussing, will the Minister explain why the Government will not go further in using Government procurement to support the British steel industry? Is it one thing to put in place procurement guidelines, but driving the message home across Government, let alone the private sector as well, is another matter. Words are easy, but actions are far more difficult, and those actions require leadership. With Hinkley Point B, the Government have a real chance to show leadership by using procurement to support British industry. However, they seem to be squandering that opportunity, with no British steel due to be used on the project.

I would also like to ask the Government about the Swansea bay tidal lagoon. First, they need to get on and approve the project—each day of delay is costing months of investment, we would be able to produce only 20,000 jobs?

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I would also like to ask the Government about the Swansea bay tidal lagoon. First, they need to get on and approve the project—each day of delay is costing months of investment, we would be able to produce only 20,000 jobs?
Louise Haigh (Sheffield, Heeley) (Lab): I want to reflect on the fact that Ministers are so terrified of the EU state aid rules, but seem to have breached EU public procurement rules by failing to tender for Hinkley Point C. Will my hon. Friend reflect on that discrepancy?

Stephen Kinnock: My understanding is that a very prominent and well-known producer of British steel has been informed by EDF that they are not allowed to tender on the basis of what appear to be spurious health and safety grounds. I encourage the Government immediately to carry out an independent evaluation of why that producer was not allowed to tender. Let us hear it from an independent evaluator, because at the moment it is somebody’s word against somebody else’s. It is the Government’s responsibility to step in once again and stand up for British industry, rather than sell it off to foreign bidders.

The rise in the market share of Chinese rebar, which went from zero four years ago to 45% of the UK market now, can be explained only by Beijing’s distortion of the market. Some 70% of Chinese steelmakers are state-owned, and the remaining 30% benefit from tax rebates that amount to a state subsidy. We are asking the Government not for special treatment for British steel, but for a level playing field and action to correct the market distortions. We are seeing not the forces of supply and demand working away, but a marketplace that has been hijacked by subsidised Chinese state steel that has been dumped in a previously perfectly well-functioning marketplace.

The Government should take action and show leadership, but they have been asleep at the wheel. Will the Minister explain what action the Government will take against Chinese dumping? Specifically, can she tell us whether the British Government support China’s being granted market economy status? A yes or no answer will do fine.

Just over a week ago, the Foreign Secretary said on the Floor of the House that “it is through the prism of steel”—[Official Report, 12 January 2016; Vol. 604, c. 694.] that Chinese market economy status should be judged. On that basis, we should say a clear and resounding no to market economy status for China. Time and again, the Government have acted as China’s chief cheerleaders in Europe—particularly on market economy status. They know that MES will cost British jobs and limit our ability to impose tariffs on dumped goods, but they are more interested in cosying up to China and making Britain, in the Chancellor’s words, “the western hub” for Chinese trading.

Andy McDonald: I am grateful to my hon. Friend for giving way yet again; he is being very generous. Does he share my concerns about the prospects for HS2? We hear that the Chancellor has had active discussions with the Chinese about the steel that will be used in that project.

Stephen Kinnock: I have heard the Minister and many of her colleagues assure us on the Floor of the House that a large portion of the steel used in the HS2 project will be British. I can only go on the Minister’s words. We shall see, as we have seen before, whether the Government’s words and actions match up.

Nic Dakin (Scunthorpe) (Lab): Does my hon. Friend agree that, to ensure that UK steel is in a position to gain such contracts in the future, it is important that skills and new technologies are in place? There is a role for Government in that, too.

Stephen Kinnock: I agree entirely. There are two elements to this crisis. One is the short-term perfect storm that we are facing. The lack of Government support for building the industry’s resilience is a major contributing factor to that. The other element is equally worrying in many ways: the complete absence of a long-term strategy—nothing on research and development and innovation, nothing on investment, nothing on building our skills base and nothing on the long-term sustainability of such a foundation industry. As long as that long-term strategy is missing, short-term action will simply be treading water and running to stand still. We are in desperate need of a Secretary of State for Business, Innovation and Skills who is prepared to use the words “industrial strategy” and then to do something about it. The issue of market economy status for China is a chance for the Government to stand up for British jobs, for British industry and for Britain.

Finally, all those failures clearly come together into a single issue, to which my hon. Friend referred: the absence of a long-term industrial strategy for the steel industry, with a commitment to strategic investment in skills, infrastructure, energy, and R and D. Why have the Minister and her Department still not produced such a strategy—a strategy to save British steel, to save British jobs and to save communities such as mine? In the first half of 2015, the Minister almost never appeared in public without talking about her Government’s “long-term economic plan”. She now has the chance to show that that was not all hot air. Now is the time for the Government to produce a long-term plan for steel.

Back in October I said it was 10 to midnight for the British steel industry. I finish by asking the Minister what time she thinks it is now.

Several hon. Members rose—

Mr Charles Walker (in the Chair): Order. Many Members are standing to catch my eye. If all Members limit themselves to 10 minutes, everyone will get in.

1.51 pm

Nic Dakin (Scunthorpe) (Lab): Thank you, Mr Walker. It is a privilege to speak in this debate—yet another one on steel in this House. I apologise that I will have to leave part way through the debate for a meeting elsewhere about steel in Scunthorpe. The hon. Member for Brigg and Goole (Andrew Percy) is coming as well, so we give our apologies.

I congratulate my hon. Friend the Member for Aberavon (Stephen Kinnock) on securing the debate and on his good opening speech. As he said, the campaign for the steel industry has been going on for a long while—the challenges facing the industry are not new at all. We have known about them since I was elected in 2010. Even since the steel summit in October—to give credit to the Minister, she was largely responsible for taking the energy from both Government and Opposition Members and moving the summit forward—the situation has become much worse. At the end of the summit we
Much stronger guidance is now in place, which has the content in major construction projects. Again, the clock is ticking.

It is good to remind us of the timeline, because it is there will be as alert to it as everyone else is in the Chamber, including the Minister.

The second industrial ask is about supporting local content in major construction projects. Again, the Government are to be congratulated on making progress. Much stronger guidance is now in place, which has the potential to make real changes. I stress “has the potential”—we need to see the guidance driven through, so there is a job for Government to do: to force it through. As my hon. Friend the Member for Aberavon said, this needs to be driven through Government and other contractor organisations, otherwise it will remain a nice bit of guidance sat on a shelf somewhere, which will be no good to anyone. Although we recognise that the Government have moved forward on that, they need to move further—the job is started, but not done. The energy costs job was started, but it took us three years to get it done, so we need to keep up the pressure and keep our shoulders to the wheel.

The next industrial ask is about business rates and finding a way of not penalising capital investment in energy-intensive—or any other—industries. The Government admit that they have kicked any review of business rates into the long grass, but the issue needs to be addressed urgently. Business rates in the UK are up to 10 times higher than in France or Germany, which is significantly anti-competitive.

Let me turn to the industrial ask about taking anti-dumping measures. As my hon. Friends have said, the Government have been slow to get behind the wheel and get good trade defence instruments in place. At the moment the concern in Europe is about the issue of a profit margin of 1.5%, because that is a dangerous line to pursue and would not be beneficial to steel producers in the UK or elsewhere in the EU. I hope the Minister will encourage the Secretary of State to phone Commissioner Malmström to make the UK’s position clear about the need to support anti-dumping. Perhaps he has already called her, in which case it would be positive to hear what the Minister can report.

My hon. Friend the Member for Aberavon has already said much about the threat to the UK if market economy status for China is not handled properly. The UK needs to put itself in a leadership role in Europe. The Minister often shows leadership in the House of Commons on many issues, and she and her colleagues need to show that sort of leadership in Europe to ensure that the UK steel industry has a decent future.

Finally, support for research and development and environmental improvements is a big area of need. We need the Government to look at ways in which investment can be made so that the UK steel industry produces the right quality and type of steel to win the contracts of the future. That needs investment in R and D and in future skills, and that needs to happen now. We cannot wait until those opportunities are there; we need to be in a position to take advantage of them.

I hope the Government are looking at ways to make grants available or at using contra-cyclical loans or other imaginative ways to allow such investment to take place. Unless that happens, there will not be a UK steel industry in the future. As my hon. Friend the Member for Aberavon said in his summing up, we need a steel strategy that takes those industrial asks into account. It is good to remind us of the timeline, because it is there and the clock is ticking.

The second industrial ask is about supporting local content in major construction projects. Again, the Government are to be congratulated on making progress. Much stronger guidance is now in place, which has the potential to make real changes. I stress “has the potential”—we need to see the guidance driven through, so there is a job for Government to do: to force it through. As my hon. Friend the Member for Aberavon said, this needs to be driven through Government and other contractor organisations, otherwise it will remain a nice bit of guidance sat on a shelf somewhere, which will be no good to anyone. Although we recognise that the Government have moved forward on that, they need to move further—the job is started, but not done. The energy costs job was started, but it took us three years to get it done, so we need to keep up the pressure and keep our shoulders to the wheel.

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Let me turn to the industrial ask about taking anti-dumping measures. As my hon. Friends have said, the Government have been slow to get behind the wheel and get good trade defence instruments in place. At the moment the concern in Europe is about the issue of a profit margin of 1.5%, because that is a dangerous line to pursue and would not be beneficial to steel producers in the UK or elsewhere in the EU. I hope the Minister will encourage the Secretary of State to phone Commissioner Malmström to make the UK’s position clear about the need to support anti-dumping. Perhaps he has already called her, in which case it would be positive to hear what the Minister can report.

My hon. Friend the Member for Aberavon has already said much about the threat to the UK if market economy status for China is not handled properly. The UK needs to put itself in a leadership role in Europe. The Minister often shows leadership in the House of Commons on many issues, and she and her colleagues need to show that sort of leadership in Europe to ensure that the UK steel industry has a decent future.

Finally, support for research and development and environmental improvements is a big area of need. We need the Government to look at ways in which investment can be made so that the UK steel industry produces the right quality and type of steel to win the contracts of the future. That needs investment in R and D and in future skills, and that needs to happen now. We cannot wait until those opportunities are there; we need to be in a position to take advantage of them.

I hope the Government are looking at ways to make grants available or at using contra-cyclical loans or other imaginative ways to allow such investment to take place. Unless that happens, there will not be a UK steel industry in the future. As my hon. Friend the Member for Aberavon said in his summing up, we need a steel strategy that takes those industrial asks into account. It is good to remind us of the timeline, because it is there and the clock is ticking.

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2 pm

Andrew Percy (Brigg and Goole) (Con): It is a pleasure to serve under your chairmanship, Mr Walker. I was not planning to speak, for the reason given by my neighbour,
the comments made about that. I could not deny the Chamber the opportunity to have some wise words put on the record—that may be a subjective statement, but I agree with it. Like him, I will have to pop out of the debate at 2.30 pm to go to a meeting organised by Baroness Redfern with Greybull Capital, which will hopefully take over the site at Scunthorpe. We may be back with some asks from them for the Minister before the end of the debate—who knows?

I agree with a lot of what the hon. Gentleman had to say in what was a sensible contribution, as is usual for his comments on this subject. I do not need to go into the history and value of the Scunthorpe steelworks to our area and the thousands of people who work in it, but it is vital to the economy of not only north Lincolnshire but the whole of the Humber.

I want to thank and pay tribute to the Minister, who has bitten the bullet and given us, the workers and others in the industry a lot of confidence that she is on our side in the fight to retain the steelworks at Scunthorpe. I thank her for what she has done on that. A lot of work has already been done. As the hon. Gentleman knows, we have done a lot with the Chancellor of the Duchy of Lancaster, my right hon. Friend the Member for West Dorset (Mr Letwin), in his role in the Cabinet Office and he in turn has done a lot of work with Shareholder Executive and all the rest of it to try, with the necessary support from the Government, to facilitate the sale, which we hope will happen for Scunthorpe.

I agree with some of the content of what the hon. Member for Aberavon (Stephen Kinnock), who opened the debate, had to say, but not necessarily with some of the political points made. It is frustrating that the energy-intensive industries compensation scheme took so long to implement and get approval for through the European channels—the Minister and I will be on different sides of a debate on Europe in a few months’ time, so I will not labour that point—but that cannot be laid at the Government’s door. We welcome that support and the approval for it. I echo the comments that we want to see that paid as quickly as possible—we are all on the same page.

As for business rates, this is not as simple as some Opposition Members have tried to make out. As lawyers have told us repeatedly at the taskforce, a bespoke package for the steel industry will not be allowable under EU rules, and a review of a more general change to industry across the UK is complex and expensive, as we all know. It is therefore not as simple—as has sometimes been presented locally—as the local council writing off business rates. It cannot do that, because that is not legal under EU rules, so we should be honest about that. It is not the panacea that some have presented it as—“If only we had action on business rates, everything would be fine.” That is not the case.

I welcome the change in the procurement rules. I remind the House that this Government renewed the Network Rail contract, which was really important for Scunthorpe. I think we will all be in agreement in wanting to see as much of the High Speed 2 work as possible, along with other infrastructure projects, delivered out of Scunthorpe.

We also need to pay tribute to North Lincolnshire Council and Baroness Redfern, who have really engaged with the Government on every level. In particular, they have made some innovative proposals on how we can make better use of what is a very large site at Scunthorpe.

As for Chinese dumping, we have to remember—this is sometimes lost in some of the stuff that comes from the Labour party—that this is the first Government to have taken action on Chinese dumping. That is a change in approach and it has come under this Government, which is important.

Stephen Kinnock: Will the hon. Gentleman give way?

Andrew Percy: I will not, because I have only got a few minutes and other people want to speak.

Yesterday, at the Canadian high commission I sat down with a group to discuss the Comprehensive Economic and Trade Agreement and the Transatlantic Trade and Investment Partnership. The Canadians—one of their chief negotiators was there—see such agreements as a potential mechanism for creating a defensive bloc against the practices that have been going on, particularly in the economies of that region. That is a message for the Labour party. I do not know what its official policy is, because I know technically it does not have one any more—the shadow Cabinet certainly does not have one—but on TTIP and CETA it needs to get into the right place, because they are a way to build a defensive bloc. I urge Labour to embrace agreements such as CETA and TTIP.

Tom Blenkinsop rose—

Andrew Percy: I will give way to the hon. Gentleman because he has not given a speech.

Tom Blenkinsop: I thank the hon. Gentleman for giving way. The Government’s policy is to support China’s market economy status, whether inside the European Union or outside. Of course, that comes after the recent negotiations in Paris, at which China promised to meet its own internal emissions trading scheme. The Government’s position is to support market economy status before China implements any reduction in production or emissions, but I think we should use MES as a leverage tool before any agreement.

Andrew Percy: As I think the Minister said in the statement on Monday, the Government have not determined what our policy will be, and it is a matter that will have to be decided at a European level, anyway.

I agree with the comments that the hon. Member for Scunthorpe made about R and D. I do not need to repeat them, but I would have said something similar.
There has already been some political knockabout and, as the Minister reminded us on Monday, Labour’s record on steel is not necessarily great either. The steel workforce was halved and, during Labour’s period in government, we lost workforce and plant in Scunthorpe and thousands of steelworkers were sacked.

Trident is really important for the industry. That is a message to the Labour party—its more sensible Members will understand its importance. An important issue raised by the hon. Member for Penistone and Stocksbridge (Angela Smith) at the steel summit was our position on the future of fracking and whether it provides a market for the steel industry, as it has in the United States. I am somewhat in two minds about fracking, not least because there are eight potential sites in my constituency at the moment. We need to get a grip on that industry and make a decision on where we are policy-wise.

I will end by thanking the Minister. When she has come to Scunthorpe and met us, it has always been on a cross-party basis. I was disappointed to see the Leader of the Opposition appear at a meeting that we were not invited to. When the Minister has visited, the hon. Member for Scunthorpe has always been invited. Clearly, a political game is going on there. That is not what steelworkers need. We do not need people coming up and giving simple platitudes, saying, “The Government can just do more.” Things are not that simple. The Government have committed to us to do everything they can. I am pleased to hear the Prime Minister talk about Scunthorpe being of strategic importance to the United Kingdom.

There will always be politics in this place, but visits such as the one made by the Leader of the Opposition, who turned up to the constituency and gave steelworkers a false impression of the simplicity of the issue, are not fair to anybody—especially not steelworkers. We have to remain on the same page on this issue. I welcome the work that the Government have done. There is more to be done, as I think the Minister understands, and we hope that everything will be done to support the sale to Greybull Capital.

2.11 pm

**Huw Irranca-Davies** (Ogmore) (Lab): May I commend my hon. Friend the Member for Aberavon (Stephen Kinnock) and other hon. Members for their contributions? The speech made by the hon. Member for Brig and Goole (Andrew Percy) in defence of the Government was very bold; it was also very wrong. I do not say that politically, however. Every word I say today is based on the importance of the steel industry for not only the United Kingdom and south Wales, but the constituents of my hon. Friend the Member for Aberavon and those in Neath, Bridgend and Ogmore. The industry is important for not simply those directly employed by it but, as my hon. Friend knows from his area, those who are indirectly employed by it in the supply chain, which is around 11,200 people in our area. It is also important for every café owner, pub owner, plumber, electrician and tradesman who relies on the steel pound.

Do not accuse me today of making political points for the sake of it. I will speak from the heart, and I will speak on behalf of constituents who are very worried at this moment in time. I want to put that on record. The hon. Member for Brig and Goole said that politics was being played, but I am not playing politics. I believe in the future of a viable, vibrant steel industry and the importance of that for the United Kingdom. I know he does as well, and while we may argue, we will do so on the basis that we firmly believe in the future of a steel industry.

The Minister has been credited in this debate and others as being dauntless, feisty and a fighter with real capability. I agree, but I say to her quite directly that her important role in battling for the steel industry looks at the moment like an impotent one. I am sorry to say that, because there have been many good words spoken, and taskforces have been set up, belatedly.

The Government recognised late in the day that when they imposed carbon taxes three or four years ago—I say this as a strong environmentalist—they did not put in place the mitigation measures needed for energy-intensive industries. That should have been done at the same time for not only the steel industry, but ceramics, the paper industry and others. A thinking Chancellor would have worked that out and not waited three years. The approach has damaged the steel industry, and we need to put it right.

**Stephen Doughty:** My hon. Friend made an incredibly important point about environmental matters and carbon efficiency. Would it not be absolutely absurd for the UK’s highly carbon-efficient steel industry—whether in my own constituency, Port Talbot or elsewhere—to see its jobs offshored to the less carbon-efficient China?

**Huw Irranca-Davies:** Indeed; my hon. Friend makes a wise point. I commend the Government for their high-level negotiations at COP21 in Paris—tremendous. The UK led the high-level coalition of ambition. The EU led as well, and yet we could end up in a situation in which we are not only offshoring jobs, but offshoring them to countries that do not have the same standards of energy efficiency that we have at Tata Steel in Port Talbot and throughout the UK. It is in the interests of the climate to keep those jobs here in this country.

**Tom Blenkinsop:** There is another interesting factor here because if we look at Tata’s profits right up until the financial year 2007-08, nearly every slab coming off each site that Tata owned was being absorbed by the world market. China was consuming so much steel during the 12% to 13% growth period that the argument that China has been eroding British jobs over the past 20 or 30 years is false. This is a very recent phenomenon—it is in the past four years—and measures need to be taken now.

**Huw Irranca-Davies:** Indeed. I believe that if any Government Minister could batter down doors and argue for a fully engaged, fully proactive and serious strategy that looks at the steel industry five, 10 and 20 years hence, this Minister could do it. I sense she is trying to do her best, but I suspect she is having some arguments thrown back in her face by others.

The Minister for Small Business, Industry and Enterprise (Anna Soubry) indicated dissent.

**Huw Irranca-Davies:** The Minister will shake her head and say, “No, of course we’re all lined up on this,” but the Government need to lay out the industrial
strategy for steel, and lay it out with urgency, setting the timescale in which a range of measures will be delivered. The hon. Member for Brigg and Goole was absolutely right that no one measure will do. There would be a package of measures on the table right now, and that includes at a European Union level. I know, as a former Minister who used to go to Europe, how difficult it is to negotiate out there.

My hon. Friend the Member for Aberavon and others outlined the issue of market economy status for China. In an open letter to the Minister, the general secretary of the steelworkers' union Community, Roy Rickhuss, wrote: "senior industry figures...have told me that if China does achieve Market Economy Status it will be a catastrophe for our industry and most likely the final nail in the coffin for UK steelmaking.” The Minister does not want to see that, and I do not want to see that. In that case, we need to get this absolutely right. I need to hear—all of our constituents need to hear—from the Minister the approach of the UK Government to that matter.

The reality of granting China MES status was outlined in a study by the Washington-based Economic Policy Institute that was published last September. It stated: "an EU decision to unilaterally grant MES to China would put between 1.7 million and 3.5 million EU jobs at risk" by curbing the ability to impose any interventions on those dumped goods. That is the scale of risk, so we have the situation that we are already dealing with, and then we have that.

I know that the Government have been accused of being a cheerleader for China. Let me put it in a different way. Unless we hear something different from the Minister today, it will seem to many people that the Government either are proactively encouraging the opening up of markets at all costs, without any regard for not only steel but other industries, or are simply failing to realise—for whatever reason, whether ideological or otherwise—the importance of the steel industry to this country and our communities.

Let me close on this point. The steel industry has to be more competitive, as we know. When I was a little toddler in shorts, my grandfather would take me to the Baldwins steelworks in Gowerton. It was the most outdated steelworks—crikey! I remember the smell and the smoke, and the danger and the excitement of it. I was a little toddler in shorts, my grandfather would take me to the Baldwins steelworks in Gowerton. It was the most outdated steelworks—crikey! I remember the smell and the smoke, and the danger and the excitement of it. Those works are long gone, but Tata Steel Port Talbot and the other plants throughout the UK should have a future. They need an actively engaged Government who realise—for whatever reason, whether ideological or otherwise—the importance of the steel industry to this country and our communities.

I welcome yesterday’s statement by the Welsh Government about what they can do to help. There is the taskforce, in which I hope the UK Government will play their part, action to help affected employees now, and a recognition that businesses in the supply chain will be hit, as my hon. Friend the Member for Ogmore mentioned, along with local suppliers. The Welsh Government are looking at what can be done immediately and then at what they can do in the future on research and development, skills and training, business rates, for which they are responsible, and procurement, as was clearly set out in yesterday’s statement. The Welsh Government can and will do what they can to help, but they can only do so much. As my hon. Friends have ably articulated, we need UK Ministers to make good on the actions that were laid out extremely clearly by the industry and the unions at the steel summit, and to do so quickly.

Energy costs were discussed earlier today. The recent action involving compensation has been acknowledged, but UK Steel says that nobody is going to receive significant benefit until April. That is too slow, given the years that have been spent waiting for delivery, during which costs have increased again and again.

I wholeheartedly back the call for the Government to support anti-dumping action at an EU level. The UK
The impact of dumping by Chinese steel producers.

Although there are new procurement guidelines, the Government must ensure that they are met, or we will let the benefit slip away to other nations. It is worth pointing out that Roy Rickhuss, the general secretary of the Community union, has said that the Welsh Government have a better track record on procurement than other Administrations in terms of prioritising community benefits. Perhaps UK Ministers could look at that and learn lessons from Wales.

From talking to Llanwern steelworkers this week, it is clear that their overall impression is that the Government have acted far too slowly. They have played their part with the unions in weathering the storm during difficult times to help to increase productivity in the business. My hon. Friend the Member for Aberavon put it well: we are used to the Government parroting the line about a long-term economic plan, but we need to see action from the Government, not just words, and steel must be at the heart of that.

We face two distinct choices as policy makers: first, do we just accept that the days of the domestic steel industry are over, that production in the UK cannot compete with cheaper production elsewhere, and that, in a global market, only the fittest will survive? Or secondly, do we stand firm in the belief that steel production is a vital strategic industry in Wales and in the UK, and that all options must be explored and taken to save the industry, much in the same way that the Treasury responded to the banking crisis in 2008?

Plaid Cymru and I are firmly of the second view, because it is difficult to comprehend the impact on the Welsh economy if steel production was to cease in our communities. Tata and its supply chain supports nearly 20,000 jobs in south Wales and, according to the Welsh economy research unit at Cardiff University, its operations are worth £3.2 billion annually to the Welsh economy.

The industry is undoubtedly facing a perfect storm of a glut of cheap imports from China, Turkey and Russia, as well as falling prices and rising energy costs. Reuters recently reported that Chinese imports of reinforcement bar steel have increased from zero to 250,000 tonnes a year since 2012—a quarter of the market, directly undercutting Celsa in Cardiff which specialises in that product. I think the hon. Member for Aberavon (Stephen Kinnock) mentioned the figure of 45%, which is 20% more than the figure that I mentioned. That just shows the impact of dumping by Chinese steel producers.

2.25 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): It is a huge pleasure to serve under your chairmanship, Mr Walker, and to follow some of the excellent speeches we have had this afternoon, not least the very passionate speech we heard from the hon. Member for Ogmore (Huw Irranca-Davies). If he succeeds in his ambition of gaining the seat in the Assembly for his constituency, he will be a great loss to this place, although I understand his aspirations to return home to the motherland once and for all.

We need action, as the hon. Member for Newport East (Jessica Morden) said, at all tiers of Government—at Welsh, UK and European levels—if we are serious about saving the industry. The Welsh Government are probably in the best place to move swiftly, and I welcome the establishment of the taskforce, although I hope it will be more about coming up with ideas as opposed to being seen to do something.

Employment costs are obviously one major cost for steel producers. Tata contributes £30 million in business rates across its three Welsh sites, with 40% being measured on plant and machinery. Business rates are devolved and a Welsh Government-funded business rate relief scheme based on plant and machinery is one obvious possibility, saving around £12 million. The choice is quite simply a 40% hit on business rates from Tata on a temporary basis or a 100% hit if its Welsh plants go.

Secondly, the Welsh Government should be considering a Welsh public stake in Tata’s Welsh steel operations. I notice that a similar policy is Labour’s UK answer to the difficulties of the industry, yet at a Welsh level, the First Minister has ruled that option out. I do not particularly want to make partisan political points today, but if Labour is not prepared to pursue that policy in Wales where it has the power to do so, why should anyone take their UK policy position seriously? Our position, which we have put forward this week in the Welsh media, has been supported by Gerry Holtham, a member of the Labour party and perhaps the closest to a rock-star economist that we have in Wales.

A public-private partnership to develop the planned power plant at Tata’s Port Talbot site would be a huge vote of confidence in the plant, making it more sustainable. The planning process would need to be streamlined—perhaps the hon. Member for Aberavon will want to talk about that when he winds up, given the discussion we had privately a few days ago.

I notice that the UK Government are willing to loan £400 million to Greybull Capital, a private equity firm, to help it purchase Tata’s Scunthorpe site. The UK Government should be looking at similar support for Tata in Port Talbot—or to the Welsh Government, or on a combined basis. That sort of intervention would constitute an environmental improvement and therefore, in my understanding, would be legal under state aid rules. If the UK Government do not pursue that idea, many in Wales will be left wondering why they are willing to support steel plants in England and not in Wales.

The Welsh Government must radically change their procurement policy to promote domestic steel—I disagree somewhat on that with the hon. Member for Newport East. They have by far the worst record of the Governments of the UK. Again, state aid rules should not be used as an excuse. Domestic producers are competing against heavily subsidised and state-owned Chinese steel. In other words, it is not a fair and open competitive market in the first place.

At UK Government level, we need a clear indication that Ministers are on the side of the industry. I note that only one Conservative Back Bench is present, none from the Liberal Democrats, some from the Scottish National party and Plaid Cymru, and many from the Labour party. If there were a groundswell of support for the industry from Government Back Benchers in a debate such as this, I can imagine what effect it would have on the Government’s mindset.
Stephen Kinnock: The hon. Gentleman mentioned the important issue of the power plant at Port Talbot, which has a green light for its planning. I understand that construction costs and its operation would save between £25 million and £30 million a year on energy bills for the Port Talbot plant, so it would be a huge saving and a great boost to the plant. Does he agree that it would be welcome if the UK Government and the Welsh Government came together in a dialogue, pooled resources and gave some support to Tata Steel, both financial and in kind, to facilitate construction of that plant?

Jonathan Edwards: I fully agree with the hon. Gentleman. That was the point I was endeavouring to make. A one-off capital cash injection could have tangible benefits and would be a huge vote of confidence in Tata at Port Talbot and the communities of south Wales.

I challenged the Prime Minister yesterday about the huge contradiction in cheerleading the case for China to land World Trade Organisation market economy status, which would make it impossible to impose tariffs on steel, while at the same time belatedly calling for unfair price tariffs against China. Many hon. Members have spoken about that so I will move on to my next point.

The UK Government have a defining choice. Do they put the interests of the City first and deliver their wish that London becomes a centre for trading in the Chinese currency, or do they protect manufacturing workers? I hope that, for once, they will put the communities I serve before the City of London.

Port Talbot, Trostre and most of the supply chain are in a tier 1 European Union assisted area. As I told the Minister during the debate on a statement last week, the UK Government should be looking at innovative operating aids to reduce employment costs, such as a national insurance contributions holiday. State aid is permissible under EU law if there is unfair competition or market failure, as is the case in this instance. We should be taking action now and pressuring the European Commission for a derogation. We cannot afford to wait years for a decision.

Similar to what the Welsh Government are doing, the UK Government should be looking at its procurement policies to ensure that domestic steel is used in large infrastructure projects. The hon. Member for Aberavon made a valid point about EDF.

The difficulties facing the industry are not, of course, confined to Wales. The UK Government should introduce a temporary reduction in business rates for steel in England. That would trigger consequential funding for Wales, Scotland and Northern Ireland to help their industries within the devolved Government areas.

At European level, the Commission must wake up and smell the coffee. China is producing steel, selling it at below production cost and dumping it on the European market. It is a purely aggressive strategy aimed at decimating steel production in the EU. The Commission’s job is to act. We can contrast that with the response of the US Government who, according to Bloomberg, are taking steps to impose a 265% tariff on Chinese steel. As I have said, it is the UK Government’s job to press the Commission. If they refuse, my party’s call for the Welsh Government to have a direct role in EU decision-making processes to protect Welsh interests will become a battering ram.

The Commission’s investigations into Chinese steel dumping are taking far too long and its recommendations have been pitiful. For reinforced bar steel products, it recommended a measly tariff of only 9%. It is estimated that an investigation into coiled steel, which is made at Port Talbot, will take a year. The US—I am not usually a cheerleader for the US Government—takes only 45 days to conclude such investigations.

While European bureaucrats dither, Welsh workers are losing their jobs and the pace of action is simply not good enough. To those who argue that a Brexit is the solution to my complaint, I respond by telling them to look at what happened to the coal industry—we would be leaving the steel industry in the hands of a Westminster Government.

In reality, the steel industry in Wales faces massive challenges. I am informed that Tata in Port Talbot does not produce specialised products and therefore faces the brunt of the exports from China and other economies. The transition to a more modernised production system creating specialised steel will not be easy. It will require significant capital investment, but if we are serious about securing a future for steel production in Wales and across the UK, we need a range of temporary interventions to create breathing space for the necessary investment to be delivered.

In conclusion, this has been a deeply troubling week for Wales and our economy. The ongoing problems have been highlighted for a long time, yet the Labour-run Administration in Cardiff seem to stand passively by and do precious little, apart from blaming the UK Government. The Tory Westminster Government seem more interested in helping their friends in the City than in helping the working communities that I represent.

2.35 pm

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship, Mr Walker, for what seems the umpteenth time. My mother sends her regards again—private joke.

I congratulate my hon. Friend the Member for Aberavon (Stephen Kinnock) on securing this important debate. The situation in his constituency at Port Talbot is grave, with devastating consequences for the community he represents, the prosperity of his local economy and the entire Welsh economy. It is also another body blow for the UK steel industry, which has suffered punch after punch in recent months. Since August last year, the industry has seen 5,000 job losses. One in six of all jobs in British steel have been lost in less than six months and there have been major site closures. We have seen redundancies and reductions in capacity in Redcar, Scunthorpe and Lanarkshire, as well as further job losses this week at Port Talbot, Corby, Sheffield Forgemasters, and in my constituency at the Tata Steel pipe mill.

In response to the acute crisis facing the steel industry, in autumn 2015, the Select Committee on Business, Innovation and Skills conducted an inquiry into the Government’s response. We published our report just before Christmas, saying that at the time of publication, and as a result of site closures and job losses, the steel industry was on the verge of terminal decline.
The announcements this week make a serious matter even worse and run the risk of pushing British steel over the edge and facing a truly existential threat in a matter of weeks or months.

The Committee found that although the Government identified the steel industry as being of vital importance—a point that the Minister established and reiterated during her evidence—they were not alert to the many warning systems being raised by the industry and issues that had been raised for years. We found a lack of action at EU level and a failure by UK Governments to push for a co-ordinated EU approach. Other countries have safeguarded their steel industries against the onslaught of cheap Chinese imports in recognition of the strategic importance of their domestic steel making capability. The UK has not done that, leaving this country and its steel industry particularly exposed.

Anna Turley: My hon. Friend is making some extremely important points about the role of the EU in this crisis. As the situation was unfolding in Redcar, the Government made great play of saying they could do nothing to intervene because of state aid rules. My hon. Friend will share my concern that we have had agreement from the European Commission that research and development, developing innovation, supporting training and, crucially, employment, and protecting and enhancing the environment are all grounds on which our Government could have intervened. The Government have done too little, too late for Redcar, but I hope that for other areas they will step up and use those opportunities to get through the state aid rules they hid behind in Redcar.

Mr Wright: My hon. Friend has been a fantastic champion of the steel industry generally, and particularly in fighting for SSI and for it to be retained. She will know that EU state aid rules are often a smokescreen for lack of political will. An excellent programme on BBC 1 this week, “Inside Out North East and Cumbria”, looked at the plant closures here and compared them with how the Italian Government could keep steel plants open. There is a lack of political will, because that could have been done. SSI could have been at least mothballed.

Anna Soubry: Will the hon. Gentleman give way?

Mr Wright: I certainly will, because I was interviewed for the programme and I know the Minister was too.

Anna Soubry: Yes, I was. Does the hon. Gentleman agree that the Italian steel plant was not a blast furnace? The blast furnace had been mothballed.

Mr Wright: I will come to mothballing of blast furnaces, because that is another key finding by the BIS Committee. We found that job losses, plant closures and factors that have worsened since we published our report just before Christmas mean that the prospect of any future growth in the steel sector had been irrevocably damaged. We regretted that Ministers were unable to prioritise preserving existing capability and retaining skills in the steel sector in particular.

The Minister talks about a blast furnace. The blast furnace at Redcar was one of the most efficient in Europe. My hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) talks about it as having been second only to Dunkirk, and he knows more about steel than anyone else I know. However, it has now been lost forever to the British manufacturing base. Why was it not considered for mothballing rather than cold closure? The cost of cleaning up the site is destined to be in the region of half a billion pounds, and that is likely to fall to the taxpayer. It is an absolute disgrace, and our manufacturing base has been forever undermined as a result.

Huw Irranca-Davies: What are my hon. Friend’s thoughts about the fact that there was a vote in the European Parliament last Tuesday, when a Labour motion was passed, thank goodness, to look at reviewing the effect of steel on state aid rules, whereas last December when there was a similar motion—looking at the European state aid rules, but also at the dumping of Chinese steel—Conservative Members of the European Parliament voted it down? What is going on? Why are we catching up? What does it say about the Government that they say one thing here and another in Europe?

Mr Wright: That is an absolute disgrace. We should all, regardless of where we sit and to which party we belong, be identifying steel as a major and important foundation industry for the British manufacturing base and having a co-ordinated approach to ensure that we can safeguard and retain those assets and, crucially, those skills as much as possible. If we are moving towards the high-value-steel end, where we are producing steel, metals, and materials that are stronger, more flexible and lighter, we need the skills to be able to do that. The 2,000 people in Redcar are not coming back to the steel industry. The 750 people in Port Talbot will in all likelihood not come back to the steel industry. And the hundreds of jobs in the steel industry that have been lost in my constituency will not come back. That is to the detriment of the British manufacturing base and the future competitiveness of the UK steel industry.

Tom Blenkinsop: My hon. Friend the Member for Aberavon (Stephen Kinnock) has said that if I was ever on “Mastermind”, my specialist subject would of course be blast furnaces, given that I dealt with the mothballing of the Redcar blast furnace back in 2010. That was mainly down to the expertise of the area and people such as Dave Cox, who is a constituent of my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) talks about the Redcar furnace at Redcar was one of the most efficient in Europe. My hon. Friend talks about it as having been second only to Dunkirk, and he knows more about steel than anyone else I know. However, it has now been lost forever to the British manufacturing base. Why was it not considered formothballing rather than cold closure? The cost of cleaning up the site is destined to be in the region of half a billion pounds, and that is likely to fall to the taxpayer. It is an absolute disgrace, and our manufacturing base has been forever undermined as a result.

Mr Wright: Despite the fact that my hon. Friend says that his specialist subject would be blast furnaces, he is still a great colleague to go for a pint with. He makes a very important point, and I do worry about this. It is not just this Government but successive Governments who have placed short-term cost considerations over
long-term value for our economy and society. That is incredibly important. For an industry that has been deemed to be strategic by the Minister, who has been a champion of this sector, the process seems to be one of chaotic yet managed decline. Can the Minister outline how much further she thinks the British steel industry will slide and what, for a strategic industrial sector such as steel, the right level of employment, capability and production is, both now and in the future?

We on the Select Committee acknowledged that the Government had recently woken up to the crisis and begun to take action, but today, exactly a month after the publication of our report and over three months after the closure of SSI and the steel summit on 16 October, no concrete steps have been taken. I am not suggesting that a silver bullet—or a steel bullet—could be fired to withstand the massive global forces affecting world steel demand and production, but swift action on the five asks from the steel industry could have provided a buffer for British-based steelmaking plants. I therefore have specific questions for the Minister with regard to some of the five asks. Can she outline how much extra cash has been provided to steel firms since the steel summit? If Nissan can do that, why cannot others? What would he be directly calling for now?

Mr Wright: If the Minister will allow me to continue, why can investment in plant and machinery not be exempt for an uplift in valuation? On the issue of procurement, the Minister issued new guidelines in the immediate aftermath of the steel summit. Three months on, can she outline the value of the contracts that have been awarded to British-based steel firms as a result of those changes? Has work actually been put into steel plants as a result? What has the Minister done to talk to sectoral groups, such as the Aerospace Growth Partnership and the Automotive Council, to maximise the proportion of British steel used in successful industrial sectors such as aerospace and automotive? I am very pleased to see the Sunderland MP, my hon. Friend the Member for Sunderland Central (Julie Elliott), with us today. We on the Select Committee were told during our inquiry that Nissan in Sunderland—a great example of cost-efficient car production anywhere in Europe, if not the world—uses 75% British-sourced steel in the production of its Juke model. If Nissan can do that, why cannot others? What is the Minister doing to cajole others within supply chains?

Anna Soubry: It’s state aid rules. You know that.

Mr Wright: If the Minister will allow me to continue, why can investment in plant and machinery not be exempt for an uplift in valuation? On the issue of procurement, the Minister issued new guidelines in the immediate aftermath of the steel summit. Three months on, can she outline the value of the contracts that have been awarded to British-based steel firms as a result of those changes? Has work actually been put into steel plants as a result? What has the Minister done to talk to sectoral groups, such as the Aerospace Growth Partnership and the Automotive Council, to maximise the proportion of British steel used in successful industrial sectors such as aerospace and automotive? I am very pleased to see the Sunderland MP, my hon. Friend the Member for Sunderland Central (Julie Elliott), with us today. We on the Select Committee were told during our inquiry that Nissan in Sunderland—a great example of cost-efficient car production anywhere in Europe, if not the world—uses 75% British-sourced steel in the production of its Juke model. If Nissan can do that, why cannot others? What is the Minister doing to cajole others within supply chains?

Anna Soubry: Force them?

Mr Wright: No, talk to them in a strategic manner rather than force them.

When it comes to moving research and development into new technologies, renewables are a great way to secure a real, viable UK steel industry for the future, yet the Government seem hell-bent on ensuring that we cannot do anything. One example is carbon capture and storage. Real help could have been provided, certainly for steel on Teesside, yet that has not been provided. That is a shame. What can the Minister do to ensure real co-ordination for what is meant to be a strategic industry?
I also praise my hon. Friend the Member for Hartlepool (Mr Wright) for his excellent speech, and the fantastic BIS Committee report on steel. That excellent piece of work illuminated many points that we needed to look at and raise. It is because the all-party parliamentary group for the steel and metal related industry is one of the most effective APPGIs in Parliament, especially for using Parliament’s time to raise issues in the steel industry over the past four or five years, that so many Members have spoken today on this important issue.

In the past week there have been redundancies in Port Talbot, Llanwern, Hartlepool, Trostre, Corby, Sheffield and South Yorkshire. As a former union officer for the trade union, Community, I know some of those sites well and some of the people individually. The redundancies come off the back of a situation relating to Tata long products and, of course, the well documented and tragic events in Redcar at SSI.

I pay tribute to my hon. Friend the Member for Newport East (Jessica Morden), who raised a lot of issues about strip products. I will go into a few issues that my colleagues have gone into, but I want to check what industry is doing. I will be making critical comments about what the Government have and have not done but, as a trade unionist, I still wear my trade union hat and still want to question what industry is doing. Employees trust employers to hang in there. I know that is very difficult for the industry at the moment. The five industrial asks are acute and critical, but I often ask myself what Tata—just one example—is doing regarding its relationship with this country.

I ask myself about Tata’s integrated industrial strategy in relation to Port Talbot, Llanwern and its own automotive sector, Jaguar Land Rover, as well as the rest of the automotive sector, is growing, developing and doing well but, irrespective of the fact that both companies are owned by the same parent company, one does not necessarily procure from the other. The Government have to step in and, not necessarily force, but certainly induce and use clever mechanisms to try to encourage ways and means by which that relationship could be bettered for workers in the steel industry. I find it hard—I am sure that colleagues do too—to make the argument that a parent company is not procuring from its own site. It is for not just the Government, but the very industries that sit in our nation to justify their industrial actions and procurement policies.

I have spoken at the Sheffield rally, as have my colleagues. A year ago, I managed to get our Front-Bench team to lead the debate on the UK steel industry. My hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) spoke from the Front Bench in that landmark debate. I believe that the issue of steel had not been brought forward as an Opposition day debate for a long time and that many were building up on Labour’s watch from 1997 to 2010. I accept that point, but there was no Chinese rebar in the British market in 2011. Today, 45% of rebar is Chinese. In the past four years we have seen a total absence of action. The Government have been asleep at the wheel and the crisis has come to a head. It is important, for the record, that we recognise that the situation has come to a head over the past three to four years.

Tom Blenkinsop: Until 2008, which was a big year for the steel industry, profits were massive. Everything coming out of any plant was getting bought up. The demand in the world was so high because it was driven by Chinese growth. Any bit of steel—slab or whatever—was being absorbed by the Chinese market. Steel producers made very good profits, as did their workforce, who made very good bonuses. I remember negotiating terms and conditions, and pay and pensions for those workers at the time and they did very well.

The anticipation after that was that the lull in the market would pick up at some time but, if anything, it has remained the same. It has flatlined—never picked up. It is usually an indicator of world economic performance, and nothing has happened. In many ways, the best-laid plans always go awry. The real issue is the ability of Governments to react. For some time now, there has not been a proper reaction. There has just been an expectancy or a desire—a hope and a prayer—that the market would pick up again. If anything, it has been quite clear that the domestic policy in China has been to prop up its own industry while that market stays at such a low, with ever-increasing production and increasing emissions.

We must talk about the backdrop. The big factor, as my hon. Friend the Member for Hartlepool mentioned, is the “sheikhs versus shale” argument. There is a global, geopolitical war going on between oil and shale gas, as well as the onstream effects of renewables. They have forced down the price of oil, which has been a key factor for steel, whether that is in procuring contracts or gaining work, particularly at Hartlepool or Corby, where tubes are made.

There is a mismatch, in that the new markets developing for potential steel contracts and the R and D that could be invested in them differ very much from the steel sites that already exist. If we are looking at the new future for a tube site, it is more than likely going to be non-conventional onshore or offshore gas. The industry—we will be talking about this next week in a separate debate—requires a different type of tube, which is non-welded. There are no non-welded tube sites in Britain. At some governmental level, there has to be liaison with industry to find out what new industries are coming and to ask whether we are investing and helping those industries or potential suppliers to put in the new factories that will supply the product they require to develop that market.

This is the issue: steel or a steel strategy is one thing; what we really require is a real, integrated industrial strategy. That strategy should look across the piece and across regions to work out who needs to liaise with who to make whatever happen in the future. It should identify which industrial partners to bring on board and what they want to see, and ensure that investment is solid and sound and that we bring investors along with us to make those decisions work in our nation’s favour. There just does not seem to be any of that.

In the Chancellor’s autumn statement we heard that an announcement to the stock exchange had been made about the withdrawal of the last £1 billion to support...
carbon capture and storage. That is integral to any future of shale or non-conventional gas. In a world in which oil has fallen below $30 a barrel and the world market will retrench and re-run fossil fuels for the current period, CCS should, in many ways—mainly because of the emissions targets that we are all now signed up to—precede renewables as the step for any nation to take to develop its power generation if, indeed, that country is going to buy in cheap fossil fuels while shale, oil and conventional gas all fight one another for customers.

That is a massive opportunity for the steel sector to take hold of.

I have spoken so much about the steel sector, in relation to my local area and the whole UK. There is a positive story to be made for British steel, if we have an integrated industrial strategy. The Government could roll up their sleeves and actively engage with bodies, partners, business and finance to invest in the country. The right and adequate policy could be put down, with long-term futures secured, so that people know that their investments are sound and can deliver. However, in every single situation—for example, after the Paris climate change talks, when the world is looking at CCS as the future and the only way to develop, the Government removed funding for it—we run away and concede the ground to competitors, which gives completely the wrong message to the industry we are talking about today.

Stephen Doughty: Signals.

Tom Blenkinsop: Exactly. We need to send market signals to potential investors to demonstrate that we have industries that link up with each other.

That brings me to defence. The future of sites such as Dalzell and Clydebridge in Scotland, which are linked to long products, is not certain. They produce the sonar-specific coated plate for the renewal of the four nuclear submarines, but they also produce the plate used for offshore renewable technology. That is where we have to shoot some sacred cows. There is no dichotomy between renewables—the green argument—and, say, the four nuclear submarines. Often the technologies are shared and cross over different markets.

We have to reassure steelworkers at those sites that we will be making the case for their industries and the products they make. However, their future is uncertain. Although the Government make a strong argument for the nuclear deterrent, I am not entirely sure where they are going to procure the plate from. What is the future for Dalzell and Clydebridge? Where is the sonar-specific plate going to come from if those sites are not bought and kept running? At the moment, Tata’s plan is to mothball them both. The certainty that the Prime Minister gives at the Dispatch Box about national security certainly is not there, and he has big questions to answer on national defence because those two sites do not have a certain future.

Andrew Rosindell in the Chair

On long products and the future of Skinningrove and Lackenby beam mill—TBM—in Redcar, we know that Greybull Capital is interested. We want those sites to have a successful future, and there is now a better prospect than under Klesch. However, I have not heard any certain clarification about long products per se. Most of what I read second hand is about the Scunthorpe site. The APPG has already pre-empted that in wanting to talk to Greybull to hear its intentions for Longs, but I want clarity for the men and women who work across all the Longs sites.

3.3 pm

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Rosindell. I pay tribute to the previous Chairman, Mr Walker, for his handling of today’s proceedings. I also pay tribute to my hon. Friend the Member for Aberavon (Stephen Kinnock) for securing this high-quality debate, during which important and passionate points have been made. I look forward to hearing the Minister’s response.

The industry, as we have heard repeatedly, has gone through the most difficult and catastrophic times in recent years, but it is important to stop and reflect for a moment. Obviously, the ultimate tragedy for anyone in the steel industry is the loss or injury of a loved one, so I start by paying tribute to Peter O’Brien and Mark Sim, the two workers who were tragically killed at the Celsa plant in my constituency—it was a terrible day when I was informed of that. The plant is close to where I live in Splott. I have visited it many times, and it really is at the heart of the Cardiff South community. To hear of those deaths and the other injuries was a deep shock to everybody involved, and I pay tribute to those workers, their families and the entire Celsa workforce.

I will now reflect on the workforce in the steel industry as a whole. We have heard from many hon. Members about workers’ sacrifices and effort. Whether by accepting wage restraint or changes to shift patterns, they have done their bit to ensure that the industry has a viable future while it is buffeted by global market forces. My hon. Friend the Member for Newport East (Jessica Morden) spoke passionately about the role that steel plays not only across the UK, but particularly in south Wales. There is a backbone of steel running through south Wales from Llanelli and Carmarthenshire through Swansea and Port Talbot, through Bridgend and Ogmore, through Cardiff bay and into Newport. That is reflected on the Opposition Benches today.

Christina Rees (Neath) (Lab): rose—

Stephen Doughty: It runs into Neath, too.

Christina Rees: Approximately 1,000 of my constituents work either at Tata in Port Talbot or at Trostre, and they are waiting to find out whether they will be affected, which would be devastating for them. Neath constituency is still reeling after what happened with coal.

Stephen Doughty: My hon. Friend sets out clearly how the situation affects her constituents. The impact on not only the directly employed workforce in all the plants and operations across south Wales and the UK, but all those working in the associated industries, cannot be overemphasised.

While we have the steel backbone that I described, we also have steel veins and arteries running out into many other industries—related manufacturing, training and expertise, and engineering. The loss of highly skilled jobs in the plants themselves has a knock-on effect on communities right across south Wales and the UK.
I pay tribute to the trade unions and especially Community, which plays a constructive role not only in these debates, but in facilitating the relationship between us and workforces in the plants to enable us to understand what is happening on the floor of the melt shop, and in the rod and bar mill, so that we can see with our own eyes the efforts that the workforces are putting in.

I will not reiterate a lot of points that I have made in previous steel debates, whether from the Front or the Back Benches. Instead I shall emphasise several of the points that have been made and ask specific questions of the Minister. I will focus on constructive solutions. I praise the work of the current steel Minister, and the Secretary of State for Wales has been open about and engaged on this matter with me and other south Wales Members but, to be honest, a lot of this is far too little, far too late. When I was elected in November 2012, one of my first meetings was about the steel industry. The Celsa management and I went to the Department for Business, Innovation and Skills to meet senior officials and Ministers. We presented detailed and carefully constructed warnings about what was happening in the market in terms of Chinese dumping and energy costs. We presented thought-through solutions, and we wanted to work together co-operatively and in partnership to find solutions. Unfortunately, a lot of the warnings were ignored.

I think back to a particular meeting I had in November 2014 in the Wales Office with the Secretary of State for Wales and the then steel Minister, who is now the Minister for the Cabinet Office. To be fair, the Secretary of State made an effort—I genuinely think that he cares about the future of the industry in south Wales—but I am sorry to say that that was simply not matched by the former steel Minister, the Chancellor of the Exchequer and officials in the Treasury and elsewhere. There has been a constant battle between those in government who genuinely accept that there is a problem and want to do something, including the current steel Minister, and others who either act with typical Whitehall caution, saying, “Oh, we can’t do this, Minister. We can’t do that, Minister,” or are actively not interested at all and are pursuing a laissez-faire ideology.

Stephen Kinnock: The promises, and the lack of delivery on those promises, specifically on market economy status for China, have been a constant theme. China’s current non-market economy status will be up for review in December 2016. The first step in reaching a decision will be the European Commission making a recommendation. Does my hon. Friend agree that it is time for the British Commissioner, Lord Hill, to stand up for British interests in Brussels and to make it absolutely clear that the British Government will not support market economy status for China? Surely it is time for that promise to be made and, for once, not to be broken.

Stephen Doughty: I wholeheartedly agree with my hon. Friend, who is absolutely right. Such promises have been the hallmark of much of the relationship with Europe of this Government and the previous one. There has been a lack of engagement. We can argue about the reasons why, but things have not been followed through until far too late in the day. I know that the Minister will talk about the actions she took, which were very welcome—I praised her for them publicly—but that was the first action after many similar requests in terms of our relationship with Europe.

My hon. Friend the member for Aberavon talked about market economy status, and my biggest concern is China. It is basic economics. The statistics show that Chinese steel exports have increased every year—they rose in 2009, 2010, 2011, 2012, 2013, 2014 and 2015. If we look specifically at statistics for the EU, we see an upward trend of Chinese exports since the start of 2011. In 2014, they increased by 53%. They peaked in quarter 4 of 2014 at 27.1 million tonnes, but in quarter 3 of 2015, a new record was set of 29.4 million tonnes, which was an increase of 17% in one quarter.

Tom Blenkinsop: To return to the point about MES, there is the issue of what our allies are doing and what China demands. China wants MES almost automatically, without debate. On the flip side, there was an OECD steel committee meeting before Christmas at which nations from around the world wanted to talk specifically to the Chinese delegation about the amount of dumped steel in their markets—this is not just a European Union phenomenon; it is a global one—and China did not attend. Those factors need to be raised by the British Government with the European Union. We should be looking seriously at MES, not just taking it for granted.

Stephen Doughty: I agree wholeheartedly. We have already heard about a letter from Roy Rickhuss, the general secretary of the union Community, to the Minister. The letter, which he made public, says clearly: “As you will know, it is widely understood that the UK Government has taken a decision to support China’s bid to receive market economy status from Europe. This would be a complete disaster for our steel industry, as it would make it even harder for European producers to gain protection from unfairly traded Chinese imports.”

This is not just about what we have seen, as there are also issues involving the Chinese currency. Many experts agree that the recent devaluation suggests that there is an increased chance of further growth in Chinese steel exports and dumping into markets. We have discussed this in many debates, but there is also a problem that if China is exporting all that steel, and certain other countries and Administrations around the world are taking measures to prevent imports of that steel, the impact on the UK market will be even greater.

Jonathan Edwards: I am grateful to the hon. Gentleman for raising the point about currency devaluation. We have been in huge market turmoil since the new year. It is likely that the Chinese Government will devalue the currency further. If that happens, the problem is likely to get even worse.

Stephen Doughty: Absolutely. I would certainly be interested to hear the views of the Minister and experts within the Department for Business, Innovation and Skills about what impact that might have, and whether it is likely to increase the pressure further.

Tom Blenkinsop: To what extent does my hon. Friend think that the deal allowing Chinese currency to be exchanged in the City of London is affecting the Government’s decision to support Chinese MES?
Stephen Doughty: I would certainly be interested to hear the Minister’s response to that point. My hon. Friend rightly talked about an industrial strategy and having a co-ordinated approach to the industries and their interaction in the globalised economy that we face. There are tensions in government between the Treasury, BIS and the Department of Energy and Climate Change. The Minister may shake her head and wave her hands, but she knows that those tensions are there, and that there is not one voice on these matters in government. She works for a Secretary of State who, as we know, would not utter the words “industrial strategy”.

Tom Blenkinsop: Does my hon. Friend believe that maybe, just maybe, we need Treasury Ministers to attend these debates? Despite all the confidence that we have in this Minister, we are now in a situation in which, if we are to talk adequately about UK steel, we need to hear Treasury Ministers justifying decisions and views on things such as MES.

Stephen Doughty: That is important, because a whole-Government approach is needed. We saw the disjunction between DECC and BIS about the package for energy-intensive industries and the measures that were taken. The approach needs to be co-ordinated. The Chancellor has been warned repeatedly, and I have letter after letter from Celsa to him and Treasury officials. We ensured that we always kept them informed, but there was very little engagement by the Treasury.

I would be grateful if the Minister would respond to a number of questions. Given the welcome steps that have been taken on compensation, exemptions and so on, after all the changes come through, will companies be paying more tax or less? What will be the net impact of the introduction of the compensations and exemptions? This has been a key concern for the industry when big figures are banded around. What will be the net impact on their balance sheets?

Secondly, on procurement—other colleagues have asked this, but I would also like to know—since the Government announced their various procurement measures on a UK level, has any work been given to UK steel producers that would not otherwise have taken place or that had not already been contracted? That point is crucial. Celsa played a crucial role in supplying rebar—I think it supplied some 45% of it—to the construction industry. MES has been warned repeatedly, and I have letter after letter from Celsa to him and Treasury officials. We ensured that we always kept them informed, but there was very little engagement by the Treasury.

I would be grateful if the Minister would respond to a number of questions. Given the welcome steps that have been taken on compensation, exemptions and so on, after all the changes come through, will companies be paying more tax or less? What will be the net impact of the introduction of the compensations and exemptions? This has been a key concern for the industry when big figures are banded around. What will be the net impact on their balance sheets?

Secondly, on procurement—other colleagues have asked this, but I would also like to know—since the Government announced their various procurement measures on a UK level, has any work been given to UK steel producers that would not otherwise have taken place or that had not already been contracted? That point is crucial. Celsa played a crucial role in supplying rebar—I think it supplied some 45% of it—to the construction industry for the Crossrail project. Unless the infrastructure pipeline goes through, and without a commitment from the UK Government that major infrastructure projects—whether in defence, construction or major energy—will support UK steel, we will have a serious problem.

Finally, as the Chair of the BIS Committee and others have mentioned, what does the Minister think is the acceptable bottoming out of the steel industry in the UK? Does she have a sense of where it ends, or is this, frankly, just a managed decline? People want to know and understand the situation. If we do not have clarity of vision from the Government, we unfortunately risk continuing to be buffeted. We will lurch from one crisis and set of job losses to another, as has happened over the past few months, which we warned would happen. Can we prevent any further loss of the expertise, skill and national security provided by our steel industry, let alone the productivity?

I made this point in an intervention, but I cannot emphasise it enough. As somebody who believes in tackling global climate change, operating sustainably and having responsible industry, I find it absurd that we would offshore from this country steel jobs and production involving the most carbon-efficient methods, because that will result in more global carbon production and an increased chance of climate change, less security of steel supply in our own country, and less quality and safety of supply. Those are serious points that we must be aware of, which is why a strategic approach is required across Departments, with people all singing from the same hymn sheet.

I am proud of what the Welsh Government are doing to respond to the immediate crisis in Wales. I am proud of what the Economy Minister said this week and I am proud of what Carwyn Jones has been doing to respond, but a fundamental change in approach on working together is needed from the UK Government, because otherwise I do not know where we are heading.

Mrs Madeleine Moon (Bridgend) (Lab): We have had an amazing debate. I thank my hon. Friend the Member for Aberavon (Stephen Kinnock) for securing it, and for the leadership he has shown to Members from south Wales who are deeply concerned about what is happening.

The Select Committee on Business, Innovation and Skills has produced one of the best reports on the future of the UK steel industry and the Government’s response to the crisis that we have had to ask for. It sets out everything clearly and succinctly. What I do not understand is why the Government are not grabbing it with both hands and running with it, saying, “Here’s the template. We know what to do: let’s get on with it.”

We have also had wonderful support from the UK steel industry in its briefings. Dear God—if any of us needed a clear example of what is happening in the world of steel, the briefings have laid it out succinctly. The charts are brilliant and demonstrate the decline that has been coming over the years, growing and growing and being ignored, and the crisis that is now upon us.

Perhaps one night I too will be able to go for a pint with my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) and find out the totally fascinating character that I am told he is—a raconteur on the issue of blast furnaces. I look forward to that drink and conversation.

My constituency of Bridgend is right next door to Aberavon. One of my communities, which used to be a large council estate, in North Cornelly, was built to house workers for the newly established steelworks of Port Talbot, when it was expanding. I live in Porthcawl, and the town is full of people who used to work in the steel industry and who chose to retire there having worked in that industry. I was in a meeting on Friday with the First Minister, talking about how we would be dealing with the crisis—that is what it is. I hope the Minister takes on board what a crisis it is for ordinary families across south Wales.

Among the people who came to see me was a lady called Jen Smith. She has emailed me and talked to me about the issue, and about her fears. Her son works at the steel company. He has just bought his first house. She is worried about what will happen to his family and home if he loses his job. The family had plans to work
That is exactly where I was going in my speech. The back up and we are nowhere to be found. Happened, move in and put the prices up: profits go the British steel industry and, as soon as that has potentially there is an agenda about dumping? That right to do that, but does my hon. Friend agree that workforce going, because it does not want instability. I spend a lot of my time talking about defence and security issues, and in that context we often talk about the importance of sovereign capability: the things that Britain needs to maintain, to be safe and secure—things that we cannot let go. I have to ask Members whether they can imagine Britain in 1913 and 1914 saying, “We can let the steel industry go. We can allow our capability to manufacture our own defence capability slip.” No, they cannot imagine that.

My hon. Friend makes an incredibly important point about national security capability. Celsa in my constituency produces rebar, which is used in reinforcing steel, and that is often used to reinforce important buildings. I know that Celsa tests it rigidly, and knows exactly what goes into it. There is regular testing—I have seen the steel being tested. How will we have those assurances if we import stuff from China, where there are not the same safeguards, particularly in relation to defence and security projects?

I absolutely agree with my hon. Friend, who has done valuable work fighting for his constituents, to make sure our cherished and valued capabilities stay within our national infrastructure. I cannot imagine how we would have fought the second world war if we had not had our steel industry and been able to manufacture the steel that kept our fleets and troops going, and our tanks rolling across the countryside.

We must stop thinking of the issue in terms of China and its need to dump its excess supply of steel on the European market. I understand what China is doing. It faces its own economic crisis and needs to keep its workforce going, because it does not want instability.

We understand, of course, that the Chinese economy needs to grow, and China has every right to do that, but does my hon. Friend agree that potentially there is an agenda about dumping? That agenda is to dump the steel, drag the price down, kill the British steel industry and, as soon as that has happened, move in and put the prices up: profits go back up and we are nowhere to be found.

My hon. Friend has stolen my best line. Mrs Moon: What is inspiring today is the fact that we are all here doing that—fighting tooth and nail. I know the Minister. We have worked together on defence matters and have a history of sparring across the Chamber, but we also have a history of working together constructively. I hope we are able to carry that on, because there is an unfairness of status in this situation. China can ignore climate change in a way we cannot. It is not bound by the high cost of energy, because it subsidises its companies in the use of energy. It has quadrupled its output of steel since 2000, so its plan has been quite a long-term one. We must deal with the market distortion and think about how we protect our own industries.

The wonderful Business, Innovation and Skills Committee report points out that over the past four decades production in the UK has fallen behind production in France, Spain, Italy and Germany, and that, in those countries, support within the European rules has protected their critical steelmaking skills and industries, helping them to withstand some of the global competition much more efficiently and effectively than we have in the UK. It is important that we look at the five asks. Those are not the Labour party’s five asks. They are the steel industry’s five asks. The issue is not a party political one. The steel industry says, “Give us these, and we have them to withstand some of the global competition.”

“as part of their devolution settlement, of course. There is a good argument that if one gets what one asks for, one has to take the consequences.”—[Official Report, 18 January 2016; Vol. 604, c. 1144.]

Well, the Welsh Assembly cannot make the changes to business rates that will bring the exemption for plant, equipment and machinery, which is what we are asking for, and therefore we need the Minister to address that issue and take it forward constructively.

Can the hon. Lady tell us why the Welsh Assembly cannot do it?
Mrs Moon: Because the legislation is primary legislation that will come out of the Westminster Government.

I do not want to take up additional time, Mr Rosindell, but if we can meet the five asks, we can save an industry that we all know we need, not only for this country’s economic future and economic stability but for its strategic defence and security.

3.30 pm  Marion Fellows (Motherwell and Wishaw) (SNP):

Thank you, Mr Rosindell, for calling me to speak, and I also thank Mr Walker, our previous Chair.

I could stand here and individually thank all the Members who have contributed so much to this debate, but I will refrain from doing that. I will just thank them collectively, and then thank one or two of them especially. First, I thank the hon. Member for Aberavon (Stephen Kinnock) for securing the debate with the backing of fellow colleagues on the all-party group on steel and metal related industries.

Ravenscraig, which is in my constituency of Motherwell and Wishaw, was once the beating heart of the European steel industry and on closure much of the plant was sold to China. The Ravenscraig site is still mostly a barren wasteland, which is an issue we continue to deal with on a daily basis. All that remains of our steelworks is the Dalzell plant, which is only minutes from my office, and the Clydebridge works, which is in the constituency of my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier).

As well as providing jobs to the communities across Lanarkshire directly and indirectly for generations, our steelworks are a source of pride. Some of the finest steel in the world was produced in Motherwell and it was still being produced until recently. For people in Lanarkshire, our steelworks are iconic and represent the decades of industry that are the foundations of our community. Our legacy is now in danger and so, too, is the legacy of towns in both England and Wales that also have a proud industrial past.

The reaction of the UK Government to the crisis that we face will determine whether or not steel will merely be a memory in our towns and villages or an industry that can remain for generations to come. The Scottish Government have some of this responsibility as well. However, I believe that both Governments starkly contrast with one another in their reaction to the steel crisis.

The Scottish Government reacted within four days of the announcement of the closure of Dalzell and Clydebridge. They set up a steel taskforce, which I am a member of, to find a buyer for the plants, emphasising our commitment not only to strengthening and building our steel industry but to the wider manufacturing sector. Working with the community, Unite, GMB, Tata Steel, Skills Development Scotland, Scottish Enterprise, Transport Scotland, the Scottish Environment Protection Agency, the UK Government, North and South Lanarkshire Councils, the Scottish Trades Union Congress and others, the Scottish Government have vowed to leave no stone unturned in finding a new owner for our steelworks. They have invested £195,000 in a support package to retain and upskill key staff, to ensure that plants can reopen quickly as and when production resumes. Working with Skills Development Scotland, those workers will also be upskilled. The training will provide them with a mix of skills in varying fields, including management and new processes.

For workers who have unfortunately worked their last shift at Dalzell and Clydebridge, the Scottish Government have created a project to get ex-steelworkers back into work through the Partnership Action for Continuing Employment scheme. The Scottish Government have agreed with the business rates assessor to ensure that the state of the business will be taken into account in the 2017 revaluation. The Lanarkshire Valuation Joint Board is open to agreeing and pre-agreeing the 2017 valuation with any new operator, to save the plants hundreds of thousands of pounds.

The Scottish Government have also looked at the efforts of other steelworks to reduce energy costs by using renewable energy and investing in energy-efficient furnaces. Scottish Enterprise has been invaluable in that process. It has been working with Tata since before the plants’ closure in an effort to bring down energy costs.

Holyrood has almost exhausted the powers available to it to aid our steel industry. Already, two potential buyers have expressed an interest in our Lanarkshire plants, which is surely testament to the hard work of the Scottish Government’s steel taskforce. We recognise that it is essential that our domestic economy is diverse, so that it can provide employment to those with differing skill sets and aspirations, and not just to those with the skills for the service sector.

Steel in particular is an essential, strategic resource required for a range of purposes, and I thank the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) for referring to both Scottish plants and the contribution they make in that regard. However, the importance of steel in realising those interests is continuously ignored by the UK Government. Time and time again, they fail to take the urgent action that is required, putting further steelworks at risk, as per Port Talbot, Redcar and other plants that are extremely vulnerable and that have suffered great losses.

The Scottish Government have made tremendous efforts to find a new owner for the Dalzell and Clydebridge works, but the powers to resolve the underlying problems facing our steel industry do not lie in Edinburgh; they lie here in London. For years, trade unions and the steel sector have warned both this Government and the previous one about the fragility of the steel sector and the challenges affecting it, but those warnings fell on deaf ears. The dumping of inferior Chinese steel on the markets and extortionate energy prices have crippled the steel industry.

Even now, the British Government merely respond with too little, too late, to aid our steelworkers. They have finally gained EU approval for rebates under the energy-intensive industries compensation scheme, but where is the cash? I remind the House that there was no such delay in intervening to save the lavish lifestyles of London bankers. There is no urgency to save the livelihoods of steelworkers in Lanarkshire and across the rest of the UK.

Last year, the Prime Minister welcomed the Chinese President to the UK to seek ever-closer ties and to discuss trade as our steelworks went into meltdown. He gave only the promise that he would raise the issue of Chinese steel being dumped in Europe and gave
no indication as to how strongly he would defend our steelworks. We should not seek to open our markets further to China or allow China to gain market economy status, as alluded to—

Anna Soubry: Will the hon. Lady give way?

Marion Fellows: No. I would like to continue at the moment.

As I was saying, we should not allow China to gain market economy status, as alluded to by the hon. Member for Aberavon. To do so would make it near-impossible for our workers to compete, pitting worker against worker in an impossible race to the bottom. Have the Government sought to address that imbalance by strangling our trade unions and attempting to repeal the Human Rights Act, all in the hope that we may finally be able to compete with the Chinese, who have an atrocious record on workers’ rights? The Tories have embarked on an ideological crusade to roll back the state and to deregulate our economy, allowing big business and executives to decide what is important to the country and what is not.

Tom Blenkinsop: As part of the future for Dalzell and Clydebridge, does the hon. Lady see the integrated nature of Scunthorpe, Dalzell and Clydebridge being maintained in order that we retain virgin steel creation within the United Kingdom?

Marion Fellows: I think there is an issue about whether Dalzell and Clydebridge will be maintained by one of the buyers as part of the deal to buy long products. That will be important, but the real issue that the plants face is rising costs, and that is what the Scottish Government have been trying hard to cover.

Tom Blenkinsop: I made that point because the integrated nature of long products sustains each mill. In effect, we have one site spread over a geographical distance, and in many ways that reflects the United Kingdom. That is why I am asking the hon. Lady whether she thinks it important for us to keep that blast furnace link from Scunthorpe to Dalzell and Clydebridge, through which we can help sustain virgin steelmaking in blast furnaces in the United Kingdom.

Marion Fellows: To answer the hon. Gentleman, I have doubts about and issues with what he says. I want production to continue, but I want Dalzell and Clydebridge to be able to continue in any case. It may be that the best route for them is another road if someone does not want to buy the whole long products division.

The laissez-faire approach is endangering our steelworks and our manufacturing base. I hope the Prime Minister, in his future negotiations on the UK’s position within the EU, seeks radical reform to state aid rules and the ability for states to favour domestic products in the tendering process. As the hon. Member for Aberavon said, the Secretary of State needs a map to find Europe while Scottish Ministers are battering on the door to represent UK fishing rights, for example, where they have real expertise and experience. I do not believe the UK Government are constrained from developing and bolstering a strong steel sector. I believe that what constrains them from saving our steel is their priorities, which are mainly raising their military profile, cutting public services and cutting tax for the richest while the poor are hammered.

The Prime Minister was willing to grant an audience with the Chinese President and Lincolnshire MPs, but when he was asked to meet Lanarkshire MPs, he gave no such courtesy. I very much enjoyed meeting the Minister in his stead, and thank her for her time. The Government show contempt for steelworkers in Scotland. In an address to the House, the Secretary of State for Business, Innovation and Skills failed even to mention the Scottish plants. More recently, the Minister referred to the UK’s steel industry as consisting basically of Scunthorpe, Port Talbot and “other bits and bobs”. Those “other bits and bobs” are a source of pride and livelihood for communities across the UK, from Motherwell to Redcar to Port Talbot.

I hope for the sake of my constituency that a new owner is found for our steelworks. The Scottish Government have gone to unprecedented lengths to secure a future for Scottish steel. I give my sympathies to people elsewhere facing a similar uncertain future. The UK Government should note that people in Scotland are watching this Parliament. The UK Government saw no issue or hindrance in bailing out bankers, but they see only roadblocks to intervening and saving our steelworks. They are allowing a core industry of my community and this country to crumble. I hold in my hand a copy of the strategic framework for supporting the steel sector in Scotland. The UK Government should have an equivalent. Do they? I don’t think so.

Anna Soubry: Will the hon. Lady give way?

Andrew Rosindell (in the Chair): Order. Has the hon. Member for Motherwell and Wishaw finished?

Marion Fellows: Yes, I have. Thank you.

Andrew Rosindell (in the Chair): The hon. Lady did not give way. I call Kevin Barron.

3.43 pm

Kevin Brennan (Cardiff West) (Lab): Thank you very much, Mr Rosindell. It is not the first time I have been called Kevin Barron, even though that is not my name. On one occasion I was briefly knighted by the Daily Mail online, much to my surprise. I am not Sir Kevin Barron; I am much more shovelry than chivalry.

Andrew Rosindell (in the Chair): Order. I apologise.

Kevin Brennan: We are very grateful, despite that slight slip on your part, Mr Rosindell—it was very uncharacteristic—that you are chairing our proceedings today. You are very welcome in this Welsh-majority debate. I know that you were left off the list of English MPs the other night when we had the first vote under the execrable new English votes for English laws arrangements in the House of Commons. I hope you feel you are receiving a warm welcome from your Welsh colleagues, who would like to be on an equal basis with you as MPs. Perhaps we can change that ridiculous rule in the future.
Let us get to the debate. I congratulate my hon. Friend the Member for Aberavon (Stephen Kinnock), who made an excellent start in kicking off the debate. He speaks from great knowledge, given the location of the Port Talbot steelworks in his constituency. He described the Government’s approach to this issue as “warm words” and “frozen actions”. He made a powerful case, I thought, on the Government’s failure to act on dumping and on market economy status for China. He challenged the Minister to say how close we were to midnight in terms of the future of the steel industry, and we would very much like to hear her response.

We also had a contribution from my hon. Friend. Friend the Member for Scunthorpe (Nic Dakin), who pointed out that the situation facing the industry has got much worse since the steel summit on 16 October. He listed all the jobs lost in the steel industry since then. He speaks with tremendous knowledge, expertise and passion about the failure of the UK Government to push for a co-ordinated European Union approach, and about the failure to retain blast furnace capacity at Redcar, which has been lost, as he pointed out, because of the lack of effort by the Government. [Interruption.] From a sedentary position, the Minister suggests that she is considering nationalising the steel industry to achieve these aims.

Nationalisation is not necessary. This is not a choice between inaction and a laissez-faire approach to the steel industry and the full-scale command economy ownership of all of the means of production in the steel industry. It is about an active industrial policy and Ministers using all the levers at their disposal, including their influence and every Government Department, including the Treasury, and using their imaginations in working with industry to bring about the saving of the capacity of this country to produce steel. That is what is at the heart of this debate. There is a question that the Minister will have to answer at some point about the Government’s view on the minimum strategic capacity that they believe they can allow the industry to go no further beyond. However, I will come to that question further into my remarks.

My hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) talked about blast furnaces. If there was a professorship of the blast furnace, he would be the professor. He raised very appropriate questions about what industry is doing. In his remarks, which bear reading and studying, he showed a real vision for the future of the British steel industry that the Minister would do well to listen to.

My hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), who is also my neighbour, who is literally a doughty defender of his constituents, rightly referred to the tragedy at the Celsa plant and the deaths of two of the workers there. He also raised the big question about the strategic level at which the British steel industry should be protected. My hon. Friend the Member for Bridgend (Mrs Moon) spoke well and with clarity and passion, as always, about the human impact of the job losses at Port Talbot, and the hon. Member for Motherwell and Wishaw (Marion Fellows) spoke with sincerity about her constituents and about the impact the changes will have on them. Also, perhaps not purposefully, she showed the importance of the UK for the future of the steel industry, because for us to have a strategic steel industry there has to be a certain level of scale and integration, as my hon. Friend the Member for Middlesbrough South and East Cleveland pointed out.

Now, who have I missed out? [Interruption.] I think only one Conservative spoke and I have referred to him. Like many people here—an anyone from south Wales probably has links to the steel industry—I come from a family whose life chances were pretty much determined...
by and strongly influenced by the steel industry. My father
was part of the group of people who helped to build
Llanwern steelworks in 1962. On my birth certificate,
his occupation is listed as a platelayer. He was involved
in bringing the railway line that was necessary for an
integrated steel plant into Llanwern steelworks, and
then he stayed there and got employment at the new
steelworks for the rest of his working life. Indeed,
before I went to university, I had an opportunity to
work at Llanwern steelworks for six months, where I
worked mainly in the steel plant, but also as a platelayer,
which was a rather nice rounded end to that period
of my life—as a platelayer, replacing and maintaining
railway lines within the steelworks at Llanwern. That
is why we hear—I know the Minister understands this—the
passion that comes from my hon. Friends and colleagues.
They understand how steel underpinned their life chances
and the life chances of their constituents and their
communities. The availability of well-paid, stable
employment in their areas was the foundation of the
creation of the life chances of many of my hon. Friends
here today.

Mr Iain Wright: Will my hon. Friend give way?

Christina Rees: Will my hon. Friend give way?

Kevin Brennan: I will give way to my hon. Friend the
Member for Neath (Christina Rees) first, who I forgot to
mention, but who intervened on behalf of her constituents.

Christina Rees: I totally agree with my hon. Friend
about life chances. My father worked at the site of the
Steel Company of Wales. The Abbey went into the Steel
Company of Wales, which moved on to Tata. When I
was a schoolchild I played hockey at the Steel Company
of Wales—it was the centre of the community. As for
life chances, it put food on our plates at home. The
threat of the closure of Trostre and Port Talbot is more
than I can contemplate, given the devastating effect on
communities.

Kevin Brennan: My hon. Friend is absolutely right. I
know that the Minister understands this, but it is important
to make it clear why Members feel so passionately
about the importance of maintaining the steel industry
both as a strategic asset to the country, and as the
underpinning foundation of many of the communities
we represent.

Mr Iain Wright: My hon. Friend is making an incredibly
eloquent and moving point about how steel is in his
blood, as it is in the blood of other hon. Members. Both
my grandfathers were steelworkers in Hartlepool, so
this is important for me personally, as well as for my
local community. However, can we not fall into the trap
of talking about the British steel industry as somehow
in the past? It is vital to ensure that we have a vibrant
and competitive steel industry for the future to make
sure that we remain competitive in the world markets
for manufacturing and much of our supply chain.

Kevin Brennan: My hon. Friend is absolutely right. One
of my central points is that the British steel industry
is competitive. I freely admit that the British steel industry
of the past often was not competitive, often had poor
industrial relations and weak management, and sometimes
had, in the distant past, very low productivity. However,
over the years, it has become one of the most efficient
industries anywhere, with some of the best working
relationships between workers and employers, because
of their understanding of the common interests that
bind them together, and because of the workforce’s
desire to ensure that the British steel industry has a
future, with them often prepared to make real sacrifices
to enable that to happen. That is why we have such a
competitive steel industry. The only sense in which it is
not competitive is because of the issue raised by many
Members today: Chinese dumping of steel at well below
what it costs China to produce.

China’s steelmakers, 70% of which are state owned,
are not profitable, and, according to our UK Steel
briefing, are believed to lose close to $34 per tonne on
all crude steel produced in China. In 2015, they produced
441 million tonnes more steel than China itself consumed.
China’s 101 biggest steel firms lost $11 billion in the
first 10 months of 2015. In 2003, China exported 7.2 million
tonnes of steel, which was 5% of the steel trade between
the main global regions; by 2015, total export levels
from China had increased 107 million tonnes.

It is impossible for the highly competitive and efficient
British steel industry to compete with a state entity of
that size—the country contains one in five of the world’s
population—that is determined to use that capacity to
kill off its competitors and to destroy the British steel
industry. That was what was going on while Ministers
were talking to Chinese officials when they were over in
the autumn. At the same time as its officials are smiling
and talking about future trade deals, China is pursuing
a policy of deliberately killing off the British steel
industry.

Mrs Moon: Does my hon. Friend agree that if we do
not successfully beat this back in relation to steel, other
industries will follow? It is not just about steel; it is
about Britain and Europe saying no and defending our
industries.

Kevin Brennan: I fear that my hon. Friend may well
be right. It is clear that the Chinese state is absorbing
the losses to kill off the competition, which is why it is
essential that we have a UK Government who understand
that and are prepared to take the action necessary to
protect the strategic asset that is the UK steel industry.

Tom Blenkinsop: It is worth remembering that the
Redcar blast furnace was constructed by the Callaghan
Government in 1978 and 1979. There was supposed to
be a second furnace, but that mysteriously disappeared
after the change of Government. The current world
market is effectively a free market for China, and it is
interesting that the one nation with a state-owned steel
industry is dominating the market. That is not a defence
of a nationalised steel industry, but it is certainly something
that Ministers should pore over when they consider
which policies, regulation, instruments of trade defence
they should be implementing in the steel market.

Kevin Brennan: My hon. Friend is absolutely right. I
listened carefully to what the Prime Minister said about
market economy status in yesterday’s Prime Minister’s
questions. It was clear from his tone, demeanour and
words that the Government have already made up their mind that they are going to ease the path to market economy status for China, rather than putting up a real fight for the British steel industry.

Anna Soubry: Oh God!

Kevin Brennan: We all like the Minister immensely, but although she sighs and she huffs and she puffs, anybody with two eyes and two ears could see and hear what was going on at Prime Minister’s questions yesterday.

Nic Dakin: My hon. Friend will have heard the Foreign Secretary say last week that market economy status will be judged through the prism of steel. We need to hold the Government to those words.

Kevin Brennan: Indeed. We need to know what is going on regarding market economy status. Let us have some transparency from the Minister. I visited Brussels last week with the shadow Secretary of State, my hon. Friend the Member for Wallasey (Ms Eagle), to talk to officials, including Britain’s European Commissioner, to whom my hon. Friend the Member for Aberavon referred, along with representatives from UKRep, officials from the Commission and Members of the European Parliament. Following that visit, it was absolutely clear to us that the UK Government have the door to Chinese market economy status wide open.

Stephen Kinnock: Another important avenue to explore is exactly what deal the Prime Minister did with President Xi Jinping on the China visit.

Kevin Brennan: Indeed. I am not sure whether the Minister was party to that deal, but it would be interesting to hear what she knows about it.

As hon. Members have said, the Government must give a much clearer signal about their position on the minimum strategic capacity of the British steel industry.

Jonathan Edwards: The hon. Gentleman is making important points, but will he help me out with something? In November last year, at Labour’s eastern regional conference, the leader of the Labour party was calling for direct Government intervention in the steel industry. That is common sense, given the problems in the industry; yet the First Minister of Wales has completely ruled it out. As a Welsh MP, does he support the position of his leader in Westminster or that of the First Minister of Wales?

Kevin Brennan: I do not think that anything the hon. Gentleman said is going to solve the dumping problem we are discussing now. We all understand how Plaid Cymru works on these matters. Its only interest is not speaking up for UK steelworkers throughout England, Wales and Scotland, but trying to drive a wedge between people to make its argument for a separate Wales, which incidentally would mean, as I said earlier, along with a separate Scotland, the end of any kind of strategic capacity for steelmaking in this country.

Jonathan Edwards: You should be ashamed of yourself.

Kevin Brennan: The hon. Gentleman does not like it up him, unfortunately, but he is going to get it if he tries that tactic on me.

I shall turn to my concluding remarks so that I can leave plenty of time for the Minister to answer the many questions that have been put. As well as answering those questions, will she explain the UK Government’s position—

Anna Soubry: With all the time that you have left me?

Kevin Brennan: The Minister has 25 minutes. Will she explain the Government’s position on the blocking minority that they have been exercising in the European Union in relation to the longer-term reform of trade defence mechanisms? She has said throughout—certainly many times from a sedentary position—that all five of the asks from the—

Anna Soubry: No, I did not. Do not misrepresent me. I said four of the five.

Kevin Brennan: Oh, now it is four of the five. The Minister has said that four of the five asks have been completely delivered. I am afraid that that is not the view of UK Steel which, in its briefing for the debate, agrees that there has been some good progress—we can all agree with that—but sets out clearly five actions that must be taken: more action on anti-dumping measures; action on the market economy status issue, which has been emphasised in the debate; bringing business rates for capital-intensive firms in line with their competitors in France and Germany—

Anna Soubry: Quite right.

Kevin Brennan: The Minister says that, but we need to know when it is going to happen. The final two actions that UK Steel called for were support for much more local content in major construction projects, and direct funding for the sector on research and development and environmental improvements. We need to hear the Government’s position on that.

In order to leave enough time for the Minister, I will finish on this point—

Jonathan Edwards: Will the hon. Gentleman give way?

Kevin Brennan: No, I will not give way. The hon. Gentleman and I can have a chat later, if he wants.

Will the Minister finally answer the question that she has been asked many times, and that I asked her in the debate in October: what is her and the Government’s view about what represents the minimum capacity for steelmaking in the UK’s strategic interests? If she can answer that question and give us clarity, everybody will be extremely grateful.

4.7 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is a pleasure to serve under your chairmanship, Mr Rosindell, as it was to have Mr Walker in the Chair before you. I congratulate the hon. Member for Aberavon (Stephen Kinnock) on securing the debate through the Backbench Business Committee. It is pertinent
that it is being held in this very sad week when, yet again, we have seen a huge number of job losses at Port Talbot and other parts of south Wales, followed by yesterday’s news that Sheffield Forgemasters will be making 100 of its employees redundant.

I apologise, Mr Rosindell, for often not even chuntering but speaking quite loudly from a sedentary position, but I get somewhat agitated because I am a little tired of Opposition Members consistently misrepresenting not only my own views—there is nothing that makes me more cross than when somebody tells me what I think—but the views of the Government, and questioning our determination and all that we have achieved to secure the future of a sustainable steel industry. Nobody but nobody has a monopoly on compassion, support and care for any of the workers in this country. We all come to this place—at least I hope we all do; this is certainly my experience—with the same passion and care for all our constituents and, indeed, everyone. Where we disagree is on how we achieve the things that, by and large, we all want.

Jonathan Edwards: Will the Minister give way?

Anna Soubry: In a moment.

I want to put something on record. I do not know whether it is significant, but my great-grandfather worked as a cutler in Sheffield. He then became a teacher, and then music teacher. In fact, he was knighted, but those are matters that do not concern us.

Mr Iain Wright: Just like Kevin.

Anna Soubry: Just like the shadow Minister, apparently, although not if he wants a future in his party, if he holds a pro-Trident view and is at odds with his leader on many other matters.

Mr Wright: You can do better than that.

Anna Soubry: I can do better than that, and I intend to.

My grandmother came from south Wales. We do not know much about her history, but we believe that her family also worked in the steelworks. Many of us can draw on our family experience, which is perhaps why I have a passion for securing the future of the steel industry, as does my Prime Minister. When I was appointed in May, one of the things that he asked me to do, apart from effectively being the Cabinet representative for small businesses, was to help to support and assist the steel industry in difficult times.

Jonathan Edwards: Based on the Minister’s opening remarks and the disgraceful comments from the Labour Front-Bench spokesman, will she explain why during Prime Minister’s questions yesterday the leader of the Labour party had six opportunities to ask about steel, but did not raise the issue once? It was left to Plaid Cymru to raise the matter during the most important parliamentary event of the week.

Anna Soubry: The hon. Gentleman has put all that on record.

My hon. Friend the Member for Brig and Goole (Andrew Percy) quite rightly said that some of this should be well above party politics. It is tedious that Opposition Members do not understand that they judge everyone by their own standards; the Government are genuinely not as tribal. Opposition Members—

Kevin Brennan: That is a tribal remark in itself.

Anna Soubry: Hang on. When Opposition Members, such as the hon. Member for Scunthorpe (Nic Dakin), have said to me, “I need to talk to you about the steelworks,” I have absolutely no problem. If the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), who made a good speech, and the hon. Member for Redcar (Anna Turley) want to speak to me, that is no problem. If the hon. Member for Motherwell and Wishaw (Marion Fellows) wanted to speak to me immediately, it would not be a problem. My door is open to everyone, whatever their political party.

Huw Irranca-Davies: Will the Minister give way?

Anna Soubry: No, because I want to make some progress and to address all the points that have been made.

I do get agitated because I know the five asks regarding the steel industry. We have delivered on four and as for the fifth, which is business rates, the review continues. I hope that the Chancellor will agree with my view, for what it is worth, that rates should not rise after investments in plant and machinery which, as I have said many times, is bonkers. I hope that the representations that the Secretary of State, BIS and I make on behalf of all businesses affected by that peculiarity will advance that argument and that the Chancellor will agree with us.

Let us be honest, however, and recognise the problem: the price of steel has been tumbling. The price of slab has almost halved in 12 months. Production across the world—this is not just China—has increased, but consumption has fallen and is yet to return to pre-2008 crisis levels, so what is the Government’s priority? I will not put a figure on it, but the priority is to secure the production of steel at Scunthorpe and Port Talbot. I want to pay tribute to everybody who works in the steel sector, especially to all those workers who have so far found themselves being made redundant. We will not forget the more than 2,000 workers at SSI in Redcar and the many more in the supply chain. I and all my Conservative colleagues do not need to be patronised by being told about the huge impact that redundancies have on communities and right across the workforce, because we understand that. I pay tribute to all those who work at Scunthorpe and Port Talbot, and to those who have lost their jobs, while also remembering what is happening at Forgemasters.

Forgemasters makes steel particularly well. It effectively has a contract with the Ministry of Defence, but it is not with the MOD, in that it supplies the steel for Trident. If Opposition Members want to secure Forgemasters’ future, they need to ensure that they support Trident—that is an absolute fact.

Tom Blenkinsop: Will the Minister give way?
Anna Soubry: In a moment.

Turning to Scunthorpe, as we have heard, Tata’s long products division has been on the market for some two years. We know that Greybull Capital is the preferred bidder and that it is in talks with Tata as to the sale of the long division and, notably, the future of Scunthorpe. I pay full tribute to Baroness Redfern, who is present today, who has done an outstanding job as the leader of North Lincolnshire Council in ensuring that it plays its full part in securing the steelworks at Scunthorpe, in particular ensuring that the blast furnaces remain open, so that they continue to make their fabulous steel. The Government have been actively involved in that. One of my first trips as Minister was up to Scunthorpe. Unfortunately, the hon. Member for Scunthorpe could not attend, but he was of course invited. That is how we do business: we invite everybody. We do not have meetings that exclude people who are not part of our political party. We invite all interested parties, because securing the blast furnaces and the production of steel at Scunthorpe, about which we are absolutely determined, matters more than cheap party politics.

Turning to Port Talbot, we have already been in long discussions, and I have visited the plant and have spoken to workers and management. There are huge challenges in securing the production of steel at Port Talbot, but discussions have been continuing for several months. Consultants have been brought in and have apparently gone through everything with a fine-toothed comb. We await their report. Tata will then come to us and tell us, frankly, what its asks are, but we already have a good idea. There is a good argument to be made for improving or creating a new power plant.

As it happens, just before this debate I was at the working group, which I chair, on the international aspect of steel, and we specifically spoke about the sort of help and assistance that Government can give when it comes to, for example, the improvement or the introduction of a new power plant. There is a good argument that we could find a way and a means of effectively lending money to a business such as Tata, but we would still have to ensure that the repayments on that loan were at commercial rates. If they are not at commercial rates, they breach state aid rules. No debate, no messing around—that is a fact.

When the hon. Member for Motherwell and Wishaw talks about what the Scottish Government have been doing in relation to Clydebridge and Dalzell, she says, “We have had a look at this, and we have had a look at that.” She has not told us what she has done. I wanted to intervene to say to her, “Well, have you looked at that.” She has not told us what she has done. I wanted to make bland statements saying, “We have had a look at this, and we have had a look at that. Oh, and by the way, the UK Government are absolutely hopeless and useless, but we are absolutely brilliant,” and then not have an answer when they are asked, specifically, “So, have you delivered on this? Have you delivered on that?”

Anna Soubry: With great respect to the hon. Lady, one of the things that she will find here is that when a member of a political party stands up and makes assertions about the Government when their political party is in government elsewhere, they hold responsibility and have to provide answers. Someone cannot just stand up and make bland statements saying, “We have had a look at this, and we have had a look at this. Oh, and by the way, the UK Government are absolutely hopeless and useless, but we are absolutely brilliant,” and then not have an answer when they are asked, specifically, “So, have you delivered on this? Have you delivered on that?”

Tom Blenkinsop: Forgemasters creates the vessels for the reactors within the four replacement submarines, and plate for their hulls is made by Dalzell and Clydebridge. The future of those steelworks is uncertain, so any commitment to four submarines is dependent on those sites unless the Government find alternative solutions, because it is sonar-specific plate.

Anna Soubry: I apologise to the hon. Gentleman; I specifically asked my officials for an answer to that very important point. At the moment I have not got that information, but I will of course write to him if I am able to obtain it.

Let me move on to the five asks of the steel industry made at the steel summit. On energy-intensive industries and electricity prices—absolutely delivered. Opposition Members say, “Well, they go back, and they say you didn’t do this and that,” but a lot of the delay was not the fault of any tardiness on behalf of the British Government; it was unfortunately due to the slow cogs and wheels of the European Union.

I am not going to engage in all this silly, patronising nonsense about the Secretary of State not knowing where Brussels is. Hon. Members do not do themselves much credit by taking such cheap shots. The Secretary of State went to Brussels and called an emergency meeting. He has been advancing the cause of ensuring we get the compensation signed off under the state aid rules, and I am hugely and deeply proud of that. It is because of his efforts and instructions to officials to expedite it without any further messing about that it is absolutely being delivered. Ask one—delivered.
Nic Dakin: The Minister must realise that the industry was promised this by the coalition Government three years ago. It still has not got it, and the expectation is that it will not have it until April.

Anna Soubry: As the hon. Gentleman knows, the forms have gone out and people are already bringing back their submissions. There was not a Conservative Business Secretary in the coalition Government, but there is one now—and, goodness me, what a difference it has made to getting on and getting the job sorted.

Stephen Doughty: Will the Minister give way?

Anna Soubry: In a moment.

Ask two on emission directives—delivered. Ask three is about dumping. I get particularly agitated here. There is no debate; there is no dispute. The first vote after the Secretary of State and I were in our positions was in early July. For the first time, the UK Government voted in favour of taking measures to stop Chinese dumping, and it is unfortunate that the great British media did not report that.

The next time we had the opportunity to vote against dumping was in November. Fact: we took that vote. Hon. Members know—they have heard me say it before, but I have to say it again—that when we did it the first time in July, such was the surprise of the officials that they went back to the UK to check the vote. It had never been done before, and we did it.

Stephen Doughty: Will the Minister give way?

Anna Soubry: I will give way, but then I have to make some progress; otherwise, we will run out of time.

Stephen Doughty: I will be very brief. The Minister blamed the Liberal Democrats—I blame the Lib Dems for a lot of things in this country. However, the Conservative steel Minister was informed about the dumping—they were shown very detailed graphs and given examples about what was going on—and about the detailed financials of the energy-intensive industry’s packages and what was expected. What did the former Conservative steel Minister do to address both those issues?

Anna Soubry: I cannot give the hon. Gentleman an answer to that, but I can say that every Department needs great leadership, and I am delighted that the Department for Business, Innovation and Skills has exactly the sort of great Conservative leadership it needs.

I get slightly cheesed off at nonsense about the Government not being joined up and not working together. That could not be further from the truth. The current level and degree of co-operation within Government has never been seen before. I can give many examples of exactly where the Government are joined up. I am particularly proud of my working relationship with Ministers in the Department of Energy and Climate Change, for example. We get on well and work well together. At the moment we are looking at why too few of our steel fabricators buy British steel. We are doing a piece of work on the supply chains to see how we can ensure that British steel is bought all the way through the supply chains.

The fourth ask made of the steel industry was on procurement. We are the first EU country—

Stephen Kinnock: Will the Minister give way?

Anna Soubry: The hon. Gentleman cannot have a go until I have finished my sentence. He will have to bear with me one moment.

We are the first European Union country to use the new powers available to us to change the Government’s procurement of steel and, indeed, other materials. There are now no excuses when it comes to Government contracts for not buying British. A number of claims were made about Hinkley B and Areva. In the case of Areva, that steel is not made in Britain. I am told that at least 60% of the steel at Hinkley Point can be bought in Britain. The other 40% is not made in Britain.

Stephen Kinnock: We have very little time left. It is clear that the burning issue, which was raised by all hon. Members present, is market economy status. It seems that the Minister has moved off the dumping ask on to another ask.

Anna Soubry indicated dissent.

Stephen Kinnock: I assumed the Minister had finished on dumping and ignored the most important point.

Anna Soubry: I am so sorry; the hon. Gentleman should read his brief better. There were—[Interruption.] No, no. There were five asks. I have dealt with four; the fifth is business rates, and I think I have dealt with that. The status of China is a new ask, not one of the original five. Let us deal with the market economy status for China. The Prime Minister has made it clear, and I think he makes a good case, that there is a good case for China to be given market economy status. This is where I get agitated with Opposition Members. I do not have a problem with people when we disagree on politics or argue about policies; I have a problem when they tell their constituents that if China gets market economy status, we will not be able to vote in favour of tariffs to stop it from dumping steel or anything else. That is not true. Russia has market economy status, but the EU is able to, and does, vote in favour of tariffs to stop Russia dumping.

For example, in the meeting I was talking about earlier, even though the task groups had come to the end of their time, we specifically looked at Russia and Iran. We are gravely concerned about the amount of steel that they are producing and about the threat of it flooding into the UK economy. So, again, we are looking at the issue of tariffs, but let me make it very clear. The Government do not make the complaint to the European Union; the complaint comes from the steel industry itself—it must raise the complaint. It is wrong for hon. Members to say to their constituents that if China gets
market economy status, we are precluded from introducing tariffs. We are not, so Members should please not mislead their constituents.

**Tom Blenkinsop** rose—

**Huw Irranca-Davies** rose—

**Anna Soubry:** I will give way to the hon. Gentleman first and then to the hon. Member for Middlesbrough South and East Cleveland; no problem.

**Huw Irranca-Davies:** May I ask the Minister whether those same concerns are why France and Germany have not yet come to a conclusion? Should they come to the conclusion that they share the concerns expressed today, will she swing the weight of the UK Government behind them to oppose full status?

**Anna Soubry:** I have made it absolutely clear: the decision will be taken by the European Union. As I have said, if China wants to be in the game, it has got to prove that it can play by the rules. To be clear, let me repeat: MES will not preclude future tariffs.

**Andrew Percy:** Will the Minister confirm whether the Government or anyone else interested in the future of our industry has made any request about market economy status for China?

**Anna Soubry:** To my knowledge, absolutely no.

I must say that all questions will be answered by letter, but I want to make it absolutely clear now: the Government, under our Prime Minister, have described the steel industry as vital to the economy of this country—and it is. That is why the Government will continue to do everything they can to protect the steel industry and ensure that steel continues to be produced at both Port Talbot and Scunthorpe.

**Andrew Rosindell (in the Chair):** In normal circumstances, Mr Kinnock would be asked to wind up, but we have completely run out of time. It is a pity that we cannot continue the debate, but sadly we have to end at this point.

4.30 pm

**Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).**
The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): A meeting of the Economic and Financial Affairs Council was held in Brussels on 8 December 2015. Ministers discussed the following items:

Financial transaction tax
The member states that have agreed to participate in the financial transaction tax (FTT) provided an update on their progress. Estonia has stated it will not participate, reducing the number of member states involved to 10. I reiterated that the UK would not participate in the financial transaction tax and that the UK would oppose an FTT with extra-territorial effects that were detrimental to the interests of non-participating member states, including through a renewed legal challenge if necessary.

Common consolidated corporate tax base (CCCTB)
Following a presentation by the presidency on the state of play regarding the CCCTB proposal, the Council held an exchange of views.

Completing the banking union
The Commission gave a presentation on its proposal for a European deposit insurance scheme and its communication “Towards Completion of the Banking Union”. This was followed by an exchange of views.

Current legislative proposals
The presidency updated the Council on the state of play of financial services dossiers.

Implementation of the banking union
The Commission gave an update on several dossiers linked to the banking union: the single resolution fund, the bank recovery and resolution directive and the deposit guarantee scheme directive.

Fight against the financing of terrorism
After taking note of a Commission presentation on the next steps to reinforce the European framework in the fight against terrorism, the Council held an exchange of views.

Future of the code of conduct (business taxation)
The Council adopted conclusions on the future of the code of conduct group on business taxation.

Base erosion and profit shifting (BEPS)
The Council adopted conclusions on base erosion and profit shifting (BEPS) in the EU context.

European semester
The Commission presented its annual growth survey, alert mechanism report and draft Council recommendation on the euro area. This was followed by an exchange of views.

The Chair of the Economic and Financial Committee provided a debrief on the common position agreed with regards to flexibility in the SGP for short-term economic conditions, structural reforms and public investments. The Council took note of the agreement.

Statistics: EU statistics and implementation of the European statistics code of practice
The Council adopted conclusions on the annual statistical package following a Commission presentation on the implementation of the European statistics code of best practices.

European Court of Auditors’ annual report on the implementation of the budget for the EU for the financial year 2014.
The European Court of Auditors (ECA) presented its report on the implementation of the 2014 budget followed by an exchange of views by the Council.

Mark Lancaster: I am pleased to announce that I have appointed Lesley Mercer as a Member of the Armed Forces’ Pay Review Body. Ms Mercer will begin her three year appointment on 1 March 2016. This appointment has been conducted in accordance with the guidance of the Office of the Commissioner for Public Appointments.

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs attended the Foreign Affairs Council on 14 December. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. I attended the General Affairs Council, which was chaired by the Luxembourg presidency. The meetings were held in Brussels.

The Foreign Affairs Council
A provisional report of the meeting and conclusions adopted can be found at:

In her introductory remarks the HRVP shared her assessment of Bosnia and Herzegovina following the first Stabilisation and Accession Council of 11 December. Ministers also heard an assessment of the situation in
Burundi by the HRVP and the Belgium Minister of Foreign Affairs. The HRVP also touched on the successful outcome of the COP 21 conference in Paris and plans to schedule a discussion on climate diplomacy at a Foreign Affairs Council in the new year.

Eastern Partners

Ministers had an exchange on political developments in the eastern partner countries, with HRVP and Commissioner Hahn outlining the challenges regarding the eastern partners. There was a general consensus behind the principle of developing differentiated approaches in line with the review of the European neighbourhood policy. A discussion is likely on Ukraine at the January Foreign Affairs Council.

Counter-terrorism

Ministers reaffirmed the relevance of the February Council conclusions in shaping EU external counter-terrorism action. HRVP made clear that the EU’s policy framework was valid and the focus must be on prioritisation and implementation. The Foreign Secretary underlined that national security was the responsibility of member states, but actions should be co-ordinated to maximise effectiveness.

Informal lunch with Turkish Foreign Minister

Ministers had an informal exchange of views with the Turkish Foreign Minister focusing on regional issues and counter-terrorism co-operation. A high-level dialogue meeting, with the participation of the HRVP and the Commission, will be held in Ankara in January 2016.

Libya

Ministers heard a briefing by the UN SRSG Kobler on the Libyan political dialogue and the outcomes of the Rome conference. Ministers reconfirmed their support to the UN-led process, including the formation of a Government of national accord in Libya and pledging economic and security support to help stabilise the country.

Ministers agreed without discussion a number of measures:

- The Council adopted conclusions on the European neighbourhood policy.
- The Council adopted conclusions on Iraq.
- The Council adopted conclusions on the special report entitled “EU support for the fight against torture and the abolition of the death penalty”.
- The Council adopted conclusions on the 2015 annual report on the EU’s development and external assistance policies and their implementation in 2014.
- The Council adopted conclusions on the special report entitled “The ACP Investment Facility: does it provide added value?”
- The Council set a new financial reference amount of €43.65 million to cover expenditure related to the EU police mission in Afghanistan (EUPOL Afghanistan) from 1 January 2016 to 31 December 2016.
- The Council decided to lodge an appeal against the judgement of the EU General Court annulling Council decision 2012/497/EU on the conclusion of an agreement between the EU and Morocco concerning reciprocal liberalisation measures on agricultural products, in so far as it applies to the territory of western Sahara.

General Affairs Council

A provisional report of the meeting and conclusions adopted can be found at: http://www.consilium.europa.eu/en/meetings/gac/2015/12/15/

The General Affairs Council (GAC) on 15 December focused on: the inter-institutional agreement on better regulation; the 18-month programme of the Council; preparation of draft conclusions for the European Council on 17 and 18 December 2015; the enlargement and stabilisation and association process; and the European semester.

Inter-institutional agreement on better regulation (IIA)

The GAC discussed the preliminary agreed text of the inter-institutional agreement on better regulation, circulated by the Luxembourg presidency on 8 December. I welcomed the focus on impact assessments, SMEs and the “Think Small First” principle, and the consultation of national experts on delegated acts. I registered that the UK was not in a position to endorse the political agreement, due to our outstanding parliamentary scrutiny on the dossier.

18-month programme of the Council

The GAC endorsed the 18-month programme of the Council for the period from 1 January 2016 to 30 June 2017, drawn up by the Dutch, Slovak and Maltese EU presidencies.

Preparation of the December European Council

The GAC prepared the agenda for the 17 December European Council, which the Prime Minister attended. The December European Council discussed migration, the fight against terrorism, economic and monetary union, the internal market, energy union and the UK’s EU renegotiation. The European Council also considered external relations issues, including Syria and Libya.

At the GAC, I emphasised that the Prime Minister was looking forward to a substantial discussion on the UK’s EU renegotiation at the December European Council.

Enlargement and stabilisation and association process

The UK continues to be a strong supporter of conditions-based EU enlargement, which has helped bring peace, prosperity and stability across the continent of Europe. We continue to support the future EU membership of all of the western Balkans and Turkey, provided EU aspirant countries meet all the requirements of membership before accession.

I broadly welcomed the enlargement conclusions and congratulated Commissioner Hahn for his engagement in the region. I made clear that I would have liked to have seen in the conclusions a stronger commitment for the EU institutions to do more on strategic communications in the western Balkans.

I expressed my concerns about the 10 December decision by the Republika Srpska (RS) Government to suspend co-operation with the state-level judicial and law enforcement authorities in Bosnia and Herzegovina (BiH). I set out that political obstacles needed to be removed, including threats of unconstitutional referendums, which challenged the Dayton agreement and its core
structures. I also expressed concern about the ongoing political situation in Kosovo and highlighted the importance of Kosovo having a clearer EU perspective.

2016 European semester annual growth review

The Commission presented the 2016 annual growth survey (AGS) to the GAC which focuses on the key themes in President Junker’s investment plan. The Commission proposed to pursue an integrated approach to economic and social policy in 2016, centred around three pillars: boosting investment, pursuing structural reforms to modernise European economies and pursuing fiscal responsibility. The UK supports the Commission’s headline priorities for promoting jobs and growth.

[HCWS446]

HEALTH

Pharmaceutical Price Regulation Scheme

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): My hon. Friend the Parliamentary Under-Secretary of State (Lord Prior of Brampton) made the following written statement on 21 December 2015.

I am announcing today the level of payment due from members of the Pharmaceutical Price Regulation Scheme (PPRS) in 2016 to keep health service spend on branded medicines within the levels agreed under the Scheme. The PPRS payment percentage for 2016 will be 7.80%.

The PPRS allows patients access to the medicines they need while maintaining affordability for the NHS and providing stability for industry in support of the Government’s innovation and growth agenda. There is an agreed, fixed limit on the majority of NHS spend on branded medicines with additional expenditure above this level paid for by the pharmaceutical companies. The agreed growth limit in both 2014 and 2015 was 0%. Annual growth will be limited to 1.8% in 2016, 1.8% in 2017 and 1.9% in 2018. Small companies with less than £5 million of sales a year to the health service are exempted.

The Government welcome the pharmaceutical industry’s agreement to increase its payments to the Department of Health in 2016 compared to the amount agreed in the amendment to the Pharmaceutical Price Regulation Scheme (PPRS) published in August 2015. This supports the Government’s NHS funding commitment made at the spending review to deliver the Five Year Forward View. This represents a payment of monies that would have been due in 2017 and 2018 under the PPRS and will support industry and Government efforts to improve patient access to new clinically and cost-effective medicines.

The Department has published a document setting out further details entitled “Pharmaceutical Price Regulation Scheme 2014: revised forecasts and profile of payment percentages at December 2015”. It is also available online at: http://www.parliament.uk/writtenstatements.

[HCWS447]

PRIME MINISTER

Machinery of Government: Fire and Rescue Policy

The Prime Minister (Mr David Cameron): This written ministerial statement confirms that ministerial responsibility for fire and rescue policy will transfer from the Department for Communities and Local Government to the Home Office. This change will be effective from today, 5 January 2016.

[HCWS448]

TRANSPORT

British Road Safety Statement

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): My noble Friend, the Parliamentary Under Secretary of State for Transport (Lord Ahmad of Wimbledon) made the following ministerial statement on Monday 21 December 2015.

The Government are committed to investing in national road safety; this is not solely because of the tragic human consequences of road deaths and injuries. Safer roads and safer road users save lives, but they also help to reduce pressure on the NHS and emergency services, keep traffic moving and, as a result, keep our economy growing.

My hon. Friend, the Parliamentary Under Secretary of State for Transport, Andrew Jones, is today publishing a road safety statement that sets out the Government’s vision, values and priorities for improving the safety of Britain’s roads. This statement describes the context of road safety in Britain today and the overarching scope of road safety activity for the Government. It will be followed by consultations on specific issues as options are developed. The statement covers road safety policy within Britain as governed by the Department for Transport (DfT).

In the short and medium term, the main specific actions that we will take include:

Outlining our proposals on dangerous in-car mobile phone use, reported by the RAC as being one of motorists’ top concerns, with a view to increasing penalties for drivers using a hand-held mobile phone. This road safety statement will be followed shortly by a more detailed consultation and impact assessment on this topic. The increases proposed are:

that the vast majority of first time offenders will not incur a fixed penalty notice or penalty points but will instead be offered an educational course. Whether to invite a motorist to a course is at the discretion of the police;

for the majority of vehicles (cars, vans, motorbikes), an increase from the current three penalty points to four;

an increase in the level of the fixed penalty notice from the current £100 to £150;

more significant penalties for larger vehicles, such as HGVs, where the consequences of a collision can be much more severe, so that the penalty points increase from the current three to six.

A £750,000 grant in 2015/16 for police forces in England and Wales to build drug-driving enforcement capability, consulting on options for a drug-drive rehabilitation scheme course and a High Risk Offenders regime for drug-drivers;
Consulting on legislative changes to improve urban cycle safety by ensuring that sideguards and rear under-run devices are not removed from HGVs but remain permanently fitted;

Consulting on proposals to support safety for motorcyclists, who account for 19% of all road deaths, including better training and improved safety equipment;

Consulting on ways to incentivise and reward the uptake of more pre-test practice, as announced in our Motoring Services Strategy consultation\(^{(1)}\) on 13 November, and a broader range of real-world driving experiences, including deregulating to allow Approved Driving Instructors with dual-controlled cars to offer lessons on motorways to learner drivers;

Undertaking a £2 million research programme to identify the best possible interventions for learner and novice drivers; and

Undertaking a road safety management capacity review, to identify areas for improved joint working, local innovation and efficiency.

A copy of the Road Safety Statement will be placed in the House Libraries and will also be available on the Government website: www.gov.uk.

Written Statements

Thursday 7 January 2016

ATTORNEY GENERAL

Serious Fraud Office (Contingencies Fund Advance)

The Solicitor General (Robert Buckland): I would like to inform the House that a cash advance from the Contingencies Fund has been sought for the Serious Fraud Office (SFO).

In line with the current arrangement for SFO funding agreed with HM Treasury, the SFO will be submitting a reserve claim as part of the supplementary estimate process for 2015-16.

The advance is required to meet an urgent cash requirement on existing services pending parliamentary approval of the 2015-16 supplementary estimate. The supplementary estimate will seek an increase in both the resource departmental expenditure limit and the net cash requirement in order to cover the cost of significant investigations and the settlement of material liabilities.

Parliamentary approval for additional resources of £21,137,000 (twenty one million, one hundred and thirty seven thousand pounds) will be sought in a supplementary estimate for the Serious Fraud Office. Pending that approval, urgent expenditure estimated at £15,500,000 (fifteen million, five hundred thousand pounds) will be met by a repayable cash advance from the Contingencies Fund.

The advance will be repaid upon Royal Assent of the Supply and Appropriation (Anticipation and Adjustments) Bill.

[HCWS449]

TREASURY

National Infrastructure Commission: Consultation

The Chief Secretary to the Treasury (Greg Hands): Today I have laid the “National Infrastructure Commission consultation document” CM 9182. The consultation will be an opportunity for the public to respond to suggestions about the governance, structure and operation of the National Infrastructure Commission. The consultation will last for 10 weeks until 17 March 2016.

On 5 October 2015, the Chancellor announced the creation of the National Infrastructure Commission to provide expert independent analysis of the long-term infrastructure needs of the country. The commission has been operating in shadow form since then. This consultation document envisages primary legislation to put the commission on a permanent footing and give it the power to access the information and analysis necessary to fulfilling its functions.

It is proposed that the commission will produce a national infrastructure assessment once in every Parliament, setting out its analysis of the UK’s infrastructure needs over a 10 to 30-year time horizon. The Government will then be obliged formally to respond to the commission’s recommendations. The commission will also examine the most pressing and significant infrastructure challenges in studies commissioned by the Government.

This consultation document proposes to set a remit for the commission which will ensure that it recommends infrastructure that is sustainable and affordable and that offers real economic benefits. The Government welcome responses to the consultation document.

[HCWS454]

COMMUNITIES AND LOCAL GOVERNMENT

Housing and Planning Bill

The Minister for Housing and Planning (Brandon Lewis): I am today placing in the Library of the House the Department’s analysis on the application of Standing Order 83L in respect of the Government amendments tabled for Commons Report stage for the Housing and Planning Bill.

Attachments can be viewed online at: http://www.parliament.uk/writtenstatements

[HCWS455]

DEFENCE

Armed Forces Pay Reform

The Secretary of State for Defence (Michael Fallon): I am today announcing the introduction of a new pay model for armed forces personnel which will provide a modern, simple and credible remuneration offer for our armed forces that attracts and retains motivated people to deliver our operational commitments.

The current pay system, introduced in 2001, was the first integrated “tri-service” pay system. While a major advance at the time, it is now seen as overly complex with significant shortcomings and inefficiencies, which have led to dissatisfaction among service personnel.

We therefore plan to reform core pay from 1 April 2016 for all armed forces regulars and reservists up to the rank of commodore, brigadier and air commodore, except specialists such as professional aviators and special forces on bespoke pay scales. The new pay model will be both simplified and fairer.

In introducing a new pay system it is important that we recognise and value the contribution of service personnel who work so hard to keep us safe both at home and abroad. This is not a cost-saving exercise, and there will be pay protection to ensure that no service personnel take a pay cut on transition to the new model.

Pay reform is integral to work to modernise the overall armed forces remuneration offer to service personnel and will sit alongside initiatives such as forces Help to Buy, the tenancy deposit loan scheme, the introduction of flexible working options, and of employment support to service spouses.

Rank will continue to be the main determinant of pay and incremental progression will remain a key feature of the new system, though it will be rationalised for both officers and other ranks—up to warrant officer level.
For other ranks where we require a breadth of trades there will also be four pay supplements which will better differentiate pay across the trades, removing the illogical characteristics of the current system. It will substantially reduce the number of pay journeys from potentially 128 different journeys to just four, with an associated reduction in administrative overheads. Crucially for service personnel this will provide a pay system that will be easier to understand and allow individuals to more accurately predict their future pay.

Future Reserves 2020

The Secretary of State for Defence (Michael Fallon): I have today placed in the Library of the House a copy of a letter that I have sent to Lieutenant General (Retired) Brims, the chair of the Future Reserves 2020 external scrutiny team, to update him on the programme, and particularly on the recommendations that his team’s report made. I am grateful for their work.

HOME DEPARTMENT

Disclosure and Barring Service

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): PricewaterhouseCoopers’ report on the second and final phase of its review of the Disclosure and Barring Service (DBS) will be published today and will be available at: https://www.gov.uk.

The review examined DBS’s data retention policy, its application within the organisation and the teams responsible for its implementation. Its findings do not raise any safeguarding risks to children or vulnerable adults. The DBS is addressing the four recommendations proposed. It has also set out its plans within the report.

A copy of the report will be placed in the Library of the House.

JUSTICE

Prison and Probation Inspectorate

The Lord Chancellor and Secretary of State for Justice (Michael Gove): I am pleased to announce that Peter Clarke has been appointed as Her Majesty’s chief inspector of prisons for three years, commencing 1 February 2016, and Dame Glenys Stacey has been appointed as Her Majesty’s chief inspector of probation for three years, commencing 1 March 2016.

Peter Clarke is a retired senior police officer, who served in the Metropolitan Police Service for more than 30 years. He rose to the rank of assistant commissioner and also served as head of the anti-terrorist branch and national co-ordinator of terrorist investigations. In 2014 he was appointed education commissioner for Birmingham, to conduct an inquiry into the allegations concerning Birmingham schools arising from the “Trojan Horse” letter. Peter also served on the board of the Charity Commission until January 2016.

Dame Glenys Stacey is currently the chief executive of Ofqual, the exams regulator in England. She is a solicitor by profession and has 17 years’ experience leading public sector organisations, having previously served as CEO of Standards for England, Animal Health, the Greater Manchester Magistrates’ Court Committee and the Criminal Cases Review Commission. In August 2015 she announced her intention to leave Ofqual when her current term finishes at the end of February 2016.

These appointments have been made after a recruitment process for these posts which followed the Commissioner for Public Appointments’ code of practice. Both roles were advertised online and candidates were then assessed against the criteria for the posts. An independent selection panel produced a shortlist of candidates deemed appointable. As required under the rules, I then selected my preferred candidates from that shortlist. Peter Clarke and Dame Glenys Stacey appeared before the Justice Select Committee, which concluded both were appointable to the roles of HM chief inspector of prisons and HM chief inspector of probation respectively.

Both appointments are subject to security clearance.
Written Statements

Monday 11 January 2016

BUSINESS, INNOVATION AND SKILLS

Foreign Affairs Council (Trade)

The Minister for Small Business, Industry and Enterprise (Anna Soubry): My noble Friend the Minister of State for Trade and Investment (Lord Maude of Horsham) has today made the following statement.

The EU Foreign Affairs Council (Trade) met twice in Nairobi during the 10th ministerial conference of the World Trade Organisation (WTO).

The first meeting of the FAC (Trade) took place on the 15 December before the formal opening of the WTO ministerial. The second meeting of the FAC (Trade) took place on the 19 December just before the conclusion of the ministerial. At both meetings, the Council adopted conclusions. Both sets of conclusions are attached to this statement.

The Nairobi ministerial was the first WTO ministerial conference in Africa. WTO members agreed a series of ministerial decisions on agriculture, on cotton and on development, the latter focussed on the interests of the least developed countries.

The decisions in agriculture are on export competition, on public stockholding, on a special safeguard mechanism for developing countries and on measures related to cotton. Decisions were also made relating to preferential treatment for least developed countries in services and in rules of origin.

The ministerial met UK objectives in agreeing substantive outcomes on export competition in agriculture, on cotton, and on development while leaving the way open for WTO negotiations to proceed more flexibly post-Nairobi. The ministerial also welcomed two countries acceding to the WTO, Afghanistan and Liberia.

Within the EU, the expectation is that Council will confirm its position on the Nairobi package at the next meeting of the Foreign Affairs Council, under the Dutch presidency, on 18 January 2016.

It is also available online at: http://www.parliament.uk/writtenstatements.

[HCWS456]

COMMUNITIES AND LOCAL GOVERNMENT

Neighbourhood Planning

The Minister for Housing and Planning (Brandon Lewis): On 9 July 2015, I extended for a period of six months the criteria for consideration of the recovery of planning appeals to include proposals for residential development over 10 units in areas where a qualifying body has submitted a neighbourhood plan proposal to the local planning authority or where a neighbourhood plan has been made (Hansard HCWS90); and I am now extending that period for a further six months from today.

[HCWS457]

SCOTLAND

Smith Commission Agreement

The Secretary of State for Scotland (David Mundell): On 27 November 2014 the Smith Commission published its heads of agreement on the devolution of further powers to the Scottish Parliament. The Smith Commission agreement was the first time that all five of Scotland’s major political parties came together to agree the constitutional future of Scotland and was an historic achievement.

In addition to the provisions requiring legislation which are being taken forward in the Scotland Bill, the Smith Commission agreement identified a number of areas for further consideration between the UK and Scottish Governments. In the period since the Smith Commission, the UK and Scottish Governments have held discussions on these matters. The attached table provides information on work in these areas.

The agreement also identified a number of areas where non-legislative action was required. Discussions on the agreement of a new fiscal framework for Scotland and work to strengthen intergovernmental working are on-going. The attached table provides an update on other such areas, including the agreement of memorandums of Understanding in relation to the BBC and the Maritime and Coastguard Agency.

Attachments can be view online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statements/

[HCWS458]
BUSINESS, INNOVATION AND SKILLS

Labour Market Enforcement

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): My right hon. Friend the Secretary of State for the Home Department and I will today publish the Government’s response to the consultation “Tackling Exploitation in the Labour Market”. The consultation paper was published on 13 October 2015 and the consultation closed on 7 December 2015.

The consultation sought views on four proposals:

- Creating the role of director of labour market enforcement to set the strategic priorities for labour market enforcement bodies (the Employment Agency’s standards inspectorate, Her Majesty’s Revenue and Customs’ national minimum wage team and the Gangmasters Licensing Authority) in an annual labour market enforcement strategy;
- Allowing data sharing between the director, the intelligence hub, labour market enforcement bodies and other bodies with intelligence that inform the preparation of the labour market enforcement strategy;
- Creating a new labour market undertaking and enforcement order regime, backed up by a criminal offence and custodial sentence—to allow us to tackle repeat labour market offenders and rogue businesses; and
- Reforming the Gangmasters Licensing Authority to become the gangmasters and labour abuse authority with stronger powers to tackle labour exploitation across the economy.

The consultation responses gave broad support for the Government’s proposals. Therefore we will introduce these measures to tackle labour market exploitation, secure decent, lawful working conditions and make sure that people receive the rights and wages to which they are entitled. My hon. Friend the Home Office Lords Minister will today table amendments to the Immigration Bill to bring these measures in to law.

The Government response document, which sets out further detail, can be found on the gov.uk website.

[HCWS459]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Environment Council

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): I attended the EU Environment Council in Brussels on 16 December. I would like to update the House on the matters discussed.

Draft Council Conclusions on the Mid-Term Review of the EU Biodiversity Strategy to 2020

The conclusions were adopted, and were welcomed by Ministers and the Commission who also underlined that further work was still needed to meet the strategy’s contribution requiring a cash transfer. The other 80% is “callable capital”—the AIIB can call on it if needed. As the paid-in capital is an investment, in return for which we get an asset of a new bank, the Office for Budget Responsibility has forecast this payment as a financial transaction. Financial transactions do not add to public sector net borrowing.

As the cash for this payment will form part of HM Treasury’s supplementary estimate 2015-16, which is expected to achieve Royal Assent in the associated Supply and Appropriation Bill in mid to late March, HM Treasury will use the Contingencies Fund to make the payment.

This payment is in line with the authority provided by this House under the Asian Infrastructure Investment Bank (Initial Capital Contribution) Order 2015. Parliamentary approval for additional capital of £83 million for this new expenditure will be sought in a supplementary estimate for HM Treasury. Pending that approval, urgent expenditure of £83 million—to allow for exchange rate movements—will be met by repayable cash advances from the Contingencies Fund.

Further, the payment of the first instalment of the capital contribution incurs with it a contingent liability. In line with the articles of agreement, the contingent liability rises in line with the amount of callable capital paid. As such, the UK will incur a proportionate contingent liability of US$488,752,000. A departmental minute to this effect was laid before Parliament on 30 November 2015 to give at least 14 sitting days’ notice of the intent to incur a contingent liability. The notice period was completed on 5 January 2016.

Although the AIIB has the right to call for payment of this callable capital if there is a crisis affecting the bank’s assets or loans, no such instance has occurred in any major multilateral development bank (MDB) in the past. If the liability were to be called, provision for any payment would be sought through the normal supply procedure.

In joining the AIIB the UK is demonstrating its support for China’s initiative to establish the AIIB to address the historic shortage of infrastructure investment in Asia. The AIIB will support economic growth in the region and drive up living standards. The UK’s membership will deepen economic ties with Asia and create opportunities for British businesses.
objectives by 2020. Member states also noted the importance of the EU nature directives and the need to retain them in their current form to provide certainty and avoid any diminishing of standards. The UK raised concerns over the implementation of the nature directives. It concluded that the best way to address these would not be through reopening the directives themselves, but instead through looking at much better approaches to implementation.

**National Emission Ceilings Directive**

The Council adopted a general approach on the national emission ceilings directive. Following negotiations in the Council, the presidency secured a comfortable qualified majority for its compromise text. Denmark, Poland, and Austria voted against and Germany abstained. Although the Commission emphasised that it would prefer a higher level of ambition, it supported the presidency’s push to move to the next stage of negotiations. Notwithstanding their national position, the Netherlands reassured member states that, as presidency, they would defend the position reached by the Council in forthcoming negotiations with the European Parliament. The UK welcomed the agreement while indicating the very limited room for manoeuvre during the future negotiations with the European Parliament.

**Any Other Business: Circular Economy**

Under any other business, the Council took note of information provided by the Commission on the recently published circular economy package. Member states welcomed the package, although a number of concerns were raised. The UK regretted that insufficient attention was shown to potential benefits the circular economy could bring on jobs and growth, and raised concerns about the target-based approach. Negotiations will begin in earnest in January 2016.

**Any Other Business: Paris Climate Change summit**

All Ministers signed a congratulatory letter to the French presidency of the Paris summit, and Ministers were thanked for their support and unity during the negotiations. The Commission described the outcome as a triumph for EU co-operation and for multilateralism more generally, while noting the EU’s role in building the influential high ambition coalition. The Commission set out its next steps: to draft a Council decision for signing of the Paris agreement; progress the negotiations of revision of the EU emissions trading system (ETS); produce legislative proposals for “effort sharing” of reductions outside the EU ETS including land use considerations; and make proposals on the decarbonisation of transport.

**Any Other Business: Further Points**

Council noted information provided by the presidency, supported by seven member states, on the challenges and options for improving implementation of legislation on chemical products in scope of Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) legislation.

Council also noted information provided by Sweden on sustainable methods of producing and consuming medicines and managing the resulting waste. The Commission was about to launch a study on the environmental impacts of such substances.

Council further noted information provided by Greece on the forthcoming meeting of the contracting parties (COP10) to the Barcelona convention.

Council noted information provided by Belgium on reducing pollution caused by consumption on the move, a so-called European deposit scheme. The Commission did not intend to introduce such a scheme, after a feasibility study had suggested there would be disproportionate costs, but noted that member states were free to set up their own schemes.

The Commission briefly presented the state of the energy union report, as had been done in other Council formations. Four political messages were emphasised: first, that energy union was closely aligned with the UN climate process, and that the EU must remain a global leader on implementing low carbon transition; secondly that energy union was something the Commission needed to lead, but that this needed action and engagement from all member states; thirdly, that the geopolitical challenges on this issue are unlikely to reduce; and finally, that governance was a key issue.

The Netherlands presented information on the work programme for their presidency.

**Lunchtime Discussion**

Over lunch, Ministers exchanged views on the latest developments concerning the automobile sector and emissions testing.

[HCWS462]

**FOREIGN AND COMMONWEALTH OFFICE**

**Gifting of equipment: Lebanese Armed Forces**

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): It is the normal practice when a Government Department proposes to make a gift of a value exceeding £300,000 for the Department concerned to present to the House of Commons a minute giving particulars of the gift and explaining the circumstances; and to refrain from making the gift until 14 parliamentary sitting days after the issue of the minute, except in cases of special urgency.

The crisis in Syria is having a direct effect on its neighbours, particularly in areas adjacent to Lebanon's eastern border. The UK remains firmly committed to Lebanon's stability, and in supporting the Lebanese armed forces (LAF) to minimise contagion from the Syrian conflict, and to combat the spread of Daesh. As part of this commitment, since 2012, the UK has been assisting the LAF, through the rapid land border security assistance project, to establish and mentor the LAF land border regiments (LBRs). The mission of the LBRs is to observe, identify, deter and deny activities by illegal armed actors in the near border areas, in line with agreed international human rights standards. Between 2012 and 2015 around £26 million of conflict pool and conflict security stability funds were allocated to provide observation, protection, mobility and communications equipment to 1, 2, and 3 LBRs, and to establish the lead elements of a 4th LBR, as well as a programme of training and mentoring.

The command element of 4LBR has been established, and 4LBR is preparing its deployment plan to cover the remaining 25% of the borders with Syria from Arsal to Masnaa. Recent actions in the Arsal area, and the
threat that Daesh poses to UK interests, make it imperative that the LAF completes the expansion of the LBRs southwards, as part of an overall strategy to bring the entire eastern border with Syria back under the authority of the state.

Subject to assessment under the consolidated EU and national arms export licensing criteria, we intend to gift a package of £967,450.00 of personal protection equipment to start the establishment of the 4th Land Border Regiment of the Lebanese armed forces. The proposed gift will be funded by the Government’s conflict, security and stability fund and will consist of the following UK sourced equipment:

Personal Protective Equipment—£967,450.00.

The proposed gift is being scrutinised to ensure that it is consistent with export controls and complies with our international obligations. The proposed gift has been scrutinised and approved by a senior, cross-Whitehall Conflict, Stability and Security Fund (CSSF) Approval Board, which has confirmed that it fits with the Government’s strategic and delivery objectives. Foreign and Commonwealth Office officials also assessed the project for human rights risks, using the overseas security and justice assistance guidelines established by the Foreign Secretary in 2011.

The Treasury has approved the proposal in principle. If, during the period of 14 parliamentary sitting days beginning on the date on which this minute was laid before the House of Commons, a Member signifies an objection by giving notice of a parliamentary question or a motion relating to the minute, or by otherwise raising the matter in the House, final approval of the gift will be withheld pending an examination of the objection.

[HCWS463]

WORK AND PENSIONS

Diffuse Mesothelioma Payment Scheme

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): The Diffuse Mesothelioma Payment Scheme (Levy) Regulations 2014 require active insurers to pay an annual levy based on their relative market share for the purpose of meeting the costs of the diffuse mesothelioma payment scheme (DMPS). This is in line with the commitment by the insurance industry to fund a scheme of last resort for sufferers of diffuse mesothelioma who have been unable to trace their employer or their employer’s insurer.

I can announce today that the total amount of the levy to be charged for 2015-16, the second year of the DMPS, is £23.2 million. It is estimated that the full cost of the scheme in 2015-16 will be £31 million, but, as the amount levied in 2014-15 was greater than the final cost of the scheme for that year, £7.8 million has been carried forward into 2015-16. The £23.2 million will be payable by active insurers by the end of March 2016.

Individual active insurers will be notified in writing of their payment amount—i.e. their share of the levy—together with how the amount was calculated and payment arrangements. Insurers should be aware that it is a legal requirement to pay the levy within the set timescales.

I am pleased that the DMPS has seen a successful first year of operation. The first annual report for the scheme was published in November 2015 and is available on the gov.uk website. I hope that Members of both Houses will welcome this announcement and give the DMPS their continued support.

[HCWS460]
Written Statements

Wednesday 13 January 2016

DEFENCE

 Defence Science and Technology Laboratory Trading Fund Review

The Minister for Defence Procurement (Mr Philip Dunne):
I am announcing today that following a review of its status, the Defence Science and Technology Laboratory (DSTL) will continue to remain an Executive agency of the Ministry of Defence (MOD), but its trading fund status will be revoked from April 2017.

Since its creation in 2001, DSTL has been at the forefront of national security, working with international partners and industry to deliver a range of high-impact science and technology solutions, such as developing life-saving armour and deploying scientists to contain the Ebola outbreak. I am pleased to report that the review has strongly reaffirmed the ongoing need for DSTL’s services for both defence and wider national security.

In order for DSTL to continue to fulfil this role, the review has recommended that DSTL continues as an Executive agency of the MOD. This will be the most effective and efficient option for the future of DSTL because it preserves the flexibility and agility DSTL has to work across the MOD, wider Government and internationally, but will also promote greater efficiency in the delivery of science and technology, and bring about a renewed focus on strategic partnerships with our allies, other laboratories, academia and industry. However, because DSTL’s income comes largely from customers within Government, it has been agreed that DSTL can no longer remain a trading fund and will come within the ambit of the defence vote from 1 April 2017.

DSTL has a bright future within MOD, and will continue to play a key part in delivering the MOD’s science and technology strategy as well as supporting the rest of Government on vital national security tasks and our international partners. The strategic defence and security review has reiterated the importance of science, technology and innovation in meeting our national security needs into the future and the retention of DSTL as an MOD agency fully supports the delivery of that strategy.

There is now more work to do in order to transition DSTL’s organisational status and I look forward to seeing the changes recommended by the review becoming operational by April 2017.

FOREIGN AND COMMONWEALTH OFFICE

North Korean Nuclear Test

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): At 0400 GMT on 6 January North Korean state media claimed that it had successfully conducted its first hydrogen bomb test at 0130 GMT. The Comprehensive Test-Ban Treaty Organisation reported seismic signatures with a magnitude of 4.85, consistent with previous North Korean nuclear tests. We assess that the size of the seismic event caused by the nuclear test, while indicative of a nuclear explosion, is not indicative of the successful test of a thermonuclear weapon (also known as a hydrogen bomb); however this nuclear test is a serious violation of UN Security Council resolutions 1718, 1874, 2087 and 2094. North Korea’s nuclear and ballistic missile programme poses a significant threat to international security and regional stability. North Korea’s repeated provocations hinder the prospects for lasting peace on the Korean peninsula.

On 6 January I issued a statement strongly condemning the nuclear test as a grave breach of UN Security Council resolutions. While travelling in the region last week I spoke to my South Korean, Japanese and Chinese counterparts about the international response. I have also spoken to the US Secretary of State. The Minister of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for East Devon (Mr Swire), summoned the North Korean Ambassador to the Foreign and Commonwealth Office on 7 January in order to underline, in the strongest terms, the UK’s firm condemnation of this nuclear test and to make clear to North Korea that it can either engage constructively with the international community, or face increasing isolation and further action by the international community.

We worked to secure, and strongly support, the UN Security Council’s swift condemnation of this nuclear test in its statement following its emergency meeting on 6 January. The Security Council agreed that this North Korean nuclear test was a clear violation of existing Security Council resolutions; and that there should be a robust response including immediate work on further significant measures in a new Security Council resolution.

The UK remains deeply concerned by North Korea’s continued development of its nuclear and ballistic missile programmes. We continue to urge North Korea to return to credible and authentic multilateral talks on its nuclear programme, to abide by its obligations under the Nuclear Non-Proliferation Treaty, and to permit full access by the International Atomic Energy Agency.

PRIME MINISTER

UK Delegation to the Parliamentary Assembly of the Council of Europe

The Prime Minister (Mr David Cameron): This written ministerial statement confirms that Lord Wright of Richmond has been appointed as a substitute member of the United Kingdom delegation to the Parliamentary Assembly of the Council of Europe in place of Baroness O’Loan.
Written Statements
Thursday 14 January 2016

CABINET OFFICE

Government Consultation Principles

The Chancellor of the Duchy of Lancaster (Mr Oliver Letwin): Today, I am publishing a revised set of Government consultation principles. These principles are intended to produce clear guidance to Government Departments on the conduct of consultations. They have been amended in the light of comments from the Secondary Legislation Scrutiny Committee, and demonstrate the Government's desire to engage more effectively with the public.

We will use more digital methods to involve a wider group of consultees at an earlier stage in the policy forming process. We will make it easier for the public to contribute and feed in their views, and we will try harder to use clear language and plain English in consultation documents.

We will also reduce the risk of “consultation fatigue” by making sure that we consult only on issues that are genuinely undecided.

A copy has been placed in the Library, and can be found online at: https://www.gov.uk/government/publications/consultation-principles-guidance

[HCWS467]

EDUCATION

Children’s Social Care Reform

The Secretary of State for Education (Nicky Morgan): I am today announcing a series of changes that will radically transform the children's social care system.

Social workers change lives. They have the ability not just to improve the circumstances of vulnerable children but to change them, and therefore their futures, entirely. That is why supporting social workers, and giving them the tools they need, is a priority for this Government. We must give every child the best start in life and make sure that every child can fulfil their potential—regardless of the circumstances they were born into. And we must make sure our support for the most vulnerable is at the heart of that commitment.

I am, therefore, announcing that:

With the support of my colleague the Secretary of State for Health, it is our intention to establish a new regulatory body for social work, in place of the Health and Care Professions Council. It is our intention to bring forward any necessary legislation when parliamentary business allows.

We want to raise the quality of social work and overhaul social worker education and practice to improve the recruitment, retention and development of social workers. We are doing this by providing definitive statements on the knowledge and skills that social workers should have and display at three important levels, approved child and family practitioner; practice supervisor and practice leader and we are rolling out a national, practice-focused, career pathway through the development of an assessment and accreditation system based on the highest levels of skill and knowledge. Schemes like Teach First have helped transform teaching into one of the most prestigious and high status professions in the country, and we must now do the same for social work. And that is why we will be investing a further £100 million into Frontline, and into our specialist course, Step-up.

I am also granting three further councils—Cambridgeshire, Lincolnshire and Islington—freedoms to innovate, to improve frontline children's social work and to develop new systems of delivering social care and trialling new ways of working with families. These new councils will join the six areas that are already part of the programme, as announced by the Prime Minister in December last year—North Yorkshire, the tri-borough authorities (Westminster, Hammersmith & Fulham, and Kensington & Chelsea), Leeds, Durham and Richmond and Kingston.

In addition, Government funding of up to £20 million will be made available for a new “What Works Centre”, with the aim of making sure social workers and others across the country are able to learn from the very best examples of frontline social work. The new centre will run from later in the year.

Supporting social workers, and giving them the tools they need, is a priority for this Government and a personal priority for me as Secretary of State. These reforms are about getting it right for social workers, so that social workers can get it right for our most vulnerable children and families.

Copies of my speech and the paper “Children’s social care reform—A vision for change” will be placed in the Libraries of both Houses.

[HCWS469]

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs and General Affairs Councils

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 18 January and I will attend the General Affairs Council on 18 January. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council will be chaired by the Dutch presidency. The meetings will be held in Brussels.
**Foreign Affairs Council**

The expected agenda for the Foreign Affairs Council will include Syria, Iraq and Ukraine. The Jordanian Foreign Minister will attend lunch where discussion will focus on Syria, Iraq, Daesh.

**Syria**

Ministers will exchange views on the International Syria Support Group meeting in December and the adoption of UN Security Council resolution 2254, as well as the prospects for the talks between the Syrian parties in early 2016 and the situation on the ground.

**Iraq**

Following the FAC conclusions on Iraq agreed at the December FAC, Ministers will have an opportunity for an in-depth discussion of the political and security situation in Iraq. This will come at an important time, given the recent capture of the town of Ramadi from Daesh. We expect the discussion to focus on what more the EU and member states can do to support long-term security, stability and prosperity in Iraq. We will also use the opportunity to look forward to the review of the EU ISIL/Syria/Iraq strategy to be completed in March.

**Jordan**

Ministers will be joined for lunch by the Foreign Minister of Jordan, Mr Nasser Judeh. Jordan is a key ally in the fight against Daesh, and is host to over 630,000 refugees from the Syria crisis. At the upcoming Syria donor conference the UK aims to secure increased international support to Jordan’s long-term economic resilience and stability. Ministers will discuss measures that the EU can take and the full range of regional issues.

**Ukraine**

Ministers are expected to exchange views on Ukraine’s reform programme and agree a set of priorities that will direct the work of the EU’s support group to Ukraine. We also expect Ministers to discuss what further support the EU can give Ukraine for the implementation of its reform programme, including on strategic communications.

**General Affairs Council**

The General Affairs Council (GAC) on 18 January is expected to focus on the presidency work programme and preparation of the European Council on 18 and 19 February 2016.

**Presidency Work programme**

The Dutch presidency commenced on 1 January. The Dutch Foreign Minister, Albert Koenders, will set out the presidency’s programme and priorities for the current semester. The programme is based on the presidency trio programme, developed jointly with Slovakia and Malta, but will focus on four main themes: jobs and growth; labour mobility; the Eurozone; and a Union of freedom, justice and security.

**Preparation of the February European Council**

The GAC will prepare the agenda for the 18 and 19 February European Council, which the Prime Minister will attend. The draft February European Council agenda covers: the UK’s EU renegotiation, migration, and economic issues.

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**Immigration Detention: Vulnerable Persons**

**The Minister for Immigration (James Brokenshire):**

The Government are committed to an immigration system that works in Britain’s national interest, and commands the confidence of the British people. Coming to the United Kingdom to work, study or visit is a privilege, not an unqualified right. Accordingly, the Government expect anyone who comes to the UK to comply with their visa conditions and, if they do not, to return home voluntarily at the first opportunity.

We have put in place a robust legal framework, which prevents the abuse of appeals procedures and encourages timely and voluntary departures by denying access to services, such as bank accounts, rental property, the labour market and driving licences, to those with no right to be here. Where individuals nonetheless fail to comply with immigration law, and refuse to leave, we will take enforcement action to remove them from the UK. Where it is necessary for the purposes of removal, and taking into account any risk that an individual may abscond, this will involve a period of detention—which of course can be avoided if the individual departs voluntarily. The Government are clear that in these circumstances it is in the public interest to detain and remove such individuals, and the vast majority of those in detention are, accordingly, those who have made their way to the United Kingdom unlawfully or breached their conditions of entry, have failed to make their case for asylum, or are foreign criminals.

It is a long-established principle, however, that where an individual is detained pending removal there must be a realistic prospect of removal within a reasonable time. Depriving someone of their liberty will always be subject to careful consideration and scrutiny, and will take account of individual circumstances. It is vital that the system is not only efficient and effective but also treats those within it with dignity and respect, and takes account of the vulnerability of those detained.

It is against this background that in February last year the Home Secretary asked Stephen Shaw to conduct a review of the welfare of vulnerable individuals in detention. His review is being published today (Cm 9186). It makes recommendations for operational improvements, for changes to the policy on detaining vulnerable people, and for changes to the provision of healthcare services in detention. Copies have been laid in the House. The Government are grateful to Mr Shaw for his review, welcome this important contribution to the debate about effective detention, and accept the broad thrust of his recommendations. Consistent with our policies, we will now take forward three key reforms, working across Government and the national health service and with private sector providers.

First, the Government accept Mr Shaw’s recommendations to adopt a wider definition of those at risk, including victims of sexual violence, individuals with mental health issues, pregnant women, those with learning difficulties, post-traumatic stress disorder and elderly people, and to recognise the dynamic nature of vulnerabilities. It will introduce a new “adult at risk” concept into decision-making on immigration detention.
with a clear presumption that people who are at risk should not be detained, building on the existing legal framework. This will strengthen the approach to those whose care and support needs make it particularly likely that they would suffer disproportionate detriment from being detained, and will therefore be considered generally unsuitable for immigration detention unless there is compelling evidence that other factors which relate to immigration abuse and the integrity of the immigration system, such as matters of criminality, compliance history and the imminence of removal, are of such significance as to outweigh the vulnerability factors. Each case will be considered on its individual facts, supported by a new vulnerable persons team. We will also strengthen our processes for dealing with those cases of torture, health issues and self-harm threats that are first notified after the point of detention, including bespoke training to GPs on reporting concerns about the welfare of individuals in detention and how to identify potential victims of torture.

Second, building on the transfer of healthcare commissioning in immigration removal centres to the NHS, and taking account of the concerns expressed by Mr Shaw about mental healthcare provision in detention, the Government will carry out a more detailed mental health needs assessment in immigration removal centres, using the expertise of the Centre For Mental Health. This will report in March 2016, and NHS commissioners will use that assessment to consider and revisit current provision. In the light of the review the Government will also publish a joint Department of Health, NHS and Home Office mental health action plan in April 2016.

Third, to maximise the efficiency and effectiveness of the detention estate, and in response to Mr Shaw’s recommendation that the Home Office should examine its processes for carrying out detention reviews, the Government will implement a new approach to the case management of those detained, replacing the existing detention review process with a clear removal plan for all those in detention. A stronger focus on and momentum towards removal, combined with a more rigorous assessment of who enters detention through a new gate-keeping function, will ensure that the minimum possible time is spent in detention before people leave the country without the potential abuse of the system that arbitrary time limits would create.

The Government expect these reforms, and broader changes in legislation, policy and operational approaches, to lead to a reduction in the number of those detained, and the duration of detention before removal, in turn improving the welfare of those detained. Immigration enforcement’s business plan for 2016-17 will say more about the Government’s plans for the future shape and size of the detention estate.

More effective detention, complemented by increased voluntary departures and removing without detention, will safeguard the most vulnerable while helping control immigration abuse and reducing costs.

[HCWS470]
Written Statement

Monday 18 January 2016

DEFENCE

Ukraine: Update

The Secretary of State for Defence (Michael Fallon): I have today laid before Parliament a Ministry of Defence departmental minute describing a further gifting package which the UK intends to make to the Government of Ukraine.

As I stated in my written ministerial statement of 19 November 2015 (Official Report: column 21WS), the Ukraine armed forces (UAF) face a chronic shortage of basic equipment.

This gift meets a specific Ukrainian request for assistance in alleviating medical casualties, often severely wounded. The UAF urgently need individual first aid kits and have continued to request them from allies. We have previously gifted first aid kits on several occasions in 2015.

The departmental minute describes a gifting package to the Ukrainian armed forces which is vitally needed and which will provide immediate benefit. The gift comprises 3,500 individual first aid kits (IFAKs). The total value of the gift is £478,800. Transport will be by military aircraft transfer, costing some £35,000.

Subject to completion of the departmental minute process, delivery is expected to be undertaken in April in sufficient time for the UK’s training courses for 2016-17.

[HCWS471]
The Minister for Small Business, Industry and Enterprise (Anna Soubry): My noble Friend the Minister of State for Trade and Investment (Lord Maude of Horsham) has today made the following statement.

The Government aim to increase the number of exporting businesses by 100,000, from 188,000 in 2010 to 288,000 by 2020, and to increase the value of exports significantly. This will require a step-change in UK exports. Some of the factors that affect exports are beyond our control, including for example the strength of the pound vis-a-vis other major currencies, the decline in the growth of global trade and the changing role of emerging markets. There are, however, things that Government can and should do to make a difference to exports.

We intend to:

- drive up the number of exporters through an increasingly digital offer (such as exporting is great) that will lead businesses to the right advice and support, including a joined-up HMG toolkit;
- drive up the value of exports, by focusing attention on those markets with the biggest opportunities for sectors in which the UK is or can be a strong competitor and where Government can add most value; and,
- drive up the future pipeline of export opportunities, which includes ensuring that British businesses are poised to seize the opportunities generated through the prosperity fund’s activities to promote inclusive growth and sustainable development.

This will require a whole-of-Government approach, bringing together resources from across Whitehall. Integrated industry sector teams will report to departmental Ministers with responsibility for wider policies for that sector (e.g. food and drink in DEFRA). This will better leverage our specialist knowledge and existing relationships with business, and enable joined-up policy and operational delivery. This will require significantly improved cross-Whitehall engagement on exports, as well as other major changes to UKTI’s operating model. Under the new model, a streamlined UKTI HQ will lead and convene overall Government activity to drive up exports. Business planning will become more rigorous, to give greater clarity and confidence on the resources available to sector Ministers and overseas heads of missions. Importantly, this joined-up approach will help ensure that exports are supported by domestic policies.

UKTI is developing a single digital platform through which businesses can access HMG and private sector support. On its own, however, this is not enough to deliver the step-change needed in exports. UKTI’s current model relies heavily on giving advice to businesses. The new model will over time place much more emphasis on direct support for businesses that are seeking to export, drawing on the experience of what export promotion agencies do elsewhere in the world. We will pilot some of these ideas in a few sectors and/or localities over the coming months. As part of this, UKIF will work alongside the British Business Bank to ensure that Government’s financial offering to SMEs is coherent, easy to use, and fills identified market gaps. Importantly, where export services can be provided by the private sector, with little or no value provided by Government’s involvement, HMG ultimately intends to exit that market and focus instead on fostering the conditions for an invigorated private sector export support marketplace.

Other work that supports exports will continue. This includes making the UK a more attractive environment for inward investment (which can often be a driver for exports), and working within the European Union to encourage the negotiation and implementation of free trade agreements.

The focus on trade as a Government priority has also been reinforced by the Prime Minister’s decision to appoint a number of new trade envoys, taking the total up to 24 covering 50 high growth and emerging markets. The trade envoy programme supports HMG’s overall strategy to drive economic growth. Envoy pairs are carefully selected for their experience, skills and knowledge of particular sectors or markets, or their knowledge of business. Their role is to help promote the UK’s excellence globally and champion HMG’s trade and investment priorities. The newly appointed trade envoys are:

- Angola—The right hon. Baroness Northover
- Burma, Brunei, Thailand—Mark Gamier MP
- Canada—Andrew Percy MP
- DRC, Mozambique—Richard Benyon MP
- Ethiopia—Jeremy Lefroy MP
- Ghana—Adam Afriye MP
- Iran—The right hon. Lord Lamont of Lerwick
- Morocco, Tunisia—Andrew Morrison MP
- Nigeria—John Howell MP
- Philippines, Malaysia—Richard Graham MP (extending his existing envoy role in Indonesia, ASEAN Economic Community)
- Taiwan—Lord Faulkner of Worcester
- Uganda, Rwanda—Lord Popat.

[HCWS474]

COMMUNITIES AND LOCAL GOVERNMENT

Voluntary Right to Buy Pilot

The Minister for Housing and Planning (Brandon Lewis): In October 2015, the Government announced the voluntary agreement with housing associations and the National Housing Federation that will extend right to buy discounts to 1.3 million more families across the country.

At autumn statement 2015, the Chancellor announced that, ahead of full implementation, there would be a pilot with five housing associations, which would inform the design of the main scheme.

The power of the Secretary of State to make payments to housing associations in respect of right to buy discounts would be established by clause 62 of the Housing and Planning Bill 2015.

The Government will provide funding for the pilot. The five housing associations will be compensated for their administrative costs up to the point of sale, and once the Housing and Planning Bill receives Royal Assent, would be compensated in full for the cost of the discounts.

Expenditure on the implementation of the pilot, including routine administration, communication, marketing, valuation and legal costs will take place relying on the sole authority of the Supply and Appropriation Act, subject to eligibility and approval. Expenditure will be met from the Department for Communities and Local Government’s existing budget.

The funding of sales and the contractual commitment to sales will be contingent upon the Housing and Planning Bill receiving Royal Assent.

[HCWS476]
CULTURE, MEDIA AND SPORT

Football Supporter Engagement and Ownership

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): I am today publishing the final report of the Government expert working group on football supporter ownership and engagement.

This is a report prepared by football, with the authorities that run the game, working together with supporter organisations that speak on behalf of fans up and down the land, with help from Government. It sets out a number of recommendations for what more can be done to encourage greater engagement between supporters and those that run their club, while also helping to remove barriers to supporter ownership, when such opportunities arise for credible supporters’ trusts to bid to own their club.

In bringing the various football interests together to report on issues creating barriers to supporter ownership and recommended action to overcome these, Government are fulfilling the commitment they made to the Culture Media and Sport Select Committee, following its inquiry into football governance in 2011 and the follow-up report in 2013.

The report recognises that football clubs play an important role in their local communities, and that supporter ownership is already happening at a number of football clubs, especially in the lower leagues. However, the path to achieving ownership has not been as straightforward as it seems, with supporters often without the necessary finance, expertise and opportunity to bid for their club when it becomes available.

This report sets out proposals to give supporters a fairer, more realistic chance of bidding for ownership should the opportunity arise. For example, administrators appointed for football club insolvcencies will now be obliged to meet with the accredited supporter trust and given the opportunity to bid for ownership. Supporters can also apply to the Premier League and fans fund panel for assistance to help with professional fees to build a credible bid, and a database will be created of suitable professional experts, who are football fans, willing to provide pro-bono advice to supporters’ bids. It goes without saying that supporters should be given an opportunity to bid for their club if it has failed, cannot continue in its current state or if there is consent from an owner looking to sell.

The Premier League has also agreed to provide an extra £1 million in funding—pending the outcome of the Ofcom investigation into how it sells its broadcasting rights—over the next three years via the fans fund to recognised football supporter organisations which provide a voice for supporters on ownership issues.

The report also asks Government to review the UK tax system, to see whether they may be able to offer incentives to supporter ownership bids, and community ownership in sport more generally. The Government will consider these proposals.

The report signals a need for there to be stronger dialogue between football club owners and a representative group of supporters on matters of strategic importance to the running of football clubs. This structured dialogue will provide a more inclusive way of ensuring supporters have access to strategic information, can discuss key issues with club owners and directors, and can hold them accountable. This should also foster improved relationships between fans groups and their clubs which may, over time, facilitate new opportunities for fans to invest in their clubs and encourage opportunities for collective share ownership.

Proposals outlined in the report have been approved by the various boards of the football authorities. The next step is for those boards to seek approval to these from their members and clubs, and where needed for these changes to be enshrined in their rulebooks. Government will work with them, where possible, to achieve this, and in doing so open up better supporter engagement with those that run their clubs and greater opportunities for supporter ownership.

I welcome this report and thank everyone involved, including the independent Chair Joanna Manning Cooper, for their hard work in the real progress that has been made. It shows what can be achieved with football and Government working together in partnership.

This report does not signal the end of the Government’s interest in supporter ownership and engagement. We will continue to review the situation and take further action if needed.

Government will also continue to challenge the football authorities to improve other areas in the governance and regulation in sport, including greater reform of authorites to improve other areas in the governance and regulation in sport, including greater reform of their decision-making bodies, to make these more representative of the game.

The report of the expert working group is being deposited in the Libraries of both Houses and is available at: https://www.gov.uk/government/publications/government-expert-working-group-on-football-supporter-ownership-and-engagement

Attachments can be viewed online at: http://www.parliament.uk/writtenstatements

FOREIGN AND COMMONWEALTH OFFICE

Iran: Implementation Day

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): On 15 July 2015, I made a statement to this House on the outcome of the nuclear negotiations with Iran, Official Report, columns 895-896. Almost exactly six months later, I would like to take this opportunity to update the House about reaching implementation day of the joint comprehensive plan of action, or JCPOA.

On 16 January the International Atomic Energy Agency (IAEA) verified that Iran has completed all of the steps required of it under annex V of the JCPOA in order to trigger phased sanctions relief. To reach this point Iran has: shipped out over 12 tonnes of enriched uranium to Russia, thus significantly reducing its stockpile to below 300 kg; removed over 13,000 centrifuges and associated infrastructure; and removed and made inoperable the core of the Arak plutonium reactor among other actions, a detailed list of which is included within the IAEA’s report. Implementation gives the IAEA unprecedented access to sites in Iran, so that Iran’s civil nuclear programme will operate transparently.
In return, these measures have triggered the first phase of significant UN, EU and US sanctions relief. This will begin to improve many of Iran's commercial relations, enabling it to trade with the world and benefit economically. There will be significant opportunities for British businesses and the Government are assisting them in identifying how to benefit from these. Restrictions remain in place to prevent proliferation, and Iran’s ballistic missile programme and arms sales also continue to be sanctioned.

Under the JCPOA, Iran is required to take further steps in order to trigger additional sanctions relief. Only after a further eight years, or when the IAEA reaches its broader conclusion about Iran's nuclear programme, will the remaining sanctions on Iran be lifted. We will continue to work, with our partners in the joint commission, to ensure that any concerns about the implementation of the deal are appropriately addressed.

Reaching this point is an important step in improving global security. I told the House in July that the threat of an Iranian bomb was removed. Implementation of the JCPOA cements this achievement. I shall continue to inform the House of significant developments on the JCPOA throughout this Parliament.

The Magna Carta Fund is the FCO’s strategic programme dedicated to human rights and democracy work. It aims to further British interests overseas by supporting high-impact projects which promote institution-building, and target systemic issues and the underlying causes of human rights problems. The increased size of the fund reflects the Government’s strong commitment to human rights and focus on strategic interventions which prevent their violation. It will play an important role in helping to meet objectives set out in the 2015 strategic defence and security review, to prevent conflict, strengthen the rule-based international system and promote human rights, good governance and the rule of law.

The programme has been reconfigured around manifesto commitments and three broad themes, which exploit the mutually reinforcing nature of human rights and effective institutions. The new strategy (published in full at: https://www.gov.uk/human-rights-and-democracy-programme) invites proposals that support:

- democratic values and the rule of law;
- the rules-based international order; and
- human rights for a stable world.

This approach encompasses our previous eight thematic priorities, but allows British embassies, high commissions and implementers around the world the flexibility to address the issues that matter most in the local context and to respond to developments. Over the course of this Parliament the programme aims to amass evidence that human rights provide practical solutions to a wide variety of real-world problems, and are integral to the security and prosperity of all.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): On 18 January, the Foreign and Commonwealth Office (FCO) launched a bidding round for the 2016-17 Magna Carta Fund for Human Rights and Democracy (MCFHRD), doubling (to £10.6 million) a fund known last year as the Human Rights and Democracy Programme (HRDP).
Written Statements

Wednesday 20 January 2016

CABINET OFFICE

Charities (Protection and Social Investment) Bill

The Minister for Civil Society (Mr Rob Wilson): I am today placing in the Library of the House the Department’s analysis on the application of Standing Order 83L in respect of the Government amendments tabled for Commons Report stage for the Charities (Protection and Social Investment) Bill.

Attachments can be found online at: http://www.parliament.uk/writtenstatements

HOME DEPARTMENT

Police Reform

The Secretary of State for the Home Department (Mrs Theresa May): The Government consulted in September 2015 on a series of reforms to enhance the powers of designated police staff and, for the first time, enable volunteers to be designated with powers without taking on the office of Special Constable. We also proposed that, for the first time, a single piece of legislation should set out the core list of powers available only to those that hold the office of constable.

As I said when I launched the consultation in September, the office of constable is central to the delivery of policing in England and Wales. But I was equally clear that we needed to explore whether police staff and volunteers could play a key role in helping officers to police our communities, bringing new skills and expertise, and freeing up police officers to concentrate on the core policing task that most requires their particular powers and experience.

Today I am announcing the Government’s consultation response, which sets out the key themes highlighted in the consultation and our response to the issues raised. We received 150 responses from a wide range of representative bodies and individuals, from members of police forces, existing police staff and volunteers and from the wider public.

The majority of the responses were supportive of all our proposed reforms and were clear that there is indeed a role for police staff and volunteers, provided of course that they are appropriately selected, trained and accountable for the role that they undertake.

The vast majority of responses (86%) agreed with the principal proposal to give chief officers a greater level of control over the designation of powers on their staff. Sixty seven per cent of responses agreed that chief officers should be able to designate powers on volunteers.

The proposal to create a list of powers exercisable only by police officers was very well received, with 92.5% of respondents welcoming this. The content of that list, as set out in the consultation document, was also well received, with few proposals to add to the list and none to subtract from it. We have accepted the suggestion from the Police Federation of England and Wales to add the power to conduct intimate searches to this list.

Given the majority of respondents welcomed all of the proposals, with the caveats in some areas as summarised above, we intend to legislate in the forthcoming Policing and Crime Bill to give effect to the proposals consulted on, with the small number of changes set out in the consultation response which has been published today.

[HCWS478]
Written Statements

Thursday 21 January 2016

TREASURY

ECOFIN: 15 January 2016

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): A meeting of the Economic and Financial Affairs Council was held in Brussels on 15 January 2016. Ministers discussed the following items:

Current legislative proposals
The presidency updated the Council on the state of play of financial services dossiers.

Presentation of the presidency Work programme
The new ECOFIN chair, Jeroen Dijsselbloem, provided an outline of the Dutch presidency’s Work programme.

European semester
The Council adopted conclusions on two European semester reports: the annual growth survey and the alert mechanism report. A Council recommendation on the economic policy of the euro area was also approved and will be sent to February European Council for endorsement.

Implementation of the banking union
The Commission gave an update on implementation of several dossiers linked to the banking union: the single resolution fund, the bank recovery and resolution directive and the deposit guarantee scheme directive.

Combating VAT fraud in the EU: Use of the reverse charge mechanism
An exchange of views was held in relation to widening the use of the reverse charge mechanism to combat VAT fraud in the EU.

Counter-terrorist financing
The Commission updated Ministers on progress to bring forward new proposals to reinforce the European framework in the fight against the financing of terrorism. The Council welcomed the update and will revisit the issue in February.

COMMUNITIES AND LOCAL GOVERNMENT

Rotherham Metropolitan Borough Council

The Secretary of State for Communities and Local Government (Greg Clark): On 26 February 2015, my predecessor the then Secretary of State for Communities and Local Government (Eric Pickles) and the Secretary of State for Education (Nicky Morgan) confirmed that, having considered the report of the inspection by Louise Casey CB and advice note from Sir Michael Wilshaw (HM Chief Inspector of Education, Children’s Services and Skills), Rotherham Metropolitan Borough was failing to comply with its best value duty. They therefore concluded that it was both necessary and expedient for them to exercise their intervention powers. Moreover, given the complete failure of political and officer leadership in the council at this time, the Secretary of State for Communities and Local Government decided that the intervention should be broad and wide ranging with commissioners exercising many of the authority’s functions until these could be confidently rolled back for the authority to exercise in compliance with its best value duty. A team of commissioners were appointed to exercise all executive functions of the authority, as well as some non-executive ones (e.g. licensing). They also had to oversee a rigorous programme of improvement to bring about essential changes in culture and ensure there is in future effective and accountable political and officer leadership.

Nearly a year on, a number of challenges remain but there have been significant areas of progress. Following consideration of submissions from the lead commissioner in support of his proposal, including the views of lay and expert panels and the results of a public consultation, Today I am therefore proposing, on the recommendation of the commissioner team, my intention to return certain functions to Rotherham Metropolitan Borough Council.

After careful consideration of the proposal and this further information provided by the lead commissioner, I am satisfied that the council is now able to exercise the functions identified by the lead commissioner in compliance with the best value duty, and that the people of Rotherham can have confidence that this will be the case. I am therefore considering exercising my powers under section 15 of the Local Government Act 1999 to return certain service areas, including all associated executive and non-executive functions, to the council to exercise. Returning these functions is of the start of building the effective and accountable political leadership and represents a clear milestone on the road to recovery.

The functions to be returned are:
Education and schools; education for 14-19 years in all settings; school admissions and appeal system; youth services; public health.
Leisure services; events in parks and green spaces.
Customer and cultural services, libraries, arts, customer services and welfare programmes.
Housing.
Planning and transportation policy; highways maintenance.
The council’s area assembly system and neighbourhood working; responsibilities under the Equalities Act.
Building regulation, drainage, car parking; environmental health; business regulation and enforcement (not including taxi licensing); emergency planning.
ICT; legal and democratic services; corporate communications; corporate policy; procurement; financial services, including benefits and revenues, but not including audit.
Budget control in these areas and budget planning.
Policy arising from Sheffield city region.

The returned functions do not include licensing; children’s services; adult social care; audit; and other functions which still remain high risk.

I am confident that this is the right time and these are the right functions to return to the council. The commissioners will provide oversight of the returned functions to ensure that they are exercised in accordance
with the best value duty. In addition they will continue to implement the rigorous programme of improvement they have started to bring about the essential changes in culture and ensure there is in future effective and accountable political and office leadership across the council.

I am placing a copy of the documents associated with these announcements in the Library of the House and on my Department’s website.

[HCWS482]

EDUCATION

Childcare Bill: Joint Online Childcare Application

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): During Second Reading of the Childcare Bill, my right hon. Friend the Secretary of State for Education announced that our extended childcare entitlement will be delivered via a joint online application being developed by Her Majesty’s Revenue and Customs (HMRC).

As I outlined during Committee Stage of the Childcare Bill, the Department for Education will be providing HMRC with funding for the development of the joint online application and eligibility checking system.

I can confirm today that for 2015-16, urgent expenditure estimated at £1 million will be met by repayable cash advances from the Contingencies Fund.

The development of the joint online application will mean that parents and children who will be eligible to benefit from both the extended entitlement and tax-free childcare will be able to apply for both schemes through one simple and straightforward system, saving them valuable time.

[HCWS481]

Reformed History of Arts Subject Content

The Minister for Schools (Mr Nick Gibb): The Government are reforming GCSEs and A-levels to be more knowledge-based and to make sure that they give students the best possible preparation for further and higher education, and for employment.

Schools are now teaching some of the new reformed GCSEs and A-levels, and we have already published reformed subject content for those GCSEs and A-levels to be taught from September 2016 as well as for some of the GCSE and A-levels to be taught from September 2017. Content for reformed GCSE subjects can be found at: https://www.gov.uk/search?q=gcses+subject+content and content for AS and A-level subjects at: https://www.gov.uk/search?q=gcse+as+and+a+level+subject+content.

Today I am publishing revised subject content for history of art AS and A-levels that will be taught in schools from September 2017.

Students will study a wide range of art and artists from different movements and periods including pre and post 1850, ensuring good breadth and depth of study. The content also includes the development of art over time, and the connections and interrelationship between different artists, periods and movements.

[HCWS480]
proceedings that might be open to the parties. My officials also consulted the president on the development of a specific form for such applications. We have provided a link to the new form in our letter to the parties, as well as guidance on how to complete the form.

I have instructed that no court fee will be charged for making this application, and this is also made clear in the letter from HMCTS.

We are also uploading a new version of form E which makes clearer how the calculation of net assets should be made. We will also consider the future of form E as part of our broader court reforms and the automatic calculator function will be disabled during this process.

This failure should not have happened. Divorce proceedings can be very difficult and I sincerely apologise for this situation and any distress it may have caused. 

[NHWS485]

NORTHERN IRELAND

Independent Commission on Information Retrieval

The Secretary of State for Northern Ireland (Mrs Theresa Villiers): The cross-party talks that ran from 8 September to 17 November last year, which culminated in the “Fresh Start” agreement, brought us closer than ever before to consensus on the best way to deal with Northern Ireland’s past. While we established much common ground, it was not possible to reach agreement on all issues. I am committed to working with the Northern Ireland parties, with the Irish Government as appropriate, and with representatives of victims and survivors, to build on the progress made during the talks. The UK Government are determined to resolve the outstanding issues that are preventing the establishment of the legacy institutions set out in the Stormont House agreement.

One of these institutions is the Independent Commission on Information Retrieval (ICIR). This will be an independent body designed to enable victims and survivors privately to receive information about the troubles-related deaths of their next of kin. As set out in the Stormont House agreement, and building on the precedent of the Independent Commission on the Location of Victims’ Remains, the ICIR will be an international body. To that end, the UK and Irish Governments have signed an international agreement to enable the establishment of the ICIR and to set out its functions. I propose therefore formally to lay the treaty once we are able also to introduce legislation. These particular circumstances mean that placing a copy of the treaty in the Libraries of both Houses is an appropriate way to ensure that Parliament is aware of the text of the treaty, without instigating the formal process of consideration.

In addition to the ICIR, the Stormont House agreement envisaged the establishment of the Historical Investigations Unit, the oral history archive and the Implementation and Reconciliation Group. Together, this set of institutions provides the best opportunity to help Northern Ireland deal with its past and provide better outcomes for victims and survivors, the people who we must never forget suffered more than anyone else as a result of the troubles. The Government are committed to implementing the Stormont House agreement and to establishing the legacy bodies it contains. I will continue to meet victims’ representatives and others over the coming days and weeks to discuss these matters and to build support for the new institutions.

[NHWS479]

CABINET OFFICE

Contingencies Fund Advance

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): The Cabinet Office has received a repayable cash advance from the Contingencies Fund of £37,199,000.

The requirement for this has arisen because the Cabinet Office cash receives a relatively high proportion of its voted resource programme funding at supplementary estimate, and so can only draw the related cash from the Consolidated Fund after the Supply and Appropriation Act has received Royal Assent in March 2016.

HM Treasury’s supply estimates guidance provides for a repayable cash advance from the Contingencies Fund in order to meet an urgent cash requirement for existing services when cash provision from the main estimate has been exhausted.

The cash advance will pay for programmes which will generate Government-wide benefits or savings and are urgent in the public interest.

The following programmes are funded from the reserve: various technology and property programmes announced in the 2015 summer budget which will generate savings across Government (£46,000,000); individual electoral registration (£9,750,000); and various Office for Civil Society programmes (£690,000).
The following programmes are funded from budgetary cover transfers from other Government Departments:

- various national security programmes (£17,465,000);
- a cross-government secure IT programme (£15,931,000);
- an identity assurance programme (£19,657,000);
- cross-government shared services (£3,836,000);
- common technology services (£3,500,000);
- cross-government Gulf strategy commitments (£1,491,000);
- various Office for Civil Society programmes (£1,300,000);
- financial management review target operating model (£300,000);
- and diversity and inclusion (£279,000).

The requirement for an advance is reduced by cash proceeds from the sale of Admiralty arch (£65,000,000), and budgetary cover transfers to other Departments for the GREAT campaign (£18,000,000).

Parliamentary approval for additional resources of £37,199,000 will be sought in a supplementary estimate for the Cabinet Office. Pending that approval, expenditure estimated at £37,199,000 will be met by repayable cash advances from the Contingencies Fund.

[HCWS483]
Written Statement

Friday 22 January 2016

FOREIGN AND COMMONWEALTH OFFICE

National Memorial to British Victims of Overseas Terrorism

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Today, the Government are launching a public consultation to help inform the creation of a national memorial to the British victims of overseas terrorism.

We are all aware of the devastating terrorist events that have taken place overseas in recent years, not least the atrocities in Paris. Following the terrorist attacks in Tunisia last year, my right hon Friend, the Prime Minister, announced that funding would be made available for a memorial dedicated to UK nationals who have been killed in terrorist atrocities overseas. My right hon Friend, the Chancellor of the Exchequer, also announced in the Summer Budget 2015 that the national memorial would be funded by banking fines. Official Report, 8 July 2015, column 326.

We are launching this consultation in order to gather views on how the national memorial should be developed. We recognise that, for many, this will be a sensitive issue. We have worked with the Victims’ Commissioner, Victim Support and the British Red Cross, and with representatives of victims’ families to ensure that the consultation allows people to express their views, while remaining as sensitive as possible to individuals’ circumstances.

We propose that the memorial should be an enduring physical memorial that allows those affected to reflect upon their own loss in a way that is meaningful to them. We should not attempt to prescribe the nature of events, or the loss experienced by families and friends, in a rigid way. Consequently, the memorial should carry a dignified inscription to the victims of overseas terrorism and should not bear individual names or terrorist events.

The consultation will ask respondents whether they would prefer the national memorial to be in central London—where it might be seen by some to give due prominence to the memory of those who have died—or at the National Memorial Arboretum in Staffordshire—a peaceful location for personal reflection at the heart of the United Kingdom.

The consultation will be open for six weeks until 4 March 2016.

[HCWS486]
Petitions

Tuesday 5 January 2016

OBSERVATIONS

ENERGY AND CLIMATE CHANGE
Climate Change

The petition of residents of the UK,

Declares that more action needs to be taken by the UK Government to address the threat of global warming; and further that steps should be in place to promote the use of renewable energy as part of a wider strategy to tackle climate change before the problem gets worse.

The petitioners therefore request that the House of Commons urges the Government to implement a comprehensive energy strategy that will address the threats of climate change, both here in the UK and abroad.

And the Petitioners remain, etc. —[Official Report, 19 October 2015; Vol. 600, c. 7P] [P001550]

Observations from the Minister of State, Department of Energy and Climate Change (Andrea Leadsom); received 18 December 2015:

The Government have set out clear strategic priorities for Energy and Climate Change policy for this Parliament. These are:

- secure energy so people can get on with their lives and businesses can plan for the future;
- affordable energy so bill payers get a good deal; and,
- clean energy to safeguard the country’s future economic security and ensure we meet our climate change commitments.

The Secretary of State for Energy and Climate Change has outlined a range of initiatives to deliver on these priorities by developing an energy system that puts consumers first, delivers more competition, reduces the burden on bill payers and ensures enough electricity generation to power the nation.

A cornerstone of our new energy strategy is the planned consultation to close all unabated coal-fired power stations by 2025, and restrict their use from 2023. This is significant as even with the huge growth in renewables over the past decade our dependence on coal has not reduced. Indeed a higher proportion of our electricity came from coal in 2014 than in 1999. If the UK takes this step we will be one of the first developed countries to deliver on a commitment to take coal off the system.

New nuclear power stations will also have a central role to play in Britain’s energy future as a means of providing low carbon generation. We are dealing with a legacy of under-investment and with Hinkley Point C planned to start generating in the mid-2020s, this is already changing. There are also plans for new nuclear stations at Wylfa and Moorside and the Government will explore new opportunities, like Small Modular Reactors, which hold the promise of low cost, low carbon energy.

Renewable energy sources have increased dramatically over the past decade. In 2005 just 1.3% of UK final energy consumption originated from renewables. That has increased to 7.0% in 2014. Renewable electricity generation is driving that change, and in 2014 almost 20% of electricity generated in the UK was from renewable sources. With the current pipeline of projects, we are confident of achieving our ambition of 30% renewable electricity by 2020.

This deployment has led to some significant cost reductions. For example, the cost of solar has fallen by 60% since 2010. At the same time, some technologies have deployed at a fast rate. For example, with existing and planned future onshore wind projects the UK will be within the 11-13 GW range for 2020.

Some renewable technologies will continue to require Government support as costs fall. The Government have announced their intention to hold three auctions this Parliament, provided that the offshore wind industry meets conditions on cost reduction.

On the use of renewables in transport, the Government have taken a whole system approach to decarbonising the sector—promoting electrification alongside controlled biofuel deployment to maximise carbon reduction whilst continuing to make progress towards EU targets. To date this has included a £500 million commitment to make ultra-low emission vehicles more accessible to families and businesses and a requirement on fuel suppliers to ensure that 4.75% of transport fuels are sustainable biofuels.

Alongside this progress in developing renewable electricity and transport, the Government have announced a substantial increase in support for renewable heating. This will see funding for the world-first renewable heat incentive reaching £1.15 billion in 2020-21, as well as a commitment to spend an additional £300 million over the next 5 years on heat infrastructure, such as local heat networks.

As the petitioners note, climate change represents a significant threat to the welfare of the planet. As a country we have set ourselves the ambitious goal, one of the toughest in the world, of an 80% emissions reduction by 2050. Progress to date has been strong and emissions were 30% lower in 2013 than in 1990. The actions outlined above in the energy sector will help us achieve this goal, and we will bring forward plans in 2016 for Carbon Budgets four and five—the interim steps on the way to 2050.

However collective, global action is required to address climate change, not just activities in one country. That is why achieving a global deal at the on-going climate talks in Paris was so important. To this end, the Government have also increased by 50% the funding provided to help the most vulnerable countries protect themselves from the effects of climate change. This £5.8 billion from April 2016 to March 2021 will help countries reduce their emissions as well as adapt to the weather extremes and rising temperatures associated with climate change. Alongside this funding, the most important task for the UK is providing a compelling example to the rest of the world of how to cut carbon while controlling costs.

HOME DEPARTMENT

Overseas doctors and nurses

The petition of the people of Stoke-on-Trent,

Declares that we object to overseas doctors and nurses being forced to leave the UK after a six year period if their pay is below the amount stipulated by the government.
given that we the taxpayers have paid for additional training for these doctors and nurses and our NHS is at risk of collapse through staff shortages.

The petitioners therefore urge the House of Commons to reverse this policy.

And the Petitioners remain, etc.—[Presented by Robert Flello, Official Report, 16 September 2015; Vol. 599, c. 1156.]

Observations from the Minister for Immigration (James Brokenshire); received 22 December 2015:

The Government believe that in the past it has been too easy for employers to bring in workers from overseas rather than to take the long-term decision to train our workforce here at home. The Prime Minister has said that we need to do more to change that, which includes reducing the demand for migrant labour. We do not believe that it is sensible to rely on recruiting doctors and nurses from overseas, and the long-term aim is that we train our own staff in this country.

There will be a £10 billion real terms increase in NHS funding in England between 2014-15 and 2020-21. The Department of Health will reform the funding system for health students by replacing grants with student loans and abolishing the cap on the number of student places for nursing, midwifery and allied health subjects, enabling the provision of up to 10,000 additional nursing and health professional training places this Parliament. We are also investing in return to practice programmes and improving retention of existing staff. Health Education England forecast that more than 23,000 additional nurses will be in place by 2019. By 2021 there will be an extra 5,000 doctors in general practice.

As an interim measure, the Home Secretary has agreed, exceptionally, to place nurses on the shortage occupation list (SOL) pending a full review by the independent Migration Advisory Committee. This means that nurses will be prioritised for allocation of places within the annual limit of 20,700 places for non-EEA nationals admitted to the UK under Tier 2 (General)—the visa route for skilled workers.

From 2016, non-EEA workers will need to earn a salary of at least £35,000 to remain in the UK for longer than six years. However, as workers are exempt from the settlement pay threshold if they are in a role that is or has been on the shortage occupation list at any time while they have been sponsored to do that role, all nurses currently sponsored in Tier 2 will be exempt from the £35,000 threshold when they apply for settlement.

Several types of doctor, including those working in emergency medicine, are also recognised shortage occupations and will be exempt from the £35,000 settlement pay threshold. For those doctors in a role that has not been in shortage, we would expect the minimum earnings threshold to be achievable within the maximum six years’ leave that they may spend in the UK on a Tier 2 (General) visa.

For the future, the Government intend that employers should only bring in workers from outside Europe where we have genuine skills shortages or require highly-specialised experts. The Migration Advisory Committee has been asked to advise on how to achieve this, but with sufficient flexibility to include high value roles and key public service workers. The Committee is looking at selection criteria such as, but not limited to, salaries, particular attributes, economic need and skills level and we await their report with interest.
Petition

Wednesday 6 January 2016

OBSERVATIONS

TRANSPORT

Realignment of Diddington Lane in Hampton-in-Arden

The petition of residents of the UK,

Declares that the proposal to realign Diddington Lane, published as part of the Additional Provisions of the HS2 London to West Midlands Bill, is inconsistent with the character of the existing lane; further that the proposal to realign the lane will severely affect the village and village life by the addition of hundreds of cars every day using the village roads as short cuts to the station; further that we need a better solution than that proposed by HS2; and further that a local petition on this matter was signed by 746 individuals.

The petitioners therefore request that the House of Commons urges the Government to reverse the decision to allow Diddington Lane to remain open to all traffic, and allow a “Green Route” that would only be available to pedestrians, cyclists, equestrians, agricultural vehicles, HS2 Ltd maintenance vehicles and emergency vehicles.

And the petitioners remain, etc.—[Presented by Mrs Caroline Spelman, Official Report, 14 October 2015; Vol. 600, c. 456.]

Observations from the Minister of State, Department for Transport (Robert Goodwill):

The High Speed Rail (London-West Midlands) Bill is a hybrid Bill which has been referred to a Select Committee of this House. This is a matter for the Select Committee to consider.

Residents of Diddington Lane have petitioned against the Additional Provision to the Bill and are due to be heard by the Committee in January 2016. They have recently received Promoter’s Response Documents from HS2 Ltd.
The provision of car parking spaces and the charges that are made to use them are matters for individual NHS trusts, taking account of their local circumstances. NHS Trusts have the power to charge for car parking as provided by paragraph 20 of Schedule 4 to the NHS Act 2006.

Income generated from parking charges is used to pay the costs of providing the parking e.g. maintenance, security and lighting, and to avoid funds being taken from budgets for healthcare services. If any excess income is generated, income generation rules require that it is used to fund clinical services.

The Department of Health published the NHS Patient, Visitor and Staff Car Parking Principles in August 2014. They recognise that NHS organisations must have autonomy to make decisions that best suit their local requirements and are therefore not mandatory. However, they offer clear direction and leadership. They are available at:


The principles state that ‘NHS organisations should work with their patients and staff, local authorities and public transport providers to make sure that users can get to the site (and park if necessary) as safely, conveniently and economically as possible’. They help the public hold the NHS to account for any unfair charges or practices. They identify groups that should be considered for free or concessionary parking and require that details of charges, concessions and additional charges should be well publicised. This includes publicising charges at car park entrances, wherever payment is made and inside the hospital. They should also be included on the hospital website and on patient letters and forms, where appropriate.

Some NHS organisations outsource their car parking to commercial companies. This can be a sensible decision as it takes the burden and risk from the NHS. Commercial companies can use their expertise to provide better facilities, leaving the NHS organisation to focus on patient care. However the NHS is responsible for all the actions of its private contractors who run services for them and car parking is no exception. The DH principles are clear on this and help patients hold their local Trusts to account. They also state that ‘contracts should not be let on any basis that incentivises additional charges, e.g. ‘income from parking charge notices only’.

It has been estimated that the cost of providing free car parking across the NHS in England could be nearly a quarter of a billion pounds every year.
Petition

Tuesday 12 January 2016

OBSERVATIONS

JUSTICE

Torquay Magistrates’ Court

The petition of the residents of Torbay,

Declares that the closure of Torquay Magistrates’ Court will have a detrimental impact on court users and a wider implication that justice is no longer to be decided at a local level by local people. The closure will mean that victims, witnesses and those accused will have to travel much further to achieve justice.

The petitioners therefore request that the House of Commons urges the Government to reconsider the proposed closure of services in Torquay and commit to keeping justice local in the Bay.

And the petitioners remain, etc.—[Presented by Kevin Foster, Official Report, 25 November 2015; Vol. 602, c. 1456.]

Observations from the Parliamentary Under-Secretary of State for Justice (Shailesh Vara):

The consultation on the provision of court and tribunals services in England and Wales ran from 16 July to 8 October 2015. HM Courts & Tribunals Service is currently in the process of assessing all responses to the consultation and I expect to announce the outcome in due course. I have asked HM Courts & Tribunals Service officials to record the points and suggestions made in the petition so that they can be fully considered as part of the consultation process.

The HM Courts & Tribunals Service Reform Programme is a once in a generation opportunity to create a modern, user focused and efficient courts and tribunals service. As part of this programme, on 16 July 2015 I announced proposals for the reform of the court and tribunal estate.

Whilst HM Courts & Tribunals Service acknowledge and accept that some people will need to travel further to reach their nearest court and for some the journey, if made by public transport, may be over an hour, for the majority of people the closure will have little impact. We are mindful of the infrequency with which people need to attend court and the small proportion of people who would use public transport to reach court.

Access to justice is not just about proximity to a court. We are committed to providing alternatives to travel, for example through making better use of technology, including video conferencing, and exploring whether we can appropriately make use of civic buildings for certain types of hearing.
Petition

Monday 18 January 2016

OBSERVATIONS

TRANSPORT

Reopening of Barlaston Railway Station
(Stoke-on-Trent)

The petition of residents of the constituency of Stone in Staffordshire,

Declares that the residents of Barlaston request the reopening of Barlaston railway station; further that the station was taken out of service and closed to trains as a consequence of the West Coast Main Line Upgrade in 2003; further that at present anyone wishing to travel by train from Barlaston must first take either one or two buses to Stoke-on-Trent or Stafford and/or undertake journeys on foot to rail replacement bus stops in Stone, which is a significant inconvenience and means access to the rail network is considerably difficult; further that the success of the reopening of Stone railway station in 2008 has demonstrated the potential for local stations to thrive; further that since Stone railway station reopened, Stone has seen a remarkable growth in its annual passenger footfall figures which have more than doubled from 48,000 in 2009-10 to 100,000 in 2013-14; and further that the London Euston–Crewe train already runs through Barlaston station without stopping.

The petitioners therefore request that the House of Commons urges the Department for Transport to reopen Barlaston railway station.

And the Petitioners remain, etc.—[Presented by Sir William Cash, Official Report, 8 December 2015; Vol. 603, c. 964.]

Observations from the Parliamentary Under-Secretary of State for Transport (Claire Perry):

The Department is very much aware of the concerns of the people of the constituency of Stone, and their elected representatives, regarding the reopening of Barlaston station.

As your residents may be aware, we are currently running a public consultation regarding the future West Midlands franchise, which will inform our specification for train services for the franchise. We would encourage residents to respond to the consultation which runs until 22 March 2016. Residents can respond by filling out the online survey1 or submit a written response2. Alternatively, residents can attend one of the consultation events3 held by the Department and West Midlands Rail for a chance to hear first-hand about plans for the new franchise and an opportunity to ask questions.

We are aware of the concerns regarding services at Barlaston station, and are planning to hold a separate consultation on options for the services and stations in this area later this year.

We have listened to the people of the constituency of Stone, and I look forward to receiving your responses to both public consultations.

1 http://www.smartsurvey.co.uk/s/west-midlands-franchise/
2 Written responses can be sent to westmidsconsultation@dft.gsi.gov.uk.
Petition

Wednesday 20 January 2016

OBSERVATIONS

FOREIGN AND COMMONWEALTH OFFICE

Humanitarian situation in Yemen

The petition of residents of the UK,

Declares that the dire inhumane situation in Yemen due to the armed militia conflict (civil war) and the coalition bombing has led to thousands of people losing their lives or being injured as well as the destruction of thousands of homes, utilities, ports and airports; further that the United Nations now recognises the situation in Yemen as the world’s biggest humanitarian crisis; further that many British citizens and sole dependents and relatives of British citizens are stranded in Yemen; further that the petitioners have concerns about the requirements for settlement visas because the visa requirements cannot be met by many people and because Yemeni nationals who are spouses or children of British citizens cannot cross over into neighbouring countries and cannot apply for such visas as there are no embassies in Yemen; and further that a petition in Liverpool was signed by over 600 individuals.

The petitioners therefore request that the House of Commons urges the Government to take urgent action to ease the suffering of friends and families of British citizens in Yemen by speeding up and simplifying the application process for visa or entry requirements, by allowing the issuing of temporary sponsored visas for relatives and dependents of British citizens residing in the UK who are waiting for visas or whose passport applications are being processed and by coordinating evacuations for vulnerable British citizens who are in urgent need of evacuation from Yemen.

And the petitioners remain, etc.—[Presented by Mrs Louise Ellman, Official Report, 21 July 2015; Vol. 598, c. 1462.]

Observations from the Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Tobias Ellwood):

The situation in Yemen is of great concern to the UK Government. The UK is the fourth largest donor and has more than doubled its humanitarian commitment to Yemen over the last year. We have so far announced £75 million for the humanitarian response. The UK’s support is providing life-saving assistance such as medical supplies, water, food and emergency shelter, as well as supporting refugees and migrants. We have also continued to strengthen and protect local capacity and community assets from further shocks by providing agricultural and other livelihoods assistance. In addition, the UK was the first country to deploy humanitarian experts to Riyadh to work with the Saudi Arabian authorities on humanitarian issues and have offered practical advice on access for humanitarian supplies and commercial shipping to increase the amount of food and fuel entering the country.

Since March 2011, the Foreign and Commonwealth Office travel advice has consistently advised against all travel to Yemen and for British nationals in Yemen to leave. The British embassy suspended operations on 11 February 2015 due to the deteriorating security situation.

Visa and passport issuing is a Home Office policy, not a Foreign and Commonwealth Office (FCO) lead. The Home Office does not have plans to change the visa regime or application process for Yemeni citizens visiting the UK. Where British nationals have Yemeni friends or family members who wish to apply for UK visas, the FCO has provided information and advice on how to do this and the contact details for UK Visas and Immigration.

Applicants in Yemen who wish to apply for a visit visa will need to travel to any visa application centre worldwide; applicants in non-visit categories can apply in Egypt, Jordan or the UAE. This must be done in person in order to submit biometric information and original passports.

Whilst the British embassy remains closed, it will not be possible to apply for a British passport in Yemen; overseas British passport applications can be made in a neighbouring country of the prospective applicant’s choice.

We understand that the Yemen Passport Office is functioning in Sana’a, therefore eligible individuals are able to apply for Yemeni travel documents that would allow them to travel out of Yemen to a neighbouring country and apply for a British visa or passport.
The UK believes that a political solution is the best way to bring long-term stability to Yemen, and we fully support the UN’s efforts towards a return to an inclusive political process. We welcome the positive progress made during UN-facilitated talks held in Switzerland between 15 and 20 December 2015, which will provide a foundation for the next round of talks in the coming weeks. We are encouraging all Yemeni parties to engage without preconditions and in good faith in future talks to allow Yemen to move towards a sustainable peace and to alleviate the suffering of the Yemeni people.
The following is an extract from Questions to the Secretary of State for Business, Innovation and Skills on 15 December 2015.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Further education colleges are vital for apprenticeships in engineering and construction, in which there is an acute shortage of skills across the country. What assessment has the Secretary of State made of the cuts in funding to FE colleges in terms of delivering this much-needed agenda?

Sajid Javid: I am surprised that the hon. Gentleman is talking about cuts in FE spending. I know that is what Labour was scaremongering about just a few weeks ago, but we have actually protected the adult education budget in cash terms, we will double spending on apprenticeships by 2020 and we have extended the availability of advanced learner loans. Taken together, this will mean a 30% real increase in FE spending by 2020 compared with this year.

Adult Skills (Funding)

The following is an extract from Questions to the Secretary of State for Business, Innovation and Skills on 15 December 2015.

7. Barbara Keeley (Worsley and Eccles South) (Lab): What steps he plans to take to make the efficiencies and savings in adult skills set out in the “Spending Review and Autumn Statement 2015”.

The Minister for Skills (Nick Boles): We are protecting funding for adult education at £1.5 billion per year in cash terms. We are extending advanced learner loans to more adult learners and increasing spending on adult apprenticeships to £1.5 billion by 2019-20. As my right hon. Friend the Secretary of State says, this means that total funding for adult skills training will be 30% higher in the last year of this Parliament than in the first.

An error has been identified in the response I gave to the hon. Member for Worsley and Eccles South (Barbara Keeley) during Questions to the Secretary of State for Business, Innovation and Skills.

The correct response should have been:

The Minister for Skills (Nick Boles): We are protecting funding for adult education at £1.5 billion per year in cash terms. We are extending advanced learner loans to more adult learners and increasing spending on adult apprenticeships to £1.5 billion by 2019-20. As my right hon. Friend the Secretary of State says, this means that total funding for adult skills training will be 30% higher in the last year of this Parliament than in the first.
Ministerial Correction

Monday 11 January 2016

FOREIGN AND COMMONWEALTH OFFICE

Saudi Arabia

The following is an extract from a statement made by the Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood) on Tuesday 5 January 2016.

Mr Ellwood: The right hon. Gentleman specifically asked about—or made reference to—judicial co-operation under the memorandum of understanding. I understand from the Under-Secretary of State for Justice, my hon. Friend the Member for Esher and Walton (Mr Raab), that there is no agreement on judicial co-operation in that MOU.


Letter of correction from Mr Ellwood.

An error has been identified in the answer I gave to the right hon. Member for Leeds Central (Hilary Benn).

The correct response should have been:

Mr Ellwood: The right hon. Gentleman specifically asked about—or made reference to—judicial co-operation under the memorandum of understanding. I understand from the Under-Secretary of State for Justice, my hon. Friend the Member for Esher and Walton (Mr Raab), that there is no judicial co-operation taking place under that MOU.
TRANSPORT
Concessionary Fares: Blackpool North and Cleveleys

The following is an extract from the Westminster Hall debate on concessionary fares in Blackpool North and Cleveleys on 20 January 2016:

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): My hon. Friend raised several issues, and I will begin my response by talking about concessionary travel. The Government know how important affordable, accessible transport is. It is the bread and butter of the way communities function and move around. That is especially true for older and disabled passengers—a point that he made clearly and powerfully. That is, of course, why the Government have committed to protecting the national bus travel concession in England, and why they spend some £900 million a year on doing so.

Letter of correction from Mr Jones:

An error has been identified in the response I gave to my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) in the debate on concessionary fares in Blackpool North and Cleveleys.

The correct response should have been:

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): My hon. Friend raised several issues, and I will begin my response by talking about concessionary travel. The Government know how important affordable, accessible transport is. It is the bread and butter of the way communities function and move around. That is especially true for older and disabled passengers—a point that he made clearly and powerfully. That is, of course, why the Government have committed to protecting the national bus travel concession in England, and why they spend some £900 million a year on doing so.
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SCOPE

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